

Chapter 2

Key issues

2.1 At the 2018–19 Additional Budget estimates hearings, the Senate Community Affairs Legislation Committee (committee) considered matters relating to the expenditure and operations of the Australian Government for the Health Portfolio and Social Services Portfolio (including the Department of Human Services).

2.2 The key issues considered by the committee during the hearings are reported in this chapter. All key issues reported include references to the *Committee Hansard*, which provides a verbatim record of the evidence received by the committee.

Health Portfolio hearing—20 February 2019

Whole of portfolio / Corporate matters

- The date on which the Australian Government would respond to the report of the Senate Community Affairs References Committee's inquiry into the science of mitochondrial donation and related matters.^{1 2}
- Concerns raised in a letter from peak health bodies to the Minister for Health regarding funding allocated to the Health Peak and Advisory Bodies Funding Programme not being indexed against the consumer price index.³
- Data included in a Productivity Commission report on government services for 2019 indicating that real estimated expenditure on mental health services has declined.⁴
- Late return of the Health Portfolio's answers to questions taken on notice from the committee's 2018–19 Budget estimates.⁵
- Updated figures on the total expenditure within the Health Portfolio, particularly funding for the Community Health and Hospitals Program and drug and alcohol treatment.⁶
- Investigation into allegations of bullying within the office of the Minister for Indigenous Health and Minister for Senior Australians and Aged Care.⁷

1 *Proof Committee Hansard (Hansard)*, 20 February 2019, pp. 6–7.

2 The committee notes that the Australian Government's response was presented on the day of the hearing, 20 February 2019.

3 *Hansard*, 20 February 2019, pp. 7–10.

4 *Hansard*, 20 February 2019, pp. 10–13, 70–71.

5 *Hansard*, 20 February 2019, pp. 13–14.

6 *Hansard*, 20 February 2019, pp. 14–18.

7 *Hansard*, 20 February 2019, pp. 18–24.

- Current work of the Australian Institute of Health and Welfare regarding aged care datasets and, in particular, the insights that work may produce into the nature of deaths in aged care.⁸

Outcome 6: Ageing and Aged Care

- Contents of a departmental document which describes older Australian's as 'winners' and 'losers' as a result of changes to the Aged Care Funding Instrument.⁹
- Changes to the expenditure for the Aged Care Funding Instrument and the associated impacts for older Australians.¹⁰
- Potential locations and operations of the Specialist Dementia Care Program trial units.¹¹
- Role of residential aged care within the scope of aged care supports, including the expenditure for residential care and means testing for Commonwealth aged care supports.¹²
- Amount of packages available under the Home Care Packages initiative, including the process by which funding is allocated to those packages.¹³
- Requirements of home care packages to support older Australians and the length of time people are waiting to receive aged care supports.¹⁴
- A letter sent by the Minister for Senior Australians and Aged Care to 93 000 current recipients of home care packages that outlined policy updates regarding home care packages and which referenced the political parties in government.¹⁵
- Types of administrative fees charged by residential aged care providers, including circumstances where providers' fees are not transparent and where there may be fees charged for no service.¹⁶
- The role and regulation of case managers in residential aged care facilities.¹⁷

8 *Hansard*, 20 February 2019, pp. 24–25.

9 *Hansard*, 20 February 2019, pp. 26–27.

10 *Hansard*, 20 February 2019, pp. 27–28.

11 *Hansard*, 20 February 2019, pp. 29–31.

12 *Hansard*, 20 February 2019, pp. 31–33.

13 *Hansard*, 20 February 2019, pp. 31–36.

14 *Hansard*, 20 February 2019, pp. 36–40.

15 *Hansard*, 20 February 2019, pp. 41–47, 59–61.

16 *Hansard*, 20 February 2019, pp. 47–50.

17 *Hansard*, 20 February 2019, pp. 51–52.

