

Submission to Senate Community Affairs Committee

Assistive and sub-acute medical technologies to enable older Australians to remain at home





The Aged Care (Living Longer Living Better) Bill 2013 is one of five Bills amending the *Aged Care Act 1997* and related legislation to give effect to the Living Longer Living Better reforms. The package of reforms covers a long term plan to reshape aged care. The Bill is currently before the Parliament of the Commonwealth of Australia House of Representatives. Under the Aged Care Reform plan¹ \$3.7 billion will be provided over the next five years to deliver more choice, easier access and better care for older Australians and their families. Over the next five years the government is significantly expanding the number and level of home care packages. The reforms will assist people to stay at home by providing an integrated home care support program, more home care support packages (with new levels) and greater choice through Consumer Directed Care across all care packages.

From next July two new care packages will be introduced (increasing the number of home care packages from two to four). The Home Care package program will include new low and intermediate level packages. The new intermediate level package will sit between Community Aged Care (~\$15,000 per year) and Extended Aged Care at Home Packages (~\$45,000) and will provide services to the value of approximately \$30,000 per year. The aim is to allow a smoother transition between levels of care from home to residential and to assist older Australians as their care needs change.

The Medical Technology Association of Australia (MTAA) welcomes the opportunity to make this submission to the Senate Community Affairs Committee. MTAA supports reform to make home healthcare more accessible to older Australians. What has been missed in the reforms to date is a means of providing fair and equitable access to a range of assistive medical technologies that will enable Australians to remain in their own homes for as long as possible.

Due to our ageing population and the increase in the number of people with chronic diseases we need to find smarter ways to manage the health needs of Australians. There has been rapid development of new applications for monitoring and treating health conditions in the home. The conditions most suitable for home healthcare include many of those which are more prevalent with age, such as diabetes, cardiovascular disease, cardiac arrhythmias and chronic obstructive pulmonary disease (COPD). There are a large number of sub-acute medical items that are available for patients to manage their health at home (e.g. modern wound care devices, consumables and continence aids). There are also a wide range of medical devices that have wireless capabilities and can be used to monitor patients in their homes. These include vital signs monitors and implantable medical devices that can be monitored remotely.

It is currently very difficult for Australians to access these types of products. There is no universal policy for reimbursement and patients may have to navigate a number of different systems to access assistive technologies and services (e.g. Department of Health and Ageing, Department of Veterans' Affairs, State and Territory Aids and Appliances schemes and, in some cases, private health insurance). MTAA has previously advocated for an Essential Care List scheme for sub-acute medical

¹ www.health.gov.au/internet/publications/publishing.nsf/Content/ageing-aged-care-reform-measures-toc-ageing-aged-care-reform-measures-chapter1-htm.

devices (see: <http://www.mtaa.org.au/policy-initiatives/essential-care-list>) and for funded access for home health technologies such as vital signs and remote patient monitoring (see: <http://www.mtaa.org.au/policy-initiatives/telehealth>).

1. About the Medical Technology Association of Australia (MTAA)

MTAA represents the manufacturers, exporters and suppliers of medical technology products in Australia. MTAA represents companies which account for the majority of products listed on the Australian Register of Therapeutic Goods (ARTG) and approximately 75% of the higher risk implantable medical devices listed on the Prostheses List and used in the Australian marketplace. The member companies cover the spectrum of the industry in Australia, from subsidiaries of major multinational medical technology companies to independent distributors and small to medium sized Australian innovator companies. The medical technology industry manufactures a wide range of medical technologies that can be used to monitor and assist patients with their health in the home.

2. Medical technology to manage health in the home

There has been a rapid adaptation of existing medical devices for the home health market. Almost any medical device can be wirelessly enabled to assist with healthcare delivery in the home. Technologies underlying telehealth and home health such as interoperability and wireless solutions have led to major innovations in other industries (e.g., the smart phone industry). There are many medical technologies to assist individuals with sensory, motor or cognitive impairments to achieve greater independence. These include sub-acute medical items (including consumables), aids, appliances and equipment, alarms and alerts, vital signs monitors and the technology to monitor implantable devices (e.g. pacemakers) remotely. Such technologies can be used for both healthy ageing and to monitor the chronically ill. Examples of common assistive technologies are shown in Table 1.

