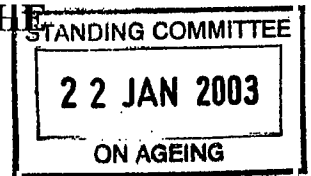


**SUBMISSION TO THE HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON AGEING: INQUIRY INTO LONG-
TERM STRATEGIES TO ADDRESS THE AGEING OF THE
POPULATION OVER THE NEXT 40 YEARS**



Introduction

The Department of Veterans' Affairs welcomes the opportunity to provide a submission to the Inquiry into Long-Term Strategies to Address the Ageing of the Population over the next 40 years.

The Department's experience over recent years in developing strategies to more effectively address the health needs of an ageing veteran community may provide the House of Representatives Committee on Ageing with some useful insights.

Aged profile of DVA treatment population

As at September 2002, 340,000 veterans and war widows held DVA Health entitlement cards.

The Department's treatment population is basically an aged population. The average age is 74 years and 69% of the treatment population is over 75 years. Veterans and war widows comprise 22% of the Australian population aged 75 years of age or over.

Over the next few years most of the Department's WWII client cohort will be entering the 'old old' bracket (80 years of age and over). This will present new challenges to the Department because many members of the veteran community in the 'old old' group will have multiple and complex health and aged care needs.

The treatment population is projected to fall by around 12% by the year 2007. Almost 43% of the treatment population in 2007 will be women, compared to 34% in 2001. The change in gender mix in the years ahead will present further challenges in the area of gender specific health care needs.

The Department's Health program

The Department's Health Program aims to ensure that eligible veterans, their war widows/widowers and dependants have access to health and other care services that help them realise their full potential for health and well-being.

The Department has wide responsibilities for the health and aged care of the Australian veteran community ranging from support in the house to surgery.

The Department is one of the largest providers of health services in Australia. DVA has treatment and service arrangements with over 40,000 providers, including:

- Hospitals
- Medical
- Allied Health
- Diagnostic Services
- Home Care Agencies and providers

There are over 15 million instances of service per year.

The Department also provides a number of other programs that have, as a primary focus, the provision of support services to mainly aged members of the veteran community. More recent initiatives include Health Promotion (preventive health), HomeFront (falls and accidents prevention) and Veterans' Home Care (home support) programs. These initiatives among others are aimed at improving the quality of life of veterans and war widows as they age, improving their health and general well-being and assisting them to remain living independently at home for as long as practicable. In turn, these measures aim to reduce expenditure in the area of direct clinical care. Full descriptions of these programs can be provided to the Committee on request.

In the 2001-02 financial year actual total expenditure for the DVA Health program (Outcome Two) was \$3.32 billion. The allocated expenditure for the 2002-03 financial year is \$3.60 billion. The main factors driving costs are the ageing of the client population and the rising cost of health care.

Health Strategic Priorities

In the late 1990s the Health Division reviewed its activities, and as a result, developed new strategic directions for the period 1999 to 2007 titled 'Better Health for the Veteran Community' to take account of the changing health, ageing and technology environments.

The Health Review was keen to look as far ahead in the future as possible. A ten year period was thought desirable and a number of scenarios about the possible future in that period were envisaged as a result of consultations with a range of stakeholders. It was on this basis that the following strategic directions were developed and adopted:

- progressively developing DVA arrangements that meet the full range of health and support needs of the veteran community;
- simplifying primary care provision through improved arrangements;
- supporting Local Medical Officers (LMOs) and developing, where required, a range of brokerage, care management and coordination options;
- working towards a better balance between institutional and community-based care;
- placing a greater emphasis on health promotion with a focus for preventive care;

- increasing the veteran community's understanding about and ability to access services;
- supporting and enhancing our management of care delivery through the sharing of information and knowledge with providers;
- optimising the use of health care resources using a national model that incorporates improved purchasing and payment arrangements;
- exploring the feasibility and desirability of DVA becoming a purchaser of a range of health services for the Department of Defence and a wider population;
- embracing an innovative approach to information technology and e-business applications;
- implementing arrangements for a coordinated, integrated approach across DVA to meet the health and well-being needs of the veteran community; and
- promoting our role as a recognised innovator and a leader in care for older people.

Departmental Management Information System

By linking a wide range of departmental data into a single data warehouse, the Departmental Management Information System (DMIS) provides comprehensive health management information to assist the Repatriation Commission and the Department in providing effective programs of care.

DMIS is an information technology application that enables an integrated view of the Department's health related information, and has greatly improved DVA's ability to manage the delivery of health care to the veteran community. This has been achieved by warehousing data from various source systems (internal and external) into an integrated platform for analysis.

DMIS is designed to:

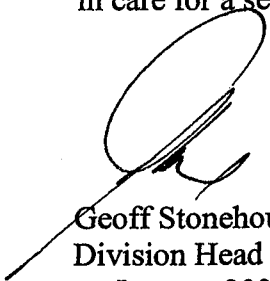
- provide an integrated view of veteran needs;
- allow managers to compare and identify 'best practice' localities for various types of care;
- make demographic and geographic analysis easier and identify unmet needs areas;
- improve contract negotiations and performance monitoring; and
- better inform policy making to enable better targeting of benefits, improved policies, outcomes and decisions.

Lessons learnt

Initiatives developed to support the veteran community, such as annual health care plans and Veterans' Home Care, either helped shape, or resulted from, the strategic review of the Health role.

There was recognition within the Department that there was a need to have a better understanding of the demographics of the veteran community, its needs, and a more integrated, holistic and coordinated menu of services to address the identified veteran community needs. This embraced the acceptance of new technology, with E-Business being a major delivery platform for the introduction of Veterans' Home Care and the more effective management of information.

The Department's efforts to understand the ageing of the veteran community, particularly through the Health strategic review process, have been timely, with demands on medical treatment and aged care expected to peak over the next seven years. The Department has been increasingly recognised as an innovator and a leader in care for a select group of older Australians.



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