

Dental Services in Australia

- 2.1 This chapter provides a brief overview of the factors associated with poor dental and oral health and the adult dental services framework in Australia. Detailed information on each of these issues is available from a number of authoritative sources. Rather than attempting to replicate this information, the intention is to highlight some key facts, and provide sufficient context to support consideration of issues arising in subsequent chapters.
- 2.2 The chapter also reviews developments in dental and oral health policy over time, concluding with a summary of the key initiatives being supported under the 2012 Dental Health Reform Package.

Factors associated with poor dental and oral health

- 2.3 The interaction of factors associated with poor dental and oral health is complex. As well as individual factors, there is a complex interplay of structural, social and economic factors. Factors associated with poor dental and oral health in adults include:
- Possession of a concession card: concession card holders are more likely to have poorer oral health compared to non-card holders. This is linked to unfavourable dental visiting patterns (i.e. do not visit the same dentist, do not visit yearly, seek treatment for a problem rather than for a check-up).¹
 - Access to public sector dental services: limited funding and workforce shortages within the public sector have been identified as contributing to the poorer oral health status of eligible patients.

1 *Report of the National Advisory Council on Dental Health*, February 2012, p. 9.

- Affordability of private care: in 2008, 46.7 per cent of concession card holders delayed dental treatment due to cost compared to 30.2 per cent of non-card holders.²
- Geography: remote, rural and regional residents have a higher rate of unfavourable visiting patterns at 38 per cent, which increases the risk of poor oral health, as compared to urban residents (27 per cent).³
- Workforce distribution: workforce is also predominantly centred around urban areas, with 81.0 per cent of dentists, 87.4 per cent of dental hygienists, 62.2 per cent of dental therapists, 74.7 per cent of oral health therapists and 67.5 per cent of dental prosthetists practising in major cities.⁴
- Indigenous status: 40.2 per cent of Indigenous Australians have unfavourable visiting patterns as opposed to 28.2 per cent of non-Indigenous Australians.⁵
- Individual behaviour: diet and oral health behaviours contribute to oral health; for example, the consumption of bottled water may reduce the intake of fluoride (which provides a protective effect for teeth), and the consumption of sugary and acidic foods can lead to an increased risk of dental decay.⁶

2.4 The higher frequency of these factors in particular population groups means that some groups are more likely to have poor dental and oral health.⁷ The needs of these specific population groups are considered in more detail in Chapter 4.

Responsibility for adult dental services

2.5 The Australian health system is complex. Prior to 1946 the Commonwealth Government had limited responsibility for health services in Australia, this being confined to quarantine matters. However, following amendment to the Australian Constitution in 1946, the

2 Harford, JE, Ellershaw, AC and 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. 46.

3 *Report of the National Advisory Council on Dental Health*, February 2012, p. 44.

4 *Report of the National Advisory Council on Dental Health*, February 2012, p. 30-31.

5 *Report of the National Advisory Council on Dental Health*, February 2012, p. 44.

6 *Report of the National Advisory Council on Dental Health*, February 2012, p. 52.

7 Groups more likely to experience poor dental and oral health include: Concession card holders (e.g. aged pensioners, disability pensioners etc); remote, rural and regional residents; Indigenous Australians; frail and elderly people; low income workers; homeless people.

Commonwealth's powers were extended allow it to legislate with respect to:

The provision of maternity allowances, widows' pensions, child endowment, unemployment, pharmaceutical, sickness and hospital benefits, medical and dental services (but not so as to authorise any form of civil conscription), benefits to students and family allowances.⁸

