



Issues Paper – Excerpt

Companion to the WACOSS Pre-Budget Submission

Investing in Outcomes
Making it Count for the People of WA

**Part One – Issues and Funding Pressures in the Community Services Sector
Health**



Issues Paper- Excerpt
Companion to the WACOSS Pre-Budget Submission
Investing in Outcomes: Making it Count for the People of WA

*Part One – Issues and Funding Pressures in the Community Services Sector
Health*

Western Australian Council of Social Service
City West Lotteries House
2 Delhi St
West Perth
WA 6005

October 2010

HEALTH

Background

Healthcare is a human right, and should be afforded to all, not just those who have the ability to pay. All Western Australians have the right to access the health services they need to live a full and happy life and to participate actively in their communities. Low-income families often suffer geographical disadvantage as a result of financial disadvantage, meaning that they are not well connected to the services they need to ensure a basic quality of life. Because of this, many families may be forced to make poor health choices, or opt out of accessing the services they need because of their limited means.

Aboriginal people continue to experience significantly worse health outcomes than the general population. While the life expectancy for Australian women is 82 years, Aboriginal and Torres Strait Islander women can expect to live to only 64.8 years. Life expectancy for Aboriginal and Torres Strait Islander men is only 59.4 years. We must continue working to close the gap between health outcomes for Aboriginal and non-Aboriginal people.

There are opportunities for Aboriginal health care to have more of a focus through a number of broader reforms at present. One of these is the WA Primary Health Strategy, being driven by WA Health. It has committed to engage and consult widely with Aboriginal Community Controlled Health Services (ACCHS) and Aboriginal Medical Services to support integration of health programs into communities to meet the needs of Aboriginal people using a culturally respectful process.¹

WACOSS suggests that in order to progress achieving health outcomes for Aboriginal people in WA, the State Government should have in place a State Aboriginal Health Framework that coordinates and integrates the delivery of health services for Aboriginal people across the State. The Aboriginal Health Council of WA reports that their Northern Territory counterparts have received approximately \$100 million in Commonwealth funding by having the framework in place, through a recognition that supporting community controlled health services are a key factor in closing the gap.²

The cost benefits of investing in health prevention strategies has been documented in a recently released report *Assessing Cost-Effectiveness in Prevention*, released in September this year by the University of Queensland, Brisbane and Deakin University, Melbourne. As an example, they claim that a number of taxation and regulation interventions on salt, alcohol and tobacco, and the polypill for cardiovascular disease prevention would cost the health sector \$4.6 billion, but could avert \$11 billion in healthcare costs.³

Non-Government organisations (NGO) are critical to the delivery of the full range of health services required to maintain and improve the health of the community, and provide invaluable support for the acute public health care sector. NGOs provide services across the spectrum of health care, from

¹ Dr Scott Blackwell. WA Primary Care Health Network. WA Aboriginal Community Controlled Health Sector Conference: National Primary Care Strategy. PowerPoint Presentation. See http://www.ahcwa.org.au/index.php?option=com_content&view=article&id=119&Itemid=111

² Aboriginal Health Council of WA (AHCWA). March 2009

See http://www.ahcwa.org.au/index.php?option=com_content&view=article&id=34&Itemid=33

³ http://www.sph.uq.edu.au/docs/BODCE/ACE-P/ACE-Prevention_final_report.pdf (p.31)

specific disease focused organisations to generic providers of services such as blood products and patient transport.⁴

The public system has recently shown worrying signs of strain, when it was reported in on one day in September this year, 26 of the State's 48 ambulances were forced to wait outside hospital emergency departments, spending approximately 33 hours outside with patients before being seen. The acute shortage of aged care beds in WA, estimated to be around 2,500, is placing enormous strain on the hospital system and in turn the wider community, including NGO providers.⁵

Issues

Mental Health

The mental health sector is undergoing significant reform in WA. On 8 March 2010, WA established the country's first Mental Health Commission. The Commission's aim is to work collaboratively with all government agencies, community organisations and mental health professionals in the public and private sectors to transform the way in which mental health services are delivered in this State.

Major policy initiatives include:

- Establishing and maintaining a peak mental health consumer voice in Western Australia.
- The WA Mental Health Policy and Plan – to outline the State Government's policy for mental health and provide a blueprint for mental health priorities and reform in WA over the next decade.
- Establishing an advisory council that will advise on the major issues affecting Western Australians with mental health problems, their carers and service providers; and
- Moving towards purchaser-provider arrangements in relation to mental health services.

