

Introduction

Background

- 1.1 The importance of good dental and oral health¹ to general health and wellbeing is well recognised. There are well established associations between poor dental and oral health, and acute or chronic health conditions such as heart disease and diabetes.² Furthermore, the pain associated with poor dental and oral health, coupled with social anxieties about appearance and avoidance of certain foods, can impact significantly on quality of life.
- 1.2 Although there have been substantial improvements in dental and oral health in Australia over the last century, the Australian Institute of Health and Welfare's (AIHW) publication *Australia's Health 2012* reports that almost everyone will experience an oral health problem at some time in the lives, and that over 90 per cent of adults show signs of treated or untreated dental decay.³
- 1.3 The same publication reports that dental and oral health tends to decline as people grow older. It also identifies inequalities in dental and oral health in some population groups, notably:
 - people on low incomes;

1 Dental and oral health is used as broad term to encompass both the health of teeth and gums.

2 Australian Institute of Health and Welfare (AIHW) 2012. *Chronic conditions and oral health*. Research report series no. 56. Cat. no. DEN 221. Canberra: AIHW, p. 1.

3 AIHW, *Australia's Health 2012*, p. 340.

- people with special care needs, including those with a disability and the elderly;
 - people living in rural and remote locations; and
 - Aboriginal and Torres Strait Islander people.
- 1.4 The reasons for the increased risk of oral disease in these populations are complex, but are generally associated with poor visiting patterns to dental and oral health services. For some this may be indicative of poor availability of dental services outside of metropolitan centres making access difficult. For others, a significant barrier may be the cost of accessing services.⁴ Public dental waiting lists also represent a barrier to care, with eligible patients often unable to afford to access services elsewhere.
- 1.5 In 2009-10 (the most recent year where data is available), total expenditure on dental services in Australia was \$7.7 billion. Around 62 per cent of this expenditure was borne by individuals through out-of-pocket payments, with another 14 per cent covered by private health insurance. Combining the out-of-pocket expenses with the private health insurance payments paid for by consumer premiums, around three quarters of the cost dental services is paid for by individuals. The remaining 24 per cent of expenditure is funded by Commonwealth or state/territory governments (16 per cent and 8 per cent respectively).⁵ This is in contrast to most other health services, where governments are responsible for around 70 per cent of expenditure.⁶
- 1.6 Dental services are available through the public and private sectors. State and territory governments provide the majority of public dental services and while eligibility requirements vary slightly between jurisdictions, generally access to public dental services for adults is restricted to concession card holders.⁷ Where public services are limited, some states

4 Harford JE, Ellershaw AC & Spencer AJ 2011. *Trends in access to dental care among Australian adults 1994–2008*. Dental statistics and research series no. 55. Cat. no. DEN 204. Canberra: AIHW, p. 44–55.

5 Chrisopoulos S, Beckwith K & Harford JE 2011. *Oral health and dental care in Australia: key facts and figures 2011*. Cat. no. DEN 214. Canberra: AIHW, p. 38.

6 Australian Institute of Health and Welfare 2012. *Health expenditure Australia 2010–11*. Health and welfare expenditure series no. 47. Cat. no. HWE 56. Canberra: AIHW, p. 83.

7 Concession card holders are holders of a Pensioner Concession Card or Australian Health Care Card. Eligibility for these cards is determined by Commonwealth Government.

have a voucher system which enables concession card holders to access private dental services for emergency treatment.⁸

- 1.7 Treatments through the public system usually focus on providing emergency treatments, rather than preventive or restorative services. Even so, the demand for limited public dental services is such that there are significant waiting lists in all states and territories, with average waiting times of 27 months.⁹ For adults who are not eligible to access public dental services, treatment is only available through the private system.
- 1.8 For concession card holders and non-card holders alike, the AIHW found that a significant proportion of adults delayed or avoided seeking dental care due to the costs. The most recent data from 2008 indicates that around 46.7 per cent of card holders and 30.2 per cent of non-card holders had delayed seeking dental treatment in the previous 12 months due to the cost.¹⁰
- 1.9 Notwithstanding the evident importance of dental and oral health, the policy approach of successive governments has been piecemeal, and commitment to long-term strategies lacking. The 2012 announcement of the \$4.1 billion Dental Reform Package, which includes initiatives to expand public dental services for children and adults, and to invest in dental infrastructure and workforce, provides a robust framework to support a sustained approach to dental policy.¹¹ For dental and oral health to be integrated into promotional strategies to maintain and improve general health and well-being, significant reform encompassing a long-term, holistic approach to dental and oral health care will be needed.

Referral and scope of the inquiry

- 1.10 On 11 February 2013 the Minister for Health, The Hon Tanya Plibersek MP, referred the inquiry to the House of Representative Standing

8 See for example: Dental Health Services Victoria website, <www.dhsv.org.au/patient-information/vouchers/> viewed 29 May 2013.

9 Australian Dental Association (NSW Branch), *Submission 40*, p. 3. See also: *Report of the National Advisory Council on Dental Health*, February 2012, p. 50.

10 Harford JE, Ellershaw AC & Spencer AJ 2011. *Trends in access to dental care among Australian adults 1994–2008*. Dental statistics and research series no. 55. Cat. no. DEN 204. Canberra: AIHW, p. 47.

