

Committee Secretary  
Senate Community Affairs References Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Wednesday, October 07, 2009.

To whom it may concern,

Thank you for the opportunity to contribute to the current inquiry into hearing health in Australia. As one of Australia's leading hearing health care providers the issues being considered by the inquiry are of great importance to us. Below we have outlined our areas of concern as they relate to the terms of reference of the inquiry.

## **Executive Summary**

Hearing impairment is one of the most significant health issues for Australia in the 21<sup>st</sup> century and yet it is under-represented in funding terms on a federal, state and local basis. The impact of hearing loss on the individuals and families who experience hearing loss should not be under-estimated. We have an excellent Australian Government funded hearing services scheme and yet there is still a number of areas where this scheme could be made much more effective and broadened to cover a larger number of individuals. The effect of such changes could have a significant impact on the more than \$20 billion annual cost of hearing impairment on the Australian Community.

### **1. Extent, causes and costs of hearing impairment in Australia.**

The Access Economics (2006) *Listen Hear – The Economic Impact and Cost of hearing loss in Australia* report is the most comprehensive document to date covering this issue. The key points are:

- The prevalence of hearing loss in Australia is increasing rapidly and is predicted to continue growing for many decades. The current number is around 1 in 6 people experiencing some form of hearing loss and that is expected to rise to 1 in 4 over the next 40 years.
- The two most significant causes of hearing loss in Australia are ageing and noise exposure. The World Health Organisation identifies noise induced hearing loss as the most prevalent preventable chronic health condition in the world.
- The indirect costs of hearing impairment on the community are roughly equal to the direct costs, and
- The provision of hearing aids and associated rehabilitation services are a relatively small component (3.2%) of the real financial cost of hearing impairment on the community, and an even smaller component if the total costs are considered.
- The corollary is that only 2.9% of the entire cost of hearing impairment every year in Australia is actually related to the management, treatment and amelioration of hearing impairment.

### **Recommendation**

- The Australian Government invest more into the direct management, treatment and amelioration of hearing impairment to reduce the overall financial burden of hearing impairment on the community.

## **2. Implications of hearing impairment for individuals and the community.**

### **2.1 Individual implications**

- The impact of hearing impairment on individuals can be profound because hearing impairment is a communication impairment. Therefore, hearing impairment impacts the very basis of the individual's relationships leading to relationship breakdown, social isolation and depression.
- Individuals with hearing impairment are variously considered:
  - "Stupid" because they do not answer questions correctly or respond inappropriately during conversations.
  - "Senile", especially amongst the elderly population, because of their lack of response to conversational engagement.
  - "Aloof" or arrogant when they do not respond.
- These perceptions give rise to miscommunication, or even the total lack of communication.
- There are numerous examples any hearing health care professional could give the Inquiry. For example, a client seen recently in our centres was suffering greatly because his wife believed that he was not listening to her and so would "punish" him but not talking to him for days on end. The identification and treatment of this client's hearing loss radically changed this relationship overnight.

### **2.2 The impact on the community is best summarised by the costs of hearing impairment outlined in the Listen Hear Report where lost productivity accounts for almost \$7 billion in costs to the community every year.**

- Increased unemployment amongst workers over the age of 45 with a hearing loss is significant to the community at a time where the Australian Government is looking to engage older workers.

### **Recommendation**

- Given the significant impact of hearing impairment on individuals and the community, and in light of the growing prevalence of hearing impairment, hearing issues should be made a national health priority.
- Given that productivity loss is greatest amongst workers over the age of 45, and age related hearing loss begins around age 55, the government should consider reducing the age of eligibility to access subsidised hearing services and devices.

## **3. Adequacy of access to hearing services, including assessment and support services and hearing technologies.**

### **3.1. Access to hearing services**

- There are two issues here. Firstly, access to hearing services across all areas of the community, and secondly, affordable access to hearing services.
- The spread of hearing services is unbalanced between regional and metropolitan areas. This is in part due to the difficulties attracting and retaining hearing care professionals in regional and rural areas and also due to socio-economic factors making servicing rural areas less attractive to hearing service providers. Within Connect Hearing, there is currently a three month waiting list for services in regional NSW, but in Sydney, 95% of services could be provided within 5 working days.
- This discrepancy arises because we are unable to provide additional clinical capacity in regional areas in a cost effective manner.
- Hearing services for children are also limited significantly by economic factors. It is not commercially viable for companies such as Connect Hearing to provide across the board hearing

services for children. We provide assessment services in locations where there is limited access to government funded facilities such as South West Western Australia and Central Queensland.