The urgent priority for the Commission is to improve the way in which individualised care is provided and coordinated for people with mental health problems.

Over the next few years, the Commission will move towards new procurement arrangements for mental health services in WA. This is consistent with the national health reform agenda, as well as the State Government's reform direction for greater choice by consumers, particularly through greater access to community-based services delivered by the not-for-profit sector.⁶

Approximately 6-7% (or \$35M) of the overall mental health budget is currently directed to the community services sector, and there is already strong support for increasing outsourcing to the sector further. In line with these moves, WACOSS argues that this proportion should be more like 12 or 15%, (or \$76M). Community sector peak mental health bodies recommend moving towards New Zealand's 25-30% in time. The community services sector must be adequately resourced to do so however. There must be a significant investment in workforce development and sector capacity building. The challenge is to build and demonstrate the capacity of the sector to play a greater role, particularly regarding early intervention and preventative services.

⁴ See

http://www.health.wa.gov.au/publications/documents/Targeted_purchasing_framework_for_NGOs.pdf

⁵ See <http://www.watoday.com.au/wa-news/perth-hospitals-perfect-storm-barnett-20100916-15czz.html>

⁶ See Information Sheet No. 1:

http://www.mentalhealth.wa.gov.au/whats_new/whats_new_mhc/whats_new_mhc_info1.aspx

Early intervention emphasis

An emphasis on early intervention should focus on mental health promotion, enabling people to recognize the early signs of mental illness and access help straight away. It is vital that the additional funding coming into the not-for-profit sector is not just focused on the acute end of service delivery, but on early intervention support services such as GPs, counsellors, psychologists, and community care facilities for episodic mental health issues.

The Australian economy faces substantial costs arising from mental illness in young people. One important strategy that can empower young people to be proactive about caring for and managing their own mental health is community education aimed at increasing public awareness of these disorders and improving our knowledge of early signs.⁷ In addition to increasing knowledge, we also need to reduce the fear and stigma associated with mental illness, which can cause some people to delay seeking help. Increasing the knowledge base and working with people in a non-stigmatising way is particularly relevant for service providers who work specifically with young people such as GPs, teachers, social workers and youth workers.

Alcohol and Other Drugs

People with severe alcohol and other drug issues face an increased risk of social isolation and exclusion, poverty, homelessness and contact with the justice system. A paper published by the National Drug and Alcohol Research Centre estimates the total social cost of drug-attributable crimes is estimated to be nearly \$7.5 billion per annum. Offenders classified as drug dependent are estimated to generate \$6.8 billion in crime costs, more than 90% of the annual total crime costs. The annual crime costs generated by amphetamine use were estimated to be approximately \$3 billion, cannabis \$1.9 billion, opiates \$1.7 billion, cocaine \$160 million and other illicit drugs approximately \$600 million.⁸

As a social justice issue along with a crime prevention strategy, we must ensure that vulnerable West Australians have access to high quality, timely and effective treatment services. Such interventions represent significant cost savings later down the track.

The next phase of the National Drug Strategy is currently being developed. The Drug Policy Modelling Program (DPMP) has had significant input into this process, focusing on:

1. Linking drug policy with the broader social policy agenda;
2. Developing structures and processes for improved collaboration and stakeholder engagement;
3. Strengthening the evidence-base for policy and practice;
4. Addressing policy balance;
5. Improving performance monitoring; and
6. Reviewing the 'Harm Minimisation' terminology.⁹

⁷ <http://www.eppic.org.au/node/169>

⁸ Moore, T. (2007). Monograph No. 14: Working estimates of the social costs per gram and per user for cannabis, cocaine, opiates and amphetamines. *DPMP Monograph Series*. Sydney: National Drug and Alcohol Research Centre.