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- Process for managing an estimated \$400 million of home care subsidies paid to aged care providers but which have not been committed to a resident's care (unspent funds).¹⁸
 - Regulation of the use of restrictive practices in residential aged care settings.¹⁹
 - Recent Australian Government announcement for a one-off \$320 million additional expenditure in the aged care sector.²⁰

Outcome 1: Health System Policy, Design and Innovation

- Preparation of the Australian Government's response to the report of the Senate Select Committee on Stillbirth Research and Education and a funding allocation of \$7.2 million for stillbirth prevention measures.²¹
- Technical issues with the My Health Record (MHR) system which have prevented some clinical systems from uploading documents to the MHR system.²²
- Rates of Australians opting out of, or cancelling, their MHR registration, including approximately 2.5 million people who opted out as of 31 January 2019.²³
- Plans for training Australian Digital Health Agency staff, including whether that training would be conducted in person or online.²⁴

Outcome 2: Health Access and Support Services

- Progress made with developing a national maternity plan.²⁵

Program 2.1: Mental Health

- Expansion of funding for Primary Health Networks (PHNs) of \$1.4 billion over three years, particularly funding for mental health and psychosocial services.²⁶
- Adequacy of funds provided for psychosocial support under the bilateral agreement between the Commonwealth and all states and territories.²⁷

18 *Hansard*, 20 February 2019, pp. 52–53.

19 *Hansard*, 20 February 2019, pp. 54–55.

20 *Hansard*, 20 February 2019, pp. 56–57.

21 *Hansard*, 20 February 2019, pp. 57–58.

22 *Hansard*, 20 February 2019, pp. 62–63.

23 *Hansard*, 20 February 2019, pp. 63–65.

24 *Hansard*, 20 February 2019, pp. 66–68.

25 *Hansard*, 20 February 2019, pp. 69–70.

26 *Hansard*, 20 February 2019, pp. 71–74.

27 *Hansard*, 20 February 2019, pp. 74–75.

- Funding for suicide prevention initiatives in Aboriginal and Torres Strait Islander communities, particularly in Darwin, the Kimberley and the Pilbara.²⁸
- Continuity of psychosocial services for people who are not eligible to access support services through the National Disability Insurance Scheme (NDIS).²⁹
- Funding provided to approximately 18 PHNs for the provision of mental health services for older Australians in residential aged care settings.³⁰
- Additional funding for headspace centres and services, particularly the timing between funding announcements and those funds being made available to service providers.³¹
- Status of reports produced by the Primary Health Network Advisory Panel on Mental Health and provided to the Minister for Health.³²
- Supports for people experiencing eating disorders, in particular the Medicare Benefits Scheme item for eating disorder treatment for people with severe and complex illness.³³
- Funding for and initiatives of the National Ice Action Strategy.³⁴

Program 2.3: Health Workforce

- Availability of GP training places and the number of those places which remain unfilled.³⁵

Program 2.4: Preventative Health and Chronic Disease Support

- Process for determining locations which require drug and alcohol treatment services, include the role of National Wastewater Drug Monitoring data in making those determinations.³⁶
- Donations made to some political parties by tobacco companies.³⁷
- Australian Government anti-smoking initiatives.³⁸

28 *Hansard*, 20 February 2019, pp. 75–77.

29 *Hansard*, 20 February 2019, pp. 77–78.

30 *Hansard*, 20 February 2019, pp. 78–80, 91.

31 *Hansard*, 20 February 2019, pp. 80–84.

32 *Hansard*, 20 February 2019, pp. 85–87, 90.

33 *Hansard*, 20 February 2019, pp. 87–89.

34 *Hansard*, 20 February 2019, pp. 88–90.

35 *Hansard*, 20 February 2019, p. 93.

36 *Hansard*, 20 February 2019, pp. 93–94.

37 *Hansard*, 20 February 2019, pp. 96–99.

38 *Hansard*, 20 February 2019, pp. 99–100.