Table 1: Assistive technologies used to manage healthcare in the home

Technology/purpose	Examples
Wellness and prevention	Smart phone health apps Self management programs
Assistive technologies/ ageing at home	Smart phone medical apps Medical sensors Medication management (electronic pill dispensers, automatic reminders) Medical (smart homes) Medical consumables (low technology items)
Assessment/diagnostic	Smart incontinence management Sleep apnea management Home-based diagnostics (handheld ultrasound)
Emergency care	Alarms/medical alerts Emergency pendants Wearable sensors including GPS Movement/pressure sensors to detect occupancy Smoke, gas, flood and temperature sensors
Chronic disease management (vital signs monitoring)	Pulse oximeters Spirometers

	Heart rate monitors Blood pressure meters Drug delivery/infusion pumps Electrocardiogram (ECG) Home haemodialysis monitors Glucose monitoring
Implantable medical devices with remote monitoring capabilities	Cardiac devices Continuous glucose monitors Cochlear implants

3. Assistive technologies and aged care reform: Living Longer Living Better

4.1 Reform to assist Australians to stay at home: New Home Care Packages

In many cases the delivery of home care packages is fragmented and people are forced to move between providers as their care needs increase. One of the priorities of the current reforms is to provide more support and care in the home. From July 2013 Community Aged Care Packages and some forms of flexible care (Extended Aged Care at Home and Extended Aged Care at Home – Dementia) will be replaced with a new type of care, home care (“Home Care Packages”). Home care is defined as *“consisting of a package of personal care services and other personal assistance provided to a person not being provided with residential care”*. This policy area is of specific interest to the medical technology industry. MTAA has a history of advocacy for better home health services through the provision of medical technology in the home.

There are currently a number of programs that provide support in the home, however, these are often fragmented, differ between areas and are inconsistent. This fragmentation has been recognised by Government. As part of the reforms the Commonwealth Home Support Program will provide \$75.3 million to support older Australians to stay at home. The Commonwealth Home Support Program will commence in July 2014 and will bring together current services offering home care under the one program (including the Home and Community Care Program, the National Respite for Carers Program and the Assistance with Care and Housing for the Aged Program). Services will be reviewed to determine an understanding of what individuals want and whether services are being provided appropriately. The review of home support services will be the first since the 1980s.

The Federal Government currently funds a range of programs designed for people who are eligible for residential care but who choose, with support, to remain in the community. In some cases telehealth services are provided as part of community aged care packages. As part of the reforms funding will be provided for a pilot trial to enable general practitioners (GPs) to deliver consultation to aged care recipients in residential care by videoconference. There is no mention of funding consultations between a GP and an aged person in their own home. It seems counterintuitive that to be eligible for a service such as a remote consultation that a person needs to be in a (costly) residential care facility. The reforms should consider including services such as remote consultation and vital signs monitoring, within *all* home care packages.

There are a number of examples in Australia where assistive technologies are being used to deliver healthcare in the home at minimal cost. Aged Care provider Feros

Care² has piloted two telehealth technologies with clients with chronic long term conditions: telecare (alarms, alerts, environmental sensors, falls detectors, medication reminders) and telehealth (home monitoring of vital signs)³. The study found that 44% of clients reported a decreased need for routine GP visits and 59% felt less concerned about the severity of their condition. Quality of life was improved for 80% of clients. The findings were so positive that Feros Care now incorporates telecare and telehealth services as part of standard service delivery. Telehealth is considered a fundamental approach to care delivery, rather than an add-on. Similarly, Silver Chain in Western Australia is using telehealth technology to assist patients with COPD to remain out of hospital. Silver Chain has undertaken a randomised controlled trial of telehealth self-monitoring including 200 participants. Initial results have been positive, with a decrease in the number of emergency department presentations and hospitalisations⁴.

MTAA recommends that current program guidelines and service specifications lists be updated to include assistive technologies, sub-acute medical products and home health services such as telecare and telehealth as standard service options available to clients and patients in all community care and chronic disease management programs. This will mean that technology for home healthcare is seen as an approved intervention and a fundamental approach to care delivery, rather than an add-on.

4.2 Consumer Directed Care (CDC)

The reforms aim to increase the amount of choice and control an individual has in their home care. An initiative called Consumer Directed Care (CDC) will empower the individual to make decisions about what services they get and how their care needs are provided. From July 2013, all new Home Care packages will be offered on a CDC basis. Existing packages will be converted by July 2015.

CDC is an initiative placing the individual at the centre of care decisions and fully engaging them in determining what and how their care needs are provided. CDC packaged care has been trialled with success in a limited number of Home Care packages over the past two years. The trials funded select community aged care providers to deliver innovative service models, to provide clients with control over type of services and service provider.

