Australian Government
The Treasury

2021-22 pre-budget submission

Occupational Therapy Australia submission

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Introduction

Occupational Therapy Australia (OTA) welcomes the opportunity to make this submission to the Australian Government ahead of the release of the 2021-22 Federal Budget.

OTA is the professional association and peak representative body for occupational therapists in Australia. As of 30 September 2020, there were approximately 23,500 registered occupational therapists working across the government, non-government, private and community sectors in Australia. Occupational therapists are allied health professionals whose role is to enable their clients to participate in meaningful and productive activities.

Occupational therapists provide services such as physical and mental health therapy, vocational rehabilitation, chronic disease management, assessments for assistive technology and home modifications, and key disability supports and services.

Reviews of Medicare Benefit Schedule (MBS) Items

Throughout 2019 the Federal Government conducted numerous reviews of MBS items, convening committees of experts to examine the efficacy of those items pertaining to their area of practice. Presumably owing to the COVID-19 pandemic, the findings of most of these reviews were not released early in 2020, as originally indicated, but late in 2020.

Eating disorders
OTA welcomed the creation of new MBS items for the treatment of eating disorders, announced in late 2019, and the inclusion of occupational therapists among those health professionals able to access those items.

Mental Health
OTA welcomed the initiative in the 2020-21 federal budget which provided for up to 10 additional Medicare-subsidised psychological therapy sessions each year for patients with an existing Mental Health Treatment Plan.

OTA also welcomed the announcement that, from 10 December 2020 to 30 June 2022, the Australian Government has expanded eligibility for the *Better Access to Psychiatrists, Psychologists and General Practitioners through the Medicare Benefits Schedule* (*Better Access*) initiative to allow aged care residents to access up to 20 Medicare subsidised individual psychological services each calendar year.

This reflects recommendations of the Royal Commission into Aged Care Quality and Safety's *Aged Care and COVID-19 special* report, and allows for psychological services to be provided by eligible general practitioners, other medical practitioners, psychologists, social workers or occupational therapists.

OTA has long called for residents of RACFs to have the same access to mental health care as those older Australians living in their own homes, particularly given the fact that admission to an RACF can be a traumatising experience, one often associated with the loss of a spouse or life partner.

Accordingly, OTA calls for the arrangements currently due to expire on 30 June 2022 to be made permanent.

It is a source of considerable frustration that the review of MBS items pertaining to mental health did not provide definitive recommendations to government, choosing instead to recommend a new review this year. This will entail the expenditure of considerable resources by interested peak bodies. It is to be welcomed, however, that the recommendation was also made that the committee conducting the new