- 2.6 As a result, responsibility for funding and provision of health services is now shared across all levels of government and the private sector. Generally, the Commonwealth sets national policy and contributes to health funding primarily through Medicare, the Pharmaceutical Benefits Scheme, Private Health Insurance rebates and direct payments to state and territory governments. States and territories (and to a lesser extent local governments) are responsible for funding and delivery of public health services. Private sector involvement through private health insurance and private sector service adds to the complexity of the system.
- 2.7 Unlike other health services, dental health services in Australia have not been generally covered by Medicare. The majority of dental services are paid for by individuals, with or without assistance from private health insurance. Public dental services are available in all states and territories. For adults, eligibility for these services is largely determined by eligibility for concession cards⁹, although type of concession cards and age eligibility vary across jurisdictions, as do co-payment requirements.¹⁰
- 2.8 Waiting times for public dental services are often long (between two and five years in some areas), with up to 400,000 adults on waiting lists across Australia. Treatment is often focused on emergency care rather than the provision of preventive or restorative services.¹¹ Public dental services also offer denture services to patients, but waiting times are long and patients may have to wait months for an appointment.¹² Those on waiting lists are generally lower-income individuals who often have no choice but to wait for care.

8 Section 51 xxiiiA of the Australian Constitution.

9 Over five million adults are concession card holders in Australia

10 *Report of the National Advisory Council on Dental Health*, February 2012, pp. 21, 94-96.

11 *Report of the National Advisory Council on Dental Health*, February 2012, pp. 16, 21, 50.

12 Dental Health Services Victoria (DHSV), *Submission 32*, p. 6.

Overview of Commonwealth dental policy

2.9 Australia's first national oral health plan was developed by the National Oral Health Advisory Committee and endorsed by AHMAC in 2004. The purpose of the plan was to 'improve health and well-being across the Australian population by improving oral health status and reducing the burden of disease'.¹³ The plan identified the following seven areas for action:

- promoting oral health across the population;
- children and adolescents;
- older people;
- low income and social disadvantage;
- people with special needs;
- Aboriginal and Torres Strait Islander peoples; and
- workforce development.¹⁴

2.10 An updated national oral health plan for 2014-23 is currently being developed by a subcommittee of the National Oral Health Plan Monitoring Group to be finalised by the end of 2013.¹⁵

2.11 Established in 2008 the National Health and Hospitals Reform Commission (NHHRC) was tasked with providing a long term health reform plan for Australia. In 2009, the NHHRC reported proposing a range of health measures across many health areas¹⁶. The outcomes included six recommendations for dental health, including Recommendation 83 which proposed:

We recommend that all Australians should have universal access to preventive and restorative dental care, and dentures, regardless of people's ability to pay. This should occur through the establishment of the 'Denticare Australia' scheme. Under the 'Denticare Australia' scheme, people will be able to select between private or public dental health plans. 'Denticare Australia' would meet the costs in both cases. The additional costs of Denticare

13 National Oral Health Advisory Committee 2004, *Healthy Mouths, Healthy Lives: Australia's National Oral Health Plan 2004-2013*, p. v.

14 National Oral Health Advisory Committee 2004, *Healthy Mouths, Healthy Lives: Australia's National Oral Health Plan 2004-2013*, p. 4.

15 Department of Health and Ageing (DoHA), *Submission 34*, p. 8.

16 National Health and Hospitals Reform Commission (NHHRC) 2009. *A Healthier Future For All Australians – Final Report, Recommendations* p. 26.

could be funded by an increase in the Medicare Levy of 0.75 per cent of taxable income.¹⁷

2.12 In its response to the NHHRC Final Report, the Government stated with regard to Recommendation 83:

The Government supports the recommendation's aim of increasing access to dental care. The Government is seeking to introduce better targeting of dental services to those Australians most in need through the closure of the existing Medicare chronic disease dental scheme, with saving redirected to the proposed Commonwealth Dental Health Program and Medicare Teen Dental Plan. However, the proposed legislative changes have been blocked by the Senate.¹⁸

2.13 In the 2011-12 Budget, funding was allocated for a National Advisory Council on Dental Health (NACDH) to:

... assist the Government through the development and provision of advice to the Minister for Health and Ageing on dental health, including prioritising areas for improvement.¹⁹

2.14 In September 2011, the NACDH was established to provide 'strategic, independent advice on dental health issues, as requested by the Minister for Health and Ageing, to the Government'. Its priority task was to provide advice on dental policy options and priorities for consideration in the 2012-13 Budget.²⁰

2.15 In its report, the NACDH considered:

- the scope of the problem, for both adults and children, by comparing oral health indicators across different income levels, private health insurance status, looking at effects on health and wellbeing linked to poor oral health, and the flow-on effects to the broader health system;
- the dental system, including funding arrangements and workforce issues;
- gaps in service provision and funding; and
- causes of poor oral health.