Currently it would be unlikely (or at least not easy) for an individual to use CDC packaged care to access technologies such as medical alarms, alerts, falls detectors, medication reminders, assistive technologies or remote monitoring of vital signs/implantable medical devices. An individual's choice is still constrained by the service provider (in their area). If a service provider does not offer medical products or technologies (e.g. modern wound care devices or vital signs monitoring) to enable them to remain in the home, then it will be very difficult for the individual to access that technology. It means the individual must be proactive in their choice of service provider, which may be impossible outside of metropolitan regions. The reforms need to ensure that innovative technologies, services and medical products and devices are available via *all* service providers and that the success of CDC is not limited by the service provider.

² www.feroscare.com.au.

³ Telehealthcare – Supporting People to Live Safely and Independently at home: An Australian Pilot Program, Feros Care, 2010.

⁴ Smith, J. et al. (2011). Telehealth Monitoring of People with Chronic Obstructive Pulmonary Disease: Are The Benefits Sustained? Research Department. Strategic Research Series - Number 024.

The KPMG review of CDC alluded to these difficulties⁵. In the majority of cases CDC did not suddenly provide individuals with a wide range of innovative assistive technologies or new services to select from in order to enable them to better take care of their health at home. The report states that: *“The degree to which providers were already flexible and person-centred in their approach influenced the degree of change that was needed for them to implement CDC ... Variations were particularly notable in planning processes, in providers’ degree of flexibility around the range and choice of services offered participants, and in providers’ openness to allowing package funds to be used for innovative or non-traditional supports”* (page 2). The evaluation did not specifically consider access to innovative technologies. The report notes that there is a risk that CDC may not be embedded as a different approach to standard packaged care.

The aim of the reforms is to build a better, fairer, more sustainable and nationally consistent aged care system. The Bill introduces a five year independent review of CDC. The review will consider whether support and care options have been expanded and improved and whether individuals have been able to have greater say over services and care delivery.

MTAA supports CDC packaged care but would like to see Australians provided with more access to assistive technologies and sub-acute medical technologies. Under the current system it is difficult for Australians to access home health technologies. Funding is often dependent on which state or territory an individual resides in (or in the case of CDC packaged care, proximity to service provider). In many cases there is a perverse incentive for patients to enter residential care in order to receive accommodation and care subsidies or to access medical care that could be provided in the home.

4.3 State and Territory Health schemes

There are no specific State or Territory schemes that fund assistive technology for home health. There are a small number of telehealth programs and pilots currently deployed in each state. Each State and Territory Government has a program to fund sub-acute medical items and assistive devices (see Table 2). The schemes listed below cover items such as wheelchairs, continence aids, walking aids, personal aids, communication aids, alarms, mobility aids, pain management aids, pressure garments, continuous positive airways pressure (CPAP) devices, respiratory aids, feeding equipment, beds/sleeping equipment, oxygen cylinders/concentrators, lymphoedema bandages, electrolarynxes and voice prostheses. At present many of these essential care items are either unfunded or, if funded, vary in availability and subsidy depending on the place where the patient lives. Some assistance is available from the Federal Government; other support is from State Governments. Some products are provided ex gratia by healthcare practitioners who understand the need of the patient for the benefit that can be gained from use of a particular product.

⁵ KPMG. Evaluation of the consumer-directed care initiative – Final Report. Department of Health and Ageing, January, 2012.

Table 2: State and Territory Aids and Appliances schemes

State	Program
ACT	ACT Equipment Scheme (ACTES)
NSW	Program of Appliances for Disabled People (PADP)
NT	Territory Independence and Mobility Equipment (TIME) Scheme
QLD	Medical Aids Subsidy Scheme (MASS)
SA	Independent Living Equipment Program (ILEP)
TAS	Community Equipment Scheme (CES)
VIC	Victorian Aids and Equipment Program (AEP)
WA	Community Aids and Equipment program (CAEP)

Different items are accessible under different schemes (see Appendix A). The schemes listed above do not cover peripheral components such as vital signs monitors (scales, blood pressure monitors, pulse oximeters, glucose meters etc.) used to monitor patients in their homes.

Causing further confusion there are also a range of products available through various Commonwealth schemes. These are shown in Table 3.

