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Ms Renee Toy Inquiry Secretary House of Representatives Standing Committee on Health and Ageing PO Box 6100 Parliament House CANBERRA ACT 2600 Via email <u>haa.reps@aph.gov.au</u>

Friday, 15 March 2013

Dear Ms Toy,

Re: Inquiry into Adult Dental Services in Australia

Westfund Health (Westfund) welcomes the opportunity to provide a submission to the House of Representatives Standing Committee on Health and Ageing's Inquiry into Adult Dental Services in Australia.

Westfund's submission addresses the Inquiry's terms of reference relating to demand for dental services, availability and affordability and workforce issues.

About Westfund

Westfund has grown to become one of Australia's largest regional private health funds and now looks after members in all industries across all states of Australia. In over 80 years of operation, our heritage as a not-for-profit, member-owned fund has remained at the heart of our identity.

In 1929 Westfund provided front-line medical services to mining sites for the benefit of members and in 2013 Westfund continues to provide our 45,000 members with affordable and accessible health insurance and services.

Westfund Dental Services

Since 1985, Westfund has operated dental centres in regional areas and we are currently the only health fund to do so.

Today Westfund:

- operates a dental Clinic in Lithgow with six dentists and an oral health therapist, providing services to 300–350 patients a week
- has an experienced dentist as part of the senior management team and architect of its dental policies, Chief Dental Officer Herdeza Verzosa
- runs community dental education programs, delivered primarily to the under seven year olds.

In 2013 Westfund will be:

- opening a new 6 chair dental practice in Mackay QLD (opening in April)
- opening a dental practice in Rockhampton in partnership with Central QLD University on their purpose built site
- offering a mobile dental practice (4 units) providing services in regional NSW and QLD.

Westfund's decision to provide dental services has been in direct response to the ongoing and profound lack of access and affordability to dental services in regional areas where Westfund members live.

Westfund does not replicate or replace existing services—we provide dental services to people in rural and regional Australia where these services do not exist.

TOR 1. Demand for dental services across Australia and issues associated with waiting lists TOR 4. Availability and affordability of dental services for people living in metropolitan, regional, rural and remote locations

Westfund's stake in regional dental services and contribution to the affordability of dental services

Westfund's membership of 45,000 is largely based in regional NSW and in QLD—we cover 110,000 people in regional areas. Since 1985 Westfund has operated dental centres in regional areas and we are currently the only health fund to do so.

One of the most significant issues in private health insurance (PHI) is affordable dental services for members. Westfund surveys indicate that waiting times in regional areas are often in excess of eight weeks for the most basic procedures due to a lack of dentists in regional areas.

Affordability for basic procedures like check-ups, which include scale clean, bitewing x-rays, hygiene education and preventative checking for problems can be charged at up to \$280 per half hour visit, a cost which can be beyond the means of lower income earners.

Westfund offers a free preventative program to members, giving them access to free regular check-ups, cleaning, fluoride treatment preventative dietary advice and oral hygiene education.

The lack of access and affordability is pronounced in regional areas where Westfund members live.

Westfund has long identified this need and it is the prime reason it has established a range of dental health services to meet the overwhelming need of its members in regional areas.

Westfund preventative dental services policy

Westfund's policy approach is driven by a preventative non-invasive policy that is implemented by an innovative remuneration policy for our dentists, who are mentored to take a significant preventative and non-invasive approach with members.

Members benefit through avoidance of serious dental issues through untreated problems, and our health fund benefits from fewer presentations for serious dental issues in the future.

This approach reduces the pressure on dental service provision as a whole by lower numbers of acute dental care requirements in regional areas that are struggling to meet basic demand for dental services.

It also helps prevent dental issues becoming medical issues.

It is well documented that dental health is linked to general health. A preventative approach minimises the risk of dental health issues turning into medical issues which might require the services of a GP or medical specialist or hospitalisation.

Westfund also runs a community education program. The program is primarily delivered to under seven year olds in local schools whose dietary habits have changed for example, from milk and water to cordial and soft drink.

Impact of Westfund's business model on affordability and cost of health provision Affordability is the key problem contributing to chronic dental issues in remote and regional Australia.

Westfund's overall cost structure operates at about 70%–80% of outside providers because of its preventative approach which reduces the presentations for complex dental problems over time. In addition, if x-rays are required during regular check-ups, these are capped at \$10 per x-ray.

TOR 6. Workforce issues relevant to the provision of dental services

Recruitment of dentists

The recruitment of all medical professionals to work in regional and remote areas is a well known workforce issue in this country. At Westfund, like any other health services authority, we have not been immune to the pressure to recruit qualified dentists.

This problem has eased since the establishment of the Trans-Tasman Mutual Recognition Agreement (TTMRA) and the 457 visa arrangements.

Our recruitment agreements also provide the dentists with accommodation provided through purchased accommodation, continuing education, coverage of professional indemnity insurances and ADA membership, mentoring by our chief dentist and a visiting oral surgeon.

Westfund currently has 17 dentist positions but despite our generous conditions have only managed to fill 14. The difficulty in recruiting dentists to regional areas is significant.

Managing Director, Grahame Danaher has travelled to Adelaide to interview dentists who were not able to take up the vacant Westfund positions, as they preferred city locations and would only accept the employment offered in Mackay if they were unsuccessful in finding a city based location.

Conclusion

Since 1985 Westfund has operated dental centres in regional areas in direct response to the ongoing and profound lack of access and affordability to dental services in regional areas.

Westfund surveys indicate that waiting times in regional areas are often in excess of eight weeks for the most basic procedures due to a lack of dentists in regional areas.

Our dental policy approach is driven by a preventative non-invasive policy which enables us to operate at about 70%–80% of outside providers. Our dentists are mentored to take a significant preventative and non-invasive approach with members. This results in fewer presentations for serious dental issues in the future.

Our dental services do not replicate or replace existing services—we provide services where these services do not currently exist.

Despite generous conditions, recruitment of dentists to work in our clinics remains an ongoing issue.

Westfund has a demonstrated commitment of over 25 years to improving access and affordability to dental care for Australians living in rural and remote regions.

We would very much welcome the opportunity to address the Inquiry to provide further information.

Yours Sincerely

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