- Where these services are provided, it is on a fee for service basis, although in Central Queensland we have an arrangement to provide these services on behalf of the Queensland Department of Health.
- There is a wealth of literature pointing to the value of early intervention and support for children and their families when hearing impairment is identified, and yet because of the lack of access to hearing services, some children wait months or years before even being identified as having a hearing impairment.
  - Whilst not usual, there are numerous examples of children being identified with a hearing impairment around the time they start school. The prognosis for such children is life-long communication impairments and consequent limited educational achievement.
- Australian Hearing is well placed to provide services to children, but it is not uncommon to hear of children who have been identified with a hearing loss and fitted with a hearing aid, who then are not seen for follow-up and support for up to 12 months. The problem here is that this is the most crucial time for the assessment of the efficacy of intervention and the management of amplification options, such as the provision of cochlear implants. Yet without adequate follow-up, the management of these cases is compromised.
  - Connect Hearing believes that this situation occurs because of a lack of funding for Australian Hearing's Community Service Obligations to children.
  - We are concerned that this lack of funding forces Australian Hearing to divert its limited staff resources to more commercially viable cases.
  - If early intervention is managed well, there is a significantly reduced need for subsidised services for this population beyond school aged years.

### 3.2. Assessment services

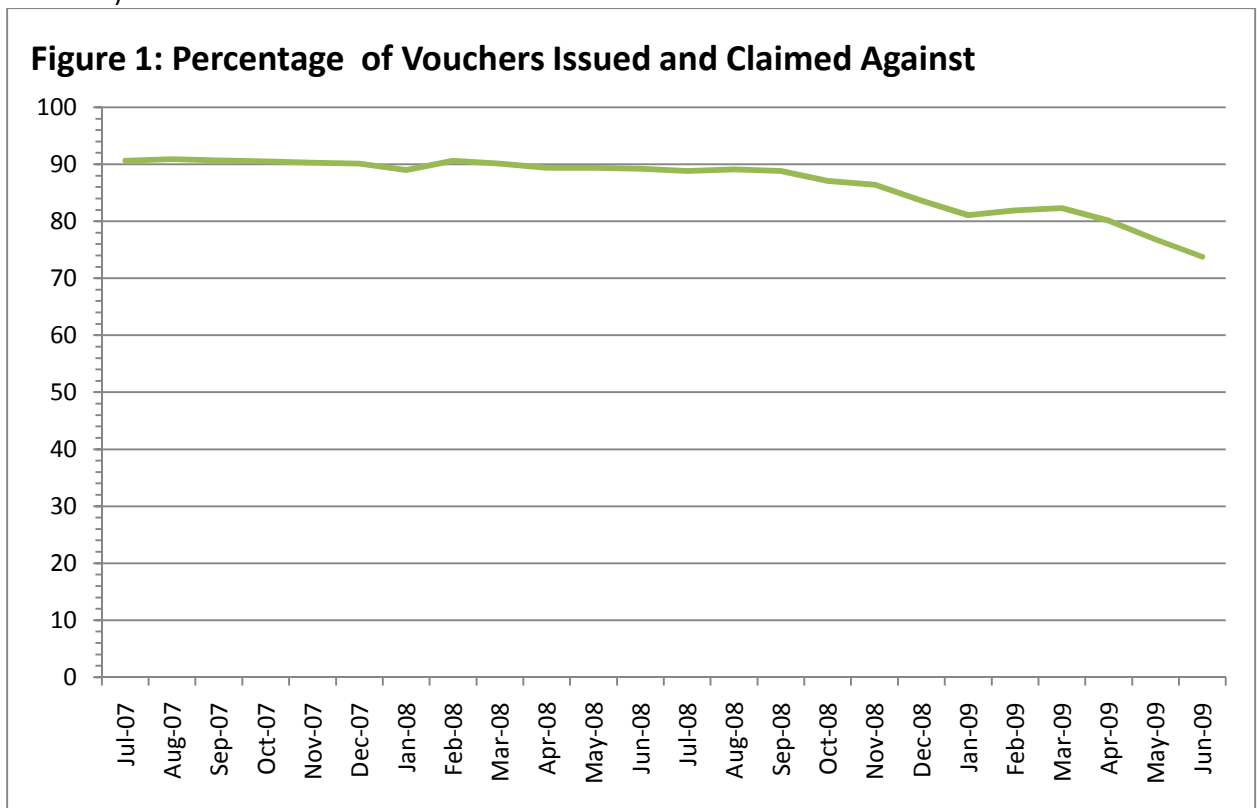
- Access to assessment services is affected by several factors:
  - State Government funding for community assessment services
  - Australian Government funding for assessment services
  - Overall access to hearing services
- We note that some states provide universal newborn hearing screening, whilst in other states it is provided either on a user pays basis (WA private hospitals for example), or is provided inconsistently between regional and metro areas (Qld for example).
- Given that Hearing Service Providers are typically unable to access Medicare reimbursement for assessment services, there is a strong bias toward providing assessments free of charge to client's likely to proceed to hearing aid fittings. In this way, fees for hearing aids often subsidize the costs of assessments, but also limit access to them.
  - Medicare rebateable assessments can be conducted by insufficiently qualified individuals if they are conducted under the auspices of a medical practitioner. Services provided by university trained hearing health care professionals on the other hand cannot be Medicare rebated. This inconsistency leads to a reduction in access for assessment services.