Table 3: Commonwealth schemes proving sub-acute medical items and consumables

Program	Products available
Department of Veterans' Affairs	A range of items are available for eligible members of the veteran community via the Repatriation Pharmaceutical Benefits Scheme (RPBS) and the Rehabilitation Appliance Program (RAP)
Continence Aids Payment Scheme (CAPS)⁶	Annual payment of up to \$521 for continence aids and devices
National Diabetes Services Scheme (NDSS)⁷	Assistance and subsidised consumables such as glucose testing strips, syringes, pen-needles and insulin pump consumables
Stoma Appliance Scheme (SAS)⁸	Stoma-related products for individuals following colostomy or ileostomy surgery
National Epidermolysis Bullosa Dressing Scheme	Funding for modern wound care devices (dressings, bandages) for individuals suffering from Epidermolysis Bullosa. The national dressing scheme is worth \$16.4 million over four years from January 2010

MTAA has previously proposed the establishment of a national scheme to provide subsidised patient access to essential consumable items for sub-acute care in the community (Essential Care List Scheme). The proposed national scheme combines existing State and Federal schemes into a federally funded and administered scheme and includes a small number of other medical items not currently subsidised but essential to patient care. The proposed national scheme is modeled on a simplified form of the Pharmaceutical Benefits Scheme, with subsidised access to specific products following assessment of need by a healthcare professional.

⁶ Administered by Continence Foundation of Australia

⁷ Administered by Diabetes Australia

⁸ Administered by Department of Health and Ageing

The Essential Care List scheme would subsidise access to essential care medical technologies that provide necessities to chronically ill or incapacitated patients in the community setting. The items intended for inclusion in the scheme are consumable, single use, non-implantable medical products, together with the hardware that the consumables are used with, essential to maintain an acceptable quality of life of afflicted patients who without government subsidy would not have adequate access to life supporting medical technology.

Products identified in an initial scope of the scheme include:

- Oxygen supplies/consumables
- Compression hosiery, bandages and garments for lymphoedema
- Continence products
- Modern wound care devices (including wound dressings)
- Breast prosthetics (non-implantable)
- Pumps and consumables for insulin delivery, and continuous flow pumps for drug delivery, together with consumables
- CPAP/sleep apnoea devices
- Laryngitic products
- Diabetes consumables (pens, strips, pump consumables)
- Home dialysis devices, consumables and set-up costs.

4.4 Hospital in the home

The reforms should consider the provision of home health and care packages in conjunction with hospital in the home (HITH) care. Under HITH patients are regarded as hospital inpatients and remain under the care of their hospital doctor. Care is provided in the home and a patient receives the same level of care they would in a hospital. A range of services could be provided as part of either HITH or home care packages, including continuous monitoring of vital signs, monitoring of home intravenous infusion technologies, oxygen therapy, rehabilitation, wound care, and home-based diagnostic services such as x-ray and hand held ultrasound devices. Overlap between new home care packages and HITH should be considered.

4.5 Patient co-payment

It is unreasonable to expect Government to bear the full cost of home health services. It is expected there will need to be some patient co-payment. The reforms will reduce the share of funding provided by Government from 84 to 76 percent through changes to means testing. Many technologies such as smartphones (e.g. face time) and internet access are already available in the home. It is likely that components such as monitors and some peripheral devices (e.g. scales, blood pressure monitors) can be rented and remain the property of the supplier. Many devices are inexpensive (e.g. consumables).

Many Australians have the capacity and willingness to pay for technologies. Studies have found that some form of co-payment is not a barrier to the use of home health technologies^{9, 10}. Patient co-payments are already included in State and Territory schemes for aids and appliances. In the United Kingdom, around 50% of people using personal alarms pay for them out of their own pocket. The figure for alerting

⁹ Bradford, W.D. et al. (2004). Willingness to pay for telemedicine assessed by the double-bounded dichotomous choice method. *Journal of Telemedicine and Telecare*, 10(6):325-30.

¹⁰ McKinsey mHealth World Survey 2009.

devices is 31%¹¹. In Australia private care providers such as Feros Care offer fee-for-service programs which provide an alternative for individuals who need in-home care but cannot access Government subsidised programs. Services include telecare (emergency response) and telehealth (vital signs monitoring). Feros Care has developed a cost model that has been integrated into current service delivery. Telecare sensors coupled with telehealth vital signs monitoring (daily review of vital signs by a nurse) cost less than \$10 per day. In many cases the cost comes out of a client's Packaged Care funding; in other cases patients and families are willing to pay a small cost to remain living in their own home. There are a number of private companies offering fee-for-service health solutions and this area is expected to grow.