17 NHHRC 2009. *A Healthier Future For All Australians – Final Report*, Recommendations p. 26.

18 *A National Health and Hospitals Network for Australia's Future – Delivering better health and better hospitals*. Commonwealth of Australia 2010, Appendix C – *Response to the National Health and Hospitals Reform Commission Final Report*, p. 152.

19 Budget Paper No 2, 2011-12, p. 216.

20 *Report of the National Advisory Council on Dental Health*, February 2012, p. 87.

- 2.16 The NACDH provided its options for dental funding to the Minister for Health and Ageing, the Hon Tanya Plibersek MP, in February 2012. These included:
- Children
 - ⇒ A universal individual capped benefit entitlement for all children up to the age of 18, providing basic dental preventive services and general treatment through both the public and private dental sectors;
 - ⇒ Universal public dental access for children, providing basic dental preventive services and general treatment through the public sector. Concession card holder children would have no co-payments, where non-concession card holders may have limited co-payments;
 - Adults
 - ⇒ Means tested individual capped benefit entitlement for adults – concession card eligible only, providing basic dental preventive services and general treatment through both the public and private dental sectors;
 - ⇒ Means tested public dental access for adults – concession card eligible only, providing basic dental preventive services and general treatment;
 - Children and adults
 - ⇒ Integrated options could be developed using the above options.
- 2.17 Each option included methods of scaling the implementation based on different eligibilities (i.e. concession card holders, recipients of different Government payments) as well as including chronic disease patients.²¹

Commonwealth support for dental services

- 2.18 Successive governments have held different views of the Commonwealth's role in funding public dental services. As a result over the years there have been various policy approaches and programs which have affected funding and support of dental services by the Commonwealth.
- 2.19 The Commonwealth's first major involvement in supporting dental services came about in 1973 with the implementation of the Australian School Dental Program, which aimed to provide comprehensive dental treatment for all Australian school children up to the age of 15 years. By

21 *Report of the National Advisory Council on Dental Health*, February 2012, pp. 91–93.

- the early 1980s direct funding for this program from the Commonwealth had ceased.²²
- 2.20 In 1994 funding was provided for the Commonwealth Dental Health Program (CDHP) which aimed:
- ... to improve the dental health of financially disadvantaged adults, reduce barriers to dental care, ensure equitable access and improve prevention and early intervention.²³
- 2.21 The CDHP was discontinued in 1997 and although direct funding of dental services by the Commonwealth declined significantly at this time, indirect funding increased with the introduction of rebate incentives for private health insurance.
- 2.22 In 2004, the Chronic Disease Dental Scheme (CDDS) was implemented as part of the Allied Health and Dental Care Initiative (AHDCI). The CDDS provided limited Medicare benefits for dental services available to people whose chronic conditions were significantly exacerbated by dental problems.²⁴
- 2.23 In 2007 the newly elected Labor Government announced that it intended to close the CDDS and redirect the funds to a revived CDHP from July 2008. The Government also committed to a scheme to provide annual dental check-ups for eligible teenagers (12 to 17 years old) though the means tested Medicare Teen Dental Plan (MTDP). Although the MTDP was introduced in July 2008, closure to the CDDS was blocked by the Senate and the CDHP was not implemented.
- 2.24 In late 2012, after the announcement of a \$4.1 billion Dental Reform Package the CDDS was discontinued, closing to new patients on 8 September 2012 and with no further treatment available to exiting patients after 30 November 2012.

