



9 May 2014

Chair - Inquiry into out-of-pocket costs in Australian Healthcare
Senate Standing Committee on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600
Email: community.affairs.sen@aph.gov.au

Dear Chair,

Senate Committee Inquiry: Out-of-pocket costs in Australian Healthcare

Optometrists Association Australia (OAA) welcomes the opportunity to provide comment into the Senate Standing Committee on Community Affairs inquiry into out-of-pocket costs in Australian Healthcare.

OAA is the national peak body for the optometry profession, comprising a membership base of over 90% of all optometrists within Australia. With an individual workforce of over 4,500 optometrists nationally, optometry continues to be the cornerstone of primary eye care in Australia, playing a key role in the prevention, early detection and management of eye disease and vision loss.

An ageing population means eye disease and vision loss are an increasingly significant health issue within Australia. The economic cost of visual impairment to Australian society is estimated at \$16.6 billion, or \$28,905 for every person aged over 40 years with vision loss.¹ In addition to the progressive nature of vision-threatening eye diseases such as glaucoma and diabetic retinopathy, common vision complaints which are correctable with prescription lenses significantly impact people's ability to live independently and perform everyday tasks such as read the newspaper or drive a car. In fact, approximately 10 million Australians are living with a long-term eye condition.² For many of these people, timely access to a prescribed optical appliance (i.e. spectacles or contact lenses) is essential to give them the freedom to enjoy everyday activity once more and participate fully in work, social and familial roles.

Although Australians have long enjoyed the benefits of affordable and timely access to primary eye care through Medicare coverage, prescription glasses and contact lenses to correct refractive error conditions are not subject to Medicare, with a portion of the cost for prescription lenses generally covered under some private health insurance policies. Subsequently, the out-of-pocket cost of prescription lenses for some people can be a barrier to accessing essential primary eye care, particularly those on low incomes and without private health insurance.

¹ Access Economics. Clear Focus: The Economic Impact of Vision Loss in Australia in 2009. Commissioned by Vision 2020 Australia. June 2010.

² World Health Organization. Fact Sheet No. 282. Visual impairment and Blindness. 2013.



Government funded subsidised spectacle schemes

All state and territory jurisdictions across Australia have schemes in operation providing varying levels of subsidy for eligible patients to access prescription lenses (predominately health care card and pension card holders). OAA support effectively functioning subsidised spectacles schemes for eligible patients and believe such schemes are only beneficial when they possess a high rate of optometrist participation, thereby providing more access points for patients.

Essential components of any effective, system-based subsidised spectacle scheme include:

- Management and coordination under the auspices of Government
- Streamlined administration processes (e.g. allowing optometrists to assess patient eligibility in real-time; lodge claims online);
- Sufficient community awareness of the scheme;
- Fixed and affordable copayment providing cost-certainty to eligible patients; and
- Government subsidy which is periodically indexed reflecting the actual costs of frames and lenses, ensuring both patient and optometrist are not left out of pocket.

Improving access to prescription lenses for Aboriginal and Torres Strait Islander people

In addition to low-income earners, Aboriginal and Torres Strait Islander people also experience reduced access to prescription lenses compared to the broader community, evidenced by:

- 2.8 times the rate of low vision;
- 6 times the rate of blindness; and
- 20 times the rate of blindness as a result of uncorrected refractive error; the common vision problem readily correctable with prescription lenses.

A 2012 study found 'affordability' and 'cost-uncertainty' of glasses were significant barriers for many Aboriginal and Torres Strait Islander people initially presenting to primary eye care and subsequently collecting prescription spectacles.^{3,4}

There is opportunity to improve access to prescription lenses for Aboriginal and Torres Strait Islander people by establishing dedicated subsidised spectacle schemes.

Currently, Victoria is the only jurisdiction to have a dedicated and ongoing scheme for Aboriginal and Torres Strait Islander people - the Victorian Aboriginal Subsidised Spectacle Scheme (VASSS). Under VASSS, patients contribute a fixed copayment of \$10 to access clinically-indicated prescription spectacles. Since its establishment in 2011, VASSS has demonstrated much benefit to Aboriginal and Torres Strait Islander people living in Victoria, with a recent evaluation showing:⁵

- Increased number of clinically-indicated spectacle prescriptions issued;

³ Vision CRC. 2012. Survey of optometrists on Indigenous access to primary eye care.

⁴ Turner AW, Xie J, Arnold A-L, et al. Eye health service access and utilization in the National Indigenous Eye Health Survey. *Clinical & Experimental Ophthalmology*. 2011;39: 598-603

⁵ Evaluation Report. The Victorian Aboriginal Spectacle Subsidy Scheme. July 2012.



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- Increase number of patients collecting clinically-indicated prescription spectacles;
- Increased number of patients accessing primary eye care; and
- Earlier detection of vision-threatening eye disease (e.g. diabetic retinopathy).

Alongside key local stakeholders, OAA recommend other state and territory jurisdictions adopt a similar approach to Victoria and establish a government-subsidised spectacle scheme for Aboriginal and Torres Strait Islander people which meet the needs of their local Indigenous communities.

A spectacles scheme dedicated to Aboriginal and Torres Strait Islander people must be based on the following best-practice principles, as endorsed by Vision 2020 and the National Aboriginal Community Controlled Health Organisation (NACCHO):⁶

- Enables better access for Aboriginal and Torres Strait Islander people;
- Developed and implemented through consultation with Aboriginal and Torres Strait Islander communities;
- Addresses financial barriers to accessing clinically-required optical appliances;
- Minimises practical barriers to patient and provider participation; and
- Are provided offering choice and within a quality framework

OAA would like to thank the Senate standing committee on Community Affairs for the opportunity to provide input into this important inquiry.

Please contact me should you require any further information.

Yours sincerely,

Genevieve Quilty
Chief Executive Officer

⁶ Aboriginal and Torres Strait Islander Eye Health Working Group, Optometry Australia. 2013. Principles for a subsidised spectacle scheme for Aboriginal and Torres Strait Islander Australians.