5 Conclusion

Recent reforms such as the Productivity Commission's "Caring for Older Australians" and the 2012 "Living Longer Living Better" reforms package have recognised the role of assistive technologies in caring for older Australians. However, to date there has been no concrete plan about how to remove barriers to adoption and no pool of money set aside. There has been no clear policy statement on how assistive technologies will be employed in National Reform agendas such as Living Longer, Living Better. While the reforms promise to assist Australians to remain in their own homes, there is no mention of provision of home health, vital signs monitoring or provision of sub-acute medical items or assistive technology. The current reforms present an opportunity to introduce policy for fair access to a range of assistive medical technologies and services for healthcare delivery in the home.

A range of technologies exist to assist and support patients who wish to remain in their own homes. The challenge currently faced is determining how to best fund a range of assistive technologies and devices for independent living and home monitoring of medical conditions that will maintain the independence of older Australians. MTAA recognises that the current system is fragmented and that there are multiple barriers and complexities involved in accessing both products and services. MTAA recommends that medical products (as well as services) should be made available so as to provide real support for older Australians who wish to remain in their own homes.

The efficiency gains associated with delivering healthcare in the home are obvious from the perspective of the service provider and payer, but patients and their carers also benefit. Assistive technologies do not necessarily represent an additional cost to government. Rather costs may be shifted and in many cases cost savings will be achieved. For many Australians, the opportunity to be monitored at home will provide a more practical, reliable and affordable access to medical care, without the time and expense involved in travelling to major cities. In the future, the provision of home healthcare is likely to be the only economically viable option.

Comprehensive policy for reimbursement of home health services is needed and there should be provision for inclusion of medical technologies for home health as part of community care packages. MTAA strongly argues that the provision of care that enables individuals to be treated in the home environment is far more cost effective than *all* other alternatives. The time is right for Australia to develop policy that incorporates a wide range of assistive medical technologies that fall under the home health umbrella, to deliver healthcare in a structured, innovative and cost effective way, as an alternative to resource-intensive and expensive hospitalisation.

¹¹ Lloyd, J. The Future of Who Uses Telecare. The Strategic Society Centre, September 2012.

Appendix A: Different medical technologies available under different State and Territory schemes

State/ Name of program	Aids covered
QLD – Medical Aids Subsidy Scheme (MASS).	<ul style="list-style-type: none"> • Communication aids (e.g., electro larynxes) • Continence aids • Daily living aids (e.g., bathroom aids) • Medical grade footwear • Mobility aids (including wheelchairs) • Orthoses • Oxygen cylinders and concentrators
VIC – Victorian Aids and Equipment Program (AEP)	<ul style="list-style-type: none"> • Non-disposable continence aids • Electrolarynxes and voice prostheses • Electronic communication aids • Environmental control units • Equipment for personal use • Basic home modifications • Lymphoedema compression garments • Mobility aids • Orthoses • Oxygen • Pressure care equipment • Ramps (permanent and portable) • Wheelchairs (manual / electric) • Wigs
NSW – Program of appliances for disabled people. (PADP)	<ul style="list-style-type: none"> • Communications aids • Aids to nutrition • Alarms • Beds and sleeping equipment • Mobility aids • Pain management aids • Pressure garments, • Orthoses • Toileting and showering aids • Transfer aids • Continence aids • Continuous Positive Airways Pressure (CPAP) devices
SA- Independent Living Equipment Program (ILEP)	<ul style="list-style-type: none"> • Mobility aids • Communications aids • Medical grade footwear • Transfer aids • Personal care aids • Prostheses
WA- Community Aids and Equipment program (CAEP)	<p>Loan of:</p> <ul style="list-style-type: none"> • Mobility aids • Seating equipment • Walking aids • Orthoses • Transfer aids • Bed equipment • Personal care aids • Prostheses

TAS – Community Equipment Scheme (CES)	Loan of: <ul style="list-style-type: none"> • Mobility aids • Transfer devices • Self-care aids • Seating and sleeping aids • Surgical footwear • Continence aids • Communication devices • Home modifications • Respiratory aids • Lymphoedema compression bandages
ACT – ACT Equipment Scheme (ACTES)	<ul style="list-style-type: none"> • Continence aids • Wheelchairs and scooters • Prosthesis • Walking aids • Wigs • Personal aids • Home modifications
NT – Territory Independence and Mobility Equipment (TIME) Scheme	Loan of: <ul style="list-style-type: none"> • Mobility aids • Incontinence aids • Personal care aids • Home modifications • Respiratory or breathing aids • Other-such as feeding equipment

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