

11th October 2022

Secretariat
Joint Standing Committee on the National Disability Insurance Scheme
PO Box 6100
Parliament House
Canberra ACT 2600

By email: ndis.joint@aph.gov.au

Dear Secretariat

SUBMISSION – CAPABILITY & CULTURE OF THE NDIA

The Hearing Care Industry Association (HCIA) is the major representative body for the hearing care sector and welcomes the Australian parliament's Joint Standing Committee on the National Disability Insurance Scheme inquiry into the *Capability & Culture of the National Disability Insurance Agency (NDIA)*.

The HCIA members fit around 60% of hearing aid devices in Australia and maintain an important role in supporting those Australians suffering hearing loss, from mild to severe.

We recognise that the review has important implications for the Australian people in the implementation, performance, governance, administration and expenditure of the NDIS and provide our submission to you for your consideration.

We look forward to the opportunity of discussing our submission in more detail in a public hearing, should the committee desire it.

Warm Regards

Ashley Wilson
Chairman

Overview

The Hearing Care Industry Association (HCIA) welcomes the opportunity to provide a submission to the Joint Standing Committee on the National Disability Insurance Scheme's (JSCNDIS) inquiry into the capability and culture of the National Disability Insurance Agency (NDIA).

HCIA represents the hearing care industry in Australia. Its members fit around 60 per cent of the hearing devices used by Australians. Around **1.3 million Australians have moderate to severe hearing loss**. The annual **economic cost of this is \$20 billion**. Including **lost wellbeing**, the **annual cost rises to \$41 billion**.

The association **between hearing loss and the onset of dementia** is now well documented. Almost half a million Australians are currently diagnosed with dementia which **is the leading cause of death for women, and the second largest for all Australians**.

In making this submission, the **HCIA has a single recommendation for the JSCNDIS – ensure alignment of standards utilising the Hearing Services Program definitions as the basis for provision of hearing care to Australians**.

In making this submission, the **HCIA has a single recommendation for the JSCNDIS – use the Hearing Services Program definition of Minimum Hearing Loss Threshold (MHLT) of >23dB as the basis for provision of hearing care to Australians**.

This will **deliver significant net economic benefits** for the government and demonstrably **improve the lives of those suffering hearing loss**.

The HCIA would welcome the opportunity to appear before the JSCNDIS.

Importance of hearing care

Hearing loss is widely considered to be a hidden disability.

About 4 million, **one in seven Australians suffer from hearing loss**. Over **1.3 million have moderate to severe hearing impairment**¹. By 2030 the number of Australians suffering from hearing loss is projected to increase to 4.9 million and 5.65 million in 2040.²

The **economic cost of this has been quantified at \$20 billion per year**, with lost productivity contributing over \$16 billion, with health system costs of \$1 billion, or \$259 per person.³

But this understates the real impact of hearing loss, which can affect everyday activities from social interactions, mental health and lead to premature deaths. This is measured by the cost of lost wellbeing – that takes into account a suffering and premature death associated with hearing loss. **The additional cost of lost wellbeing in 2019/20 was estimated to be \$21.2 billion**.

Combined, the **total cost of hearing loss in Australia is more than \$41 billion**.

Over the past three decades an increasing body of **research has identified an unsettling association between hearing loss and dementia**.

Currently 487,500 Australians are diagnosed with dementia, and this number is projected to increase to almost 1.1 million by 2058.⁴

Dementia is the leading cause of death among Australian women and is the second leading cause of death in Australia.

¹ [Hearing for Life – The value of hearing services for vulnerable Australians](#), Report for HCIA by Deloitte Access Economics, 2019, p. iii.

² bid. p. 14

³ bid. p. iii.

⁴ [Key Facts & Statistics](#), Dementia Australia, 2022.

One in ten Australians over the age of 65 have dementia, with the estimated cost to the economy of \$15 billion.⁵

The Lancet has published a significant research study stating that the **risk of developing dementia increases significantly with untreated hearing loss, with hearing loss in midlife the single largest modifiable risk factor for age related dementia.**⁶

Access to affordable hearing care not only addresses the fundamental quality of life issues posed with hearing loss, but it will also have an impact on reducing rates of dementia – a major challenge for Australia’s ageing population.

Hearing care provision in Australia does not adequately meet needs

Hearing healthcare is provided by a range of private sector organisations. HCIA members fit around 60 per cent of hearing devices used in Australia and employs most audiologists. Currently, the **government subsidises hearing care for over 1 million Australians** through two main programs:

- Hearing Services Program (HSP) that in 2021/22 provided assistance to 811,991 Australians.⁷
- NDIS.

However, **these programmes have different standards**, with the **NDIS requiring a higher level of hearing loss** (see below). But the **HSP has narrower eligibility** by only being available to people younger than 26 years old, pension concession card holders, veterans, certain Aboriginal and Torres Strait Islander peoples and those with complex hearing and health issues, including NDIS participants with hearing needs who are referred by a planner from the National Disability Insurance Agency (NDIA).⁸

Consequently, there is **currently a large accessibility gap for hearing impaired Australians of working age.**

By limiting access to the hearing care assistance, it is estimated that **around 1.1 million Australians are either undiagnosed or suffer from known hearing loss, yet most do not receive any assistance.**

The HCIA has called for broader eligibility to access the HSP, based on providing access to those aged 26-64, and with annual incomes below \$37,000. This would increase the number of eligible participants in the HSP by 210,000.⁹

The cost would be \$25.3 million, but would **deliver a net economic benefit of \$311.7 million**, a benefit/cost ratio 12.3/1. Even on the narrower measure of benefit to the government, **each dollar invested in an expanded HSP would deliver the government \$10.60.**¹⁰

Adding in improved well-being, **the total benefit of an expanded HSP increases to \$432.8 million.**

Defining hearing loss: different standards = unequal outcomes

The definition of what is hearing loss is subject to different standards.

Using the Minimum Hearing Loss Threshold (MHLT), the NDIS standard for access is >65 dB which means people suffer significant loss that is challenging to treat. In contrast, the HSP standard is >23dB.

⁵ [Dementia, Hearing Loss and Hearing Care: Saving Australia's Minds - The compelling peer-reviewed evidence for early hearing care intervention to prevent dementia.](#) Report for the HCIA by Mark Laureyns, 2021. p. 6.

⁶ Op Cit, Laureyns 2021, p.6

⁷ [Hearing Service Programme, Annual Statistics 2021-22, Active Clients by State.](#)

⁸ Op Cit, Hearing for Life, p.19.

⁹ Ibid. p.25.

¹⁰ Ibid. p.30.

The HSP standard provides the best basis for pre-emptively addressing hearing loss.

Recommendation

The HCIA calls on the JSCNDIS to:

Ensure the NDIA aligns hearing care standards to those of Hearing Services Program definition of Minimum Hearing Loss Threshold (MHLT) of >23dB as the basis for provision of hearing care to Australians.

This will provide the best opportunity to provide cost effective hearing care to Australians delivering significant net economic benefits to the government, early intervention with dementia and importantly, improving the lives of the 1.1 million Australians suffering from hearing loss.

The HCIA would welcome the opportunity to discuss this submission with the JSCNDIS.