11 Department of Health and Ageing website, '*Dental Health: Dental Reform*', <www.health.gov.au/internet/main/publishing.nsf/Content/dentalreform> viewed 4 March 2013.

Committee on Health and Ageing (the Committee). The scope of the inquiry is set out in the terms of reference are at p. *ix*.

- 1.11 Specifically the Committee was asked to inquire into priorities for expanding adult dental services in the context of an Australian Government funding commitment to state and territory governments under a National Partnership Agreement (NPA).
- 1.12 NPAs are a key element of the federal financial relations framework with states and territories. They are supported under the Intergovernmental Agreement on Federal Financial Relations (the Intergovernmental Agreement), which:
- ... provides the overarching framework for the Commonwealth's financial relations with the States. It establishes a foundation for the Commonwealth and the States to collaborate on policy development and service delivery, and facilitate the implementation of economic and social reforms in areas of national importance.¹²
- 1.13 The Intergovernmental Agreement is intended to improve the quality and effectiveness of government services by reducing Commonwealth prescriptions on service delivery by the states and territories, providing them with increased flexibility in the way they deliver services.¹³
- 1.14 NPAs provide a mechanism to:
- support the delivery of specified outputs or projects;
 - facilitate reforms; or
 - reward those jurisdictions that deliver on nationally significant reforms.¹⁴
- 1.15 NPAs may also include Implementation Plans. Implementation Plans provide information on precisely how each signatory intends to achieve the NPA outcomes and outputs. Implementation Plans may be required

12 Ministerial Council for Federal Financial Relations website, <www.federalfinancialrelations.gov.au/Default.aspx>, viewed 29 April 2013.

13 Ministerial Council for Federal Financial Relations website, <www.federalfinancialrelations.gov.au/content/intergovernmental_agreements.aspx>, viewed 30 April 2013.

14 Ministerial Council for Federal Financial Relations website, 'National Partnerships', <www.federalfinancialrelations.gov.au/content/npa/default.aspx>, viewed 4 March 2013.

when there are contextual jurisdictional differences or when jurisdictional implementation approaches vary.¹⁵

Conduct of the inquiry

- 1.16 Following referral, the inquiry was publicised through a media release and via Twitter which directed interested parties to the relevant information on the Parliament of Australia website.¹⁶
- 1.17 Direct invitations to submit were sent to key stakeholders, including state and territory Ministers for Health, government health/human services departments, government dental services providers, peak bodies representing oral health professionals and consumer groups.
- 1.18 The inquiry received 46 submissions (Appendix A). The Committee held public hearings in Canberra and Dubbo (Appendix B).

Committee comment

- 1.19 The Committee acknowledges the context of the adult dental services inquiry and is aware of the principles that underpin the Intergovernmental Agreement and NPAs. In particular the Committee is aware of the Commonwealth Government's undertaking to be less prescriptive with regard to services and service delivery, and to allow greater flexibility for state and territory governments in this regard.
- 1.20 In this context, the Committee sees the inquiry as a means of progressing a process of consultation. The inquiry provides the opportunity for the Commonwealth, state and territory governments to give consideration to priorities for adult dental services before beginning formal negotiations for the NPA and associated Implementation Plans. It also provides the opportunity for other stakeholders to express their views on priority needs and suggest alternative or innovative approaches that might be used to achieve optimal outcomes.
- 1.21 On receiving the inquiry reference, significant efforts were made to engage with the relevant government portfolio agencies within each state and territory. Submissions were received from four of the eight state/territory

15 Ministerial Council for Federal Financial Relations website: 'Federal Finances Circular No 2011/04', <www.federalfinancialrelations.gov.au/content/guidelines_for_new_nps.aspx>, viewed 30 April 2013.

16 Parliament of Australia website, <www.aph.gov.au/dental>.

governments. State and territory government agencies that made submissions were also invited to participate at a public hearing. One state government accepted the invitation.¹⁷

- 1.22 The Committee has formulated its recommendations on the basis of the evidence received from a range of stakeholders. Although disappointed by the level of state and territory government engagement, the Committee anticipates that the outcomes of the inquiry will be used to inform development of the NPA and facilitate negotiation processes.

Structure of the report

- 1.23 Chapter 2 establishes the policy context for the inquiry. The Chapter presents a brief summary of Commonwealth Government involvement in funding of adult dental services. It considers the outcomes of recent policy reviews and agreements that provide the basis the current Dental Care Reform Package, which includes the NPA for adult dental services as a key component.
- 1.24 Chapter 3 examines in more detail the priorities that have been raised in evidence. In accordance with the terms of reference, consideration is given to the availability and access to services, particularly for special needs groups, workforce issues and the mix and coverage of services.
- 1.25 Chapter 4 examines a range of systemic issues associated with dental health services, and considers the general principles that might inform development of the NPA and dental health policy more generally.

17 Submissions were received from ACT Government; NSW Government and Tasmanian Government. A submission was also received from Dental Health Services Victoria (DHSV), a state government funded provider and purchaser of public dental services in Victoria. Representatives from the Tasmanian Government attended the public hearing in Canberra on 22 April 2013. A representative of DHSV also attended the public hearing in Canberra on 22 April 2013.