Program 2.5: Primary Health Care Quality and Coordination

- Plans for specialist nurses to provide healthcare services for people with neurological conditions, including Parkinson's disease, in 15 locations across Australia.³⁹

Program 2.7: Hospital Services

- Progress made with the development of hospital-based outcomes indicators.⁴⁰
- Council of Australian Governments' consideration of a major public hospital funding agreement between the Commonwealth and the states.⁴¹
- Assessment process applied to funding submissions made through the Community Health and Hospital Program.⁴²
- Strategies for the reduction and prevention of obesity, including the development of a national obesity strategy being led by Queensland Health.⁴³
- Commonwealth and state funding contributions to public hospitals, particularly in Tasmania.⁴⁴

Outcome 3: Sport and Recreation

- Timing of a decision of the Minister for Sport to allocate an additional \$50 million over two years for high performance sport in the lead up to the Olympics and Paralympics in Tokyo, 2020.⁴⁵
- Allocation of participation funding for high performance sports, particularly concerns that funding processes may not be considered clear or transparent by some sporting codes.⁴⁶
- Australian Government's response to the Review of Australia's Sports Integrity Arrangements (Wood review), particularly regarding the establishment of a national sports tribunal.⁴⁷
- Recommendations of the Wood review which could impact on operations of the Australian Sports Anti-Doping Authority.⁴⁸

39 *Hansard*, 20 February 2019, pp. 94–96.

40 *Hansard*, 20 February 2019, pp. 100–101.

41 *Hansard*, 20 February 2019, pp. 101–103.

42 *Hansard*, 20 February 2019, pp. 103–106.

43 *Hansard*, 20 February 2019, pp. 107–110.

44 *Hansard*, 20 February 2019, pp. 107–110.

45 *Hansard*, 20 February 2019, pp. 110–111.

46 *Hansard*, 20 February 2019, pp. 111–114.

47 *Hansard*, 20 February 2019, pp. 114–116, 118.

48 *Hansard*, 20 February 2019, pp. 116–118.

- Allegations of inappropriate sexual conduct by an Equestrian Australia official.⁴⁹
- Plans for the future of the Australian Institute of Sport national facility in Bruce, ACT.⁵⁰

Outcome 4: Individual Health Benefits

- Process taken by the Medical Services Advisory Committee in assessing medical services and specialised technologies and providing advice to the Minister.⁵¹
- Indexation of diagnostic imaging items.⁵²
- Draft recommendations from the Mental Health Reference Group's review of the Medicare Benefit Schedule items relating to mental health.⁵³
- Matters relating to out-of-pocket costs, particularly associated with obstetric services, and progress made with the Australian Government's consideration of the report of the Ministerial Advisory Committee on Out-of-Pocket Costs.⁵⁴
- Role of Australian governments in the regulation of e-cigarette and vaping liquids.⁵⁵
- Number, location and timing of announcements of new Magnetic Resonance Imaging units licensed for Medicare eligibility.⁵⁶
- Time taken between a drug receiving a positive recommendation from the Pharmaceutical Benefits Advisory Committee and being listed on the Pharmaceutical Benefits Scheme.⁵⁷
- Implementation of private health insurance categorisation tiers and the policies held by consumers.⁵⁸

Outcome 5: Regulation, Safety and Protection

- Continuity of research and surveillance activities under the National Blood Borne Viruses and Sexually Transmissible Infections Strategies 2018–2022.⁵⁹

49 *Hansard*, 20 February 2019, p. 120.

50 *Hansard*, 20 February 2019, pp. 121–122.

51 *Hansard*, 20 February 2019, pp. 124–125.

52 *Hansard*, 20 February 2019, pp. 125–126.

53 *Hansard*, 20 February 2019, pp. 126–127.

54 *Hansard*, 20 February 2019, pp. 127–129.

55 *Hansard*, 20 February 2019, p. 129.

56 *Hansard*, 20 February 2019, pp. 129–133.

57 *Hansard*, 20 February 2019, pp. 133–135.

58 *Hansard*, 20 February 2019, pp. 135–137.

59 *Hansard*, 20 February 2019, pp. 137–138.

- Update on the Australian Government's progress with considering the Senate Community Affairs Reference Committee's report for its inquiry into the number of women in Australia who have had transvaginal mesh implants and related matters.⁶⁰
- Matters relating to Lyme-like illness.⁶¹

Social Services Portfolio hearing—21 February 2019

Whole of portfolio / Corporate matters

- Advice provided by the Department of Social Services to government on a proposal to establish a Royal Commission into the abuse of people with disability.⁶²

Outcome 1: Social Security

- Use of Treasury information on employment, population and jobs in calculating the costs and number of people accessing working age payments.⁶³
- Policy position not to proceed with a three-year indexation pause of Family Tax Benefit end-of-year supplements.⁶⁴
- Absence of modelling of changes to the pension asset test provisions that impacted the pension payments of 370 000 people.⁶⁵
- Number of people projected to be affected by a measure to cease the payment of the pension supplement after a person spends six weeks overseas, and a measure to increase the period people have to be Australian residents prior to accessing the Age Pension.⁶⁶
- Decision of government not to proceed with the 2018–19 Budget measure, *Disability Support Pension—aligning suspension periods for imprisoned recipients*.⁶⁷
- Matters relating to claims for the Disability Support Pension (DSP), including: the number of claims made in recent years and the number of unsuccessful applications; outcomes of claim decisions that were subject to an administrative review; and wait times for the processing of claims.⁶⁸

60 *Hansard*, 20 February 2019, pp. 138–139.

61 *Hansard*, 20 February 2019, pp. 139–140.

62 *Hansard*, 20 February 2019, pp. 5–10, 60.

63 *Hansard*, 21 February 2019, pp. 11–12.

64 *Hansard*, 21 February 2019, p. 12.

65 *Hansard*, 21 February 2019, pp. 12–13.

66 *Hansard*, 21 February 2019, pp. 13–14.

67 *Hansard*, 21 February 2019, pp. 14–15.

68 *Hansard*, 21 February 2019, pp. 15–20, 49–50.

- Interdepartmental responsibilities for implementation of the targeted compliance framework.⁶⁹
- Assessment of the applications made for funding under tranche 2 of the Try, Test and Learn Fund.⁷⁰

Outcome 2: Families and communities

- Review of the Volunteer Management Program and redesign of the Strengthening Communities Activity, as these programs represent high constitutional risk.⁷¹
- Financial assistance provided to flood-affected people in Townsville, Queensland.⁷²
- Awareness of the Low Interest Loan Scheme and the StepUp low fixed-interest loan by people who receive a social security payment.⁷³
- Matters relating to the National Redress Scheme for institutional child sexual abuse, including: the number of people who have made applications; institutions which have not yet joined; average payment amounts; and departmental procedures for assessing redress applications.⁷⁴
- Evaluation of the Cashless Debit Card program, particularly the availability of baseline data.⁷⁵
- Matters relating to the operation of the Cashless Debit Card program, including total program expenditure and an issue of the card provider listing the location of automatic teller machines in pubs as points where card holders can check their card balance.⁷⁶
- Departmental guidelines for grant processing timeframes, including instances where grant recipients have not been provided with notification of variations to their grant agreement within guideline timeframes.⁷⁷
- Measures for supporting people experiencing domestic and family violence, particularly access to no interest loans and changes to paid parental leave eligibility.⁷⁸

69 *Hansard*, 21 February 2019, pp. 21–22.

70 *Hansard*, 21 February 2019, pp. 23–27.

71 *Hansard*, 21 February 2019, pp. 28–32.

72 *Hansard*, 21 February 2019, p. 32.

73 *Hansard*, 21 February 2019, pp. 32–33.

74 *Hansard*, 21 February 2019, pp. 33–39.

75 *Hansard*, 21 February 2019, pp. 40–46, 48–51.

76 *Hansard*, 21 February 2019, pp. 40–46, 57–59.

77 *Hansard*, 21 February 2019, pp. 46–47.

78 *Hansard*, 21 February 2019, pp. 52–54.

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- Funding provided to domestic violence and child protection programs as part of the National Initiatives Activity.⁷⁹
 - Development of the Fourth Action Plan 2019–2022 of the National Plan to Reduce Violence against Women and their Children 2010–2022, including funding arrangements.⁸⁰

Outcome 3: Disability and Carers

- Engagement activities conducted by the National Disability Insurance Agency (NDIA) at local community events.⁸¹
- Matters relating to NDIS access, including: the number of participant-requested unscheduled plan reviews; and average time taken for the NDIA to assess an access requests.⁸²
- NDIS plan utilisation rates, particularly amongst people from culturally or linguistically diverse backgrounds and Aboriginal and Torres Strait Islander backgrounds.⁸³
- Applications made to the Administrative Appeals Tribunal regarding decisions made by the NDIA on NDIS access and plans.⁸⁴
- Transition arrangements for people receiving Commonwealth psychosocial supports to the NDIS, particularly for people currently receiving supports through the Personal Helpers and Mentors Service and Partners in Recover program.⁸⁵
- Specialist disability accommodation providers who may not be enrolling dwellings in the NDIS.⁸⁶
- Changes to NDIS requirements regarding assistive technology to make access easier for NDIS participants.⁸⁷
- NDIS funding of home modifications for people who have obtained their home after acquiring a disability.⁸⁸
- Instances in which funding of an NDIS participant's plan has been reduced, or is insufficient to meet a participant's reasonable support requirements.⁸⁹

79 *Hansard*, 21 February 2019, pp. 54–56.

80 *Hansard*, 21 February 2019, pp. 56–57.

81 *Hansard*, 21 February 2019, pp. 60–62, 86.

82 *Hansard*, 21 February 2019, pp. 62–65, 86.

83 *Hansard*, 21 February 2019, pp. 65–70.

84 *Hansard*, 21 February 2019, p. 71.

85 *Hansard*, 21 February 2019, pp. 72–73, 85–86.

86 *Hansard*, 21 February 2019, p. 73.

87 *Hansard*, 21 February 2019, pp. 73–75.

88 *Hansard*, 21 February 2019, pp. 75–76.

- NDIA staffing levels, including the number of contractor staff and the development of a new NDIA headquarters in Geelong.⁹⁰
- Matters relating to fraud compliance in the NDIS, particularly a scam affecting NDIS providers.⁹¹
- Number and nature of incidents reported to the NDIS Quality and Safeguards Commission.⁹²

Outcome 4: Housing

- Matters relating to the National Rental Affordability Scheme (NRAS), including: the demographic characteristics of people living in NRAS dwellings; geographic distribution and types of properties which are NRAS dwellings; location and purpose of dwellings; performance of the scheme; and information contained in an opinion piece written by the Minister for Families and Social Services.⁹³

Department of Human Services—21 February 2019

- Disaster relief support for flood-affected people in Townsville, Queensland, particularly application processing and household-damage eligibility criteria.⁹⁴
- Matters relating to the assessment of applications for DSP including: recommendations of a recent Australian National Audit Office report regarding improvements needed to the DSP assessment process; nature of the communication the Department of Human Services (DHS) has with people who have psychosocial disabilities; and key performance indicators for DSP assessment timeframes.⁹⁵
- Application of Department of Finance *Guidelines on information and advertising campaigns by non-corporate Commonwealth entities* to approximately 600 000 letters sent on DHS letterhead that made reference to the political party in government.⁹⁶
- Matters relating to the online compliance intervention, including: people who have taken their own lives and who had received debt notices; savings to

89 *Hansard*, 21 February 2019, pp. 76–78.

90 *Hansard*, 21 February 2019, pp. 80–82.

91 *Hansard*, 21 February 2019, pp. 82–87.

92 *Hansard*, 21 February 2019, pp. 83–84.

93 *Hansard*, 21 February 2019, pp. 87–99.

94 *Hansard*, 21 February 2019, pp. 133–138.

95 *Hansard*, 21 February 2019, pp. 101–108.

96 *Hansard*, 21 February 2019, pp. 108–112, 119.

government from the recovery of social security debts; the number of debt assessments made to date; and the process by which Centrelink raises debts.⁹⁷

- Centrelink's telephony capacity, including: call wait times; abandoned calls; and the engagement of contract call centre operators.⁹⁸

Senator Lucy Gichuhi
Chair

97 *Hansard*, 21 February 2019, pp. 112–117, 119–123, 126.

98 *Hansard*, 21 February 2019, pp. 126–132, 138–139.