⁹ DPMP Submission to Australia's National Drug Policy. 2010. See [http://www.health.gov.au/internet/drugstrategy/publishing.nsf/Content/ndssubs-011/\\$FILE/011_DPMP_10-02-09.pdf](http://www.health.gov.au/internet/drugstrategy/publishing.nsf/Content/ndssubs-011/$FILE/011_DPMP_10-02-09.pdf)

As the new phase of the drug strategy is developed, the DPMP has questioned the data relating to government expenditure on law enforcement and criminal justice policies as opposed to treatment and prevention. In terms of the amount spent by governments on direct drug policy interventions, the majority is destined for law enforcement (56%), followed by prevention (23%), treatment (17%), harm reduction (3%) and other (1%).¹⁰

Community based alcohol and drug intervention can reduce the frequency of relapse and recidivism at a fraction of the cost of incarceration, yet expansion of WA's prison capacity continues to be a significant priority of the Government.

The Department of Corrective Services asset investment program is funded at \$262m and has committed to adding 2590 beds to the system between 2009-2014, at a total cost of \$640m.¹¹ Currently it costs approximately \$100,000 per year to house a prisoner and \$11,000 to manage an offender on a court based order.¹² Comparatively, youth justice services in the Kimberley and Pilbara were funded \$3m in 2010-11 with an additional \$27,000 in grants for the broader sector, a mere fraction of their budget.

There is an obvious economic and social benefit in investing more heavily in programs that focus on prevention and rehabilitation for young people with alcohol and other drug issues at risk of coming into contact with the justice system. While there are limited sector wide evaluations of services to corrective services clients, including individual outcomes and reduced criminal activity or recidivism, the data from recent evaluations by Outcare and Holyoake are compelling.

Funding for treatment services for those with alcohol and other drug problems is needed in many parts of the community. The 2006-07 Federal Budget provided \$73.9 million over five years for the *Improved Services for People with Drug and Alcohol Problems and Mental Illness* initiative, which forms part of the Australian Government's contribution to the COAG mental health package. The funding was to support a variety of service improvement activities such as revising internal policies or procedures, workforce training, professional development and clinical support, developing sustainable partnerships with the wider health network, and data collection to support continuous improvement.¹³ While these initiatives are welcome access to a full range of services, especially in regional areas is still limited. Locally based residential services in the Goldfields and in the Southwest are needed.

The Goldfields Community Drug Service Team is located within the Centrecare Goldfields Agency, and caters for the unique needs of the large regional mining and remote communities in Goldfields Esperance region. They aim to provide services to individuals, their families, service providers, community groups, employee assistance programs and to the community as a whole. However, the community has identified a need for a residential facility in the region that can provide specialist clinical services.

While the services in the Goldfields and the Southwest do not necessarily need to be Aboriginal-specific, there is a need for them to have a particular focus on the provision of services to local Aboriginal people. Aboriginal people in particular are less likely to access metropolitan residential services.

¹⁰ *ibid*

¹¹ 2010-11 State Budget Overview, p14.

¹² Costs estimated from the Department of Corrections WA Annual Report 2009

¹³ Media release - \$29.9 million in grants to drug and alcohol treatment services. See

<http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr07-cp-pyn109.htm>

Oral Health

Oral health is fundamental to overall health, wellbeing and quality of life. A lack of access to public dental services and long delays for treatment is still a feature of dental services in Western Australia.

16,281 people were on the wait list to access services at dental health clinics in March 2010. This was an increase of 5,070 or 45.2% compared to the same time last year.¹⁴ These figures paint a worrying picture for thousands of West Australians who are missing out on the treatment services they require.

Nationally, oral health has been high on everyone's agenda, especially as an election issue. The 'Stop the Rot Campaign', an initiative of the National Oral Health Alliance has been formed to seek solutions to the poor access to services and oral health outcomes experienced by many Australians. The Alliance sought a commitment from all political parties during the Federal election campaign for direct and effective action to address the following priorities in dental and oral health:

- Timely access to oral health care;
- A plan for the future; and
- Prevention and education¹⁵

Oral disease is a marker for ill health and can begin the process of early identification, prevention and treatment, while reducing the burden of disease for individuals and the health system. WACOSS believes that integration of oral health into the wider health system is the only way to progress reform and address the community's oral health needs. We have advocated for a number of years the importance of timely, effective and accessible oral health care, in particularly for low-income West Australians.

¹⁴ See http://www.health.wa.gov.au/publications/documents/WA_Health_Performance_Report.pdf

¹⁵ NOHA Joint Statement July 2010. See http://www.acoss.org.au/images/uploads/NOHA_joint_statement_final.pdf