### 3.3. Support services

- Support services are typically provided by volunteer groups such as Better Hearing Australia or SHHH or by service groups such as Quota.
- Because of this arrangement, support services are not universally available or of a universal minimum standard.

### 3.4. Hearing technologies

- Notwithstanding comments made in Section 3.1, access to hearing technology is almost adequate.
- Issues that limit access to technology are:
  - Insufficient rebates through private health insurance
  - Complex administration of the Australian Government Hearing Services Scheme.
  - Cross subsidies of hearing assessment services through the sale of hearing aids reduces access to some individuals.
  - Subsidized services are not available to older workers experiencing hearing loss, despite this group having the greatest impact on lost productivity.
- The Australian Government Hearing Services Scheme (Voucher scheme) is generally a good scheme. However, complexities in the administration of the scheme make it expensive for the government to administer (over \$9 million this financial year) and expensive for companies such as Connect Hearing to administer. A simplification of the scheme would allow increased direct funding and access to hearing technology for a greater number of hearing impaired individuals without any increase in cost to the budget.
  - Due to increased administrative burdens for the Office introduced in October last year, voucher take up rates have reduced from the long term average of 90% to below 80% (Data taken from Published information from the Office of Hearing Services; see Figure 1)



- The voucher scheme does not provide the best available technology to the majority of users at a reasonable price. This leads to a low take-up of services and reduced user acceptance. The Office of Hearing Services quotes that over 30% of aids fitted are not worn by the end user. Whilst Connect Hearing's experience indicates a figure much lower than this, the most often

cited reason is that the aid did not meet the user's expectation. This is not surprising given the complex needs of many clients that are not adequately met by fully-subsidized hearing aids.

- Previously the minimum standards have been increased without a corresponding increase in reimbursement exacerbating service issues for these clients. Companies such as Connect Hearing subsidize hearing services for clients receiving "free" products through the sale of "top-up" devices and private sales. As the minimum aid standard increases, there is less incentive for clients to top-up their aid choice. If there is no increase in remuneration corresponding to this change, providing services to Voucher clients becomes less attractive and results in reduced appointment times and availabilities.
- Connect Hearing conditionally supports increasing the minimum level of technology available in the Voucher scheme provided this is done in such a way that is viable for us to provide those services and products.

**Recommendations:**

- Medicare item numbers for assessments be made available to hearing health care professionals
- OHS Voucher scheme administration simplified
- OHS Voucher Scheme extended to include older workers aged above 55
- Health Fund rebates increased for hearing aids
- Minimum standards of aid quality improved within the voucher scheme, with corresponding increase in reimbursement to service providers.
- Australian Hearing should be more supported by the government in the execution of its Community Service Obligations to the infant and child population.

**4. Adequacy of current hearing health and research programs, including education and awareness programs.**

- There has been a distinct lack of hearing awareness campaigns targeted at the general community, especially around the issue of noise damage.
- There are significant concerns that the National Acoustics Laboratories has lost its independence and cannot adequately engage major hearing instrument manufacturers in new research projects apart from Siemens. This is having an impact on Australia's international research reputation.

**Recommendations:**

- World Health Organisation guidelines for the promotion of noise injury awareness be adopted.
- We note that of \$11 million in funding provided for awareness campaigns in last year's budget, only a fraction of this money was spent.
- Research funding be provided to independent organisations to renew Australia's pre-eminent position in hearing related research.

**5. Specific issues affecting indigenous communities.**

- Connect Hearing is not engaged in service provision to the indigenous community. However, we note that the budget for hearing services to indigenous communities was decreased by \$500,000 this financial year.
- Connect Hearing believes that Australian Hearing is best placed, through its Community Services Obligations (CSO) funding arrangement, to provide these services.

**Recommendations:**

- Australian Hearing's CSO funding should be increased for the provision of hearing services to the indigenous population.

We thank you again for the opportunity to comment on this Senate Inquiry and would be honoured to be invited to present this information in person to the inquiry. I can be contacted on the details below.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Christopher Brew', written in a cursive style.

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