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## Supplementary submission to Senate Select Committee on Health

Aboriginal Health Council of South Australia

January 2015

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The Aboriginal Health Council of South Australia (AHCSA) Inc. made a submission and gave oral evidence to the Senate Select Committee in 2014 (see attached). This supplementary submission is prepared at the request of the Committee, focusing on section (e) of the terms of Reference: “improvements in the provision of health services, including Indigenous health”.

The evidence suggests that the potential for improvement in the provision of Indigenous health services over the past few years has not been achieved, not so much due to insufficient funding, but more due to poor use of the available funds. In particular, the reluctance of the government to increase investment in Indigenous organisations, such as Aboriginal Community Controlled Health Services (ACCHSs) is arguably the main reason that government expenditure on Indigenous health is not having the effect that it should. The 2014 Indigenous Expenditure Report (published by the Steering Committee for the Review of Government Service Provision) shows that mainstream services accounted for 81.4% of direct Indigenous expenditure in 2012-13 (an increase in 26% from 2008-09), with 18.6% provided through targeted Indigenous-specific services (a decrease of 1-2% from 2008-09). Base funding for ACCHSs has only increased by CPI over this period, with no expansion of funding despite the great need.

AHCSA has previously presented to the Committee the emerging evidence that the ACCHS sector achieves outcomes at least as good, and often better, than non-Indigenous health services, despite the fact that the patients using ACCHSs generally have more complex and challenging health issues. The pro-active approach of ACCHSs also means that health care reaches many Indigenous people who would not otherwise access health services.

There is also evidence in government documents that the “mainstreaming” approach of recent governments is counter-productive. In 2001, during the term of the Howard government, the Commonwealth Grants Commission undertook a significant inquiry into Indigenous funding (Commonwealth Grants Commission 2001, *The Indigenous Funding Inquiry*). This important report has never received from the government the attention it deserved. Some of its main findings were as follows:

- It is clear from all available evidence that mainstream services do not meet the needs of Indigenous people to the same extent that they meet the needs of non-Indigenous people;
- Indigenous Australians in all regions access mainstream services at a very much lower rate than non-Indigenous people;
- The mainstream programs provided by the Commonwealth do not adequately meet the needs of Indigenous people because of barriers to access; and
- Commonwealth Indigenous-specific programs are intended to provide targeted assistance to Indigenous people to supplement the delivery of services through mainstream programs ... the failure of mainstream programs to effectively address the needs of Indigenous people means that Indigenous-specific programs are expected to do more than they were designed for.

The failure of governments to come to terms with findings such as these not only leads to a failure of service delivery for Indigenous people. Commentators such as Patrick Sullivan (Sullivan P., *Belonging together: dealing with the politics of disenchantment in Australian Indigenous affairs policy* Aboriginal Studies Press, Canberra



2011) highlight the role of Indigenous organisations such as ACCHSs as constituting Indigenous civil society. Indigenous organisations have been played an important role in Indigenous communities for the past fifty years, and to a significant extent, it is through these organisations that Aboriginal people participate within the Australian polity. The implications of this are that undermining of Indigenous organisations (for example, through “mainstreaming” policies) has a deleterious effect on Aboriginal communities beyond the immediate effect on specific service delivery.

The ACCHS sector has developed a successful model of providing comprehensive primary health care to a particularly vulnerable section of the Australian population. As such, the achievements of the ACCHS sector should be celebrated and supported. Instead, the sector is increasingly under threat. These threats include the following:

- Almost all new Indigenous health funding streams in recent years has been directed to non-Indigenous agencies rather than to ACCHSs, leading to inappropriate and wasteful use of the funding. AHCSA could give a number of examples of how non-Indigenous organisations funded to provide Indigenous health services have not used the funds appropriately.
- The inadequate investment in core funding for ACCHSs in recent years has led to increasing pressure on ACCHSs to maximise income from Medicare rebates. This pressure can have the adverse impact of changing the successful model of care which has developed in ACCHSs, using multi-disciplinary teams of Indigenous and non-Indigenous health providers offering a range of services to meet the medical and social needs of the clients, to a more narrowly focused service based on as many consultations as possible with a general practitioner.
- This pressure has been increased by the Medicare changes announced by the Abbott government. A range of agencies and organisations are challenging these changes, but the impact of the changes on the way ACCHSs have traditionally met the health and social needs of Indigenous people has not received sufficient attention.
- Another Medicare change which has not received much attention is a recent decision by the Department of Health in December 2014 that a change made to the *Health Insurance (General Services table) Regulation* in 2012 means that Aboriginal Health Workers are unable to assist a general practitioner in performing an Aboriginal Health assessment (MBS Item 715). It appears that this has probably occurred due to a wrong interpretation of the legislative instrument, but the decision as it stand contributes to an interference in the successful model of health care developed by ACCHSs.

There is good evidence that effective investment in primary health care for Indigenous people will result in better health outcomes at lower cost (see, for example, Zhao et al, Better health outcomes at lower cost: the benefits if primary care utilisation for chronic disease management in remote Indigenous communities in Australia’s Northern Territory, *BMC Health Services Research* 2014, 14:463 <http://www.biomedcentral.com/1472-6963/14/463>). The ways that funds are invested should be based on evidence rather than prejudice. A well-resourced ACCHS sector (which means both adequate funding for ACCHSs themselves and for their peak bodies at the State or Territory level to provide much-needed support, particularly for smaller health services) could achieve much better health outcomes than is currently being achieved. This does not necessarily involve more funding; it could be achieved with a responsive government health department with good leadership, working in genuine partnership with the ACCHS sector, and making better use of currently available funding.