Dental Reform Package

- 2.25 In forming Government in 2010, the agreement between the Australian Greens Party and the Australian Labor Party stated in part (Clause 6.1 (b)):

22 Biggs, A 2008, *Overview of Commonwealth involvement in funding dental care*. Parliamentary Library, no. 1, ISSN 1834-9854.

23 D S Brennan, K D Carter, J F Stewart, A J Spencer, *Commonwealth Dental Health Program Evaluation Report 1994–1996*, AIHW, Dental Statistics and Research Unit, AIHW, Adelaide, 1997, p. 6.

24 Biggs, A 2008, *Overview of Commonwealth involvement in funding dental care*. Parliamentary Library, no. 1, ISSN 1834-9854.

That Australia needs further action on dental care and that proposals for improving the nation's investments in dental care should be considered in the context of the 2011 Budget.²⁵

2.26 The 2011-12 Budget identified that:

In line with the Government's agreement with the Australian Greens, the Government has committed that significant reforms to dental health will be a priority for the 2012-13 Budget.²⁶

2.27 In accordance with the Agreement with the Greens, and informed by the outcomes of the NACDH the 2012-13 Budget included funding measures for dental described as 'foundational activities'. These foundational activities include:

- \$345.9 million over three years to alleviate pressure on public dental waiting lists;
- \$158.6 million over four years to increase the capacity of the dental workforce (expanded over previously announced workforce measures);
- \$10.5 million for oral health promotion activities; and
- \$450,000 for *pro bono* dental service provision.

2.28 On 29 August 2012, the Minister for Health, the Hon Tanya Plibersek MP, announced a \$4.1 billion Dental Reform Package. The package which will replace the CDDS and the MTDP²⁷ includes:

- \$2.7 billion over six years for a Child Dental Benefits Schedule (CDBS) - *Grow Up Smiling* a child dental health program which will provide a capped benefit entitlement for basic dental services for eligible children aged 2 to 17 years. The CDBS will start on 1 January 2014 and replace the MTDP which will cease to operate on 31 December 2013;
- \$1.3 billion over four years for a National Partnership Agreement (NPA) to expand public dental services for around 1.4 million low income adults. The NPA will commence on 1 July 2014 and replaces the now discontinued CDDS;
- \$225 million over four years for a Flexible Grants Program for dental infrastructure in outer metropolitan, rural and regional areas to reduce barriers to accessing public dental services for people living in those areas; and

25 The Australian Greens and the Australian Labor Party Agreement, 1 September 2010.

26 Budget Paper No 2, 2011-12, p. 216.

27 The Hon Tanya Plibersek MP, Minister for Health, Media Hub, <www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr12-tp-tp074.htm?OpenDocument&yr=2012&mth=08> viewed 4 March 2013

- \$77.7 million for the Dental Relocation and Infrastructure Support Scheme to assist dentists to relocate into regional and remote communities.²⁸

Committee comment

- 2.29 As noted in Chapter 1, the scope of the inquiry as defined by the terms of reference is confined to consideration of the Commonwealth's \$1.3 billion commitment to a NPA to expand public dental services for adults (adult dental services NPA). However, the Committee understands that an adult dental services NPA has to be considered in a context which acknowledges the effects of the wider package of dental reform.
- 2.30 The implications of foundational activities are also key considerations. Of particular relevance to the current inquiry is the \$345.9 million for a NPA (Dental Waiting List NPA) to alleviate pressure on public dental waiting lists. In addition, consideration will be given to a number of general policy issues associated with the implementation of the Dental Reform Package. This will include consideration of the need for a better coordinated and strategic approach to dental health policy and delivery of dental services.

28 DoHA website, '*Dental Health: Dental Reform*', <health.gov.au/internet/main/publishing.nsf/Content/dentalreform> viewed 4 March 2013; DoHA, *Submission 34*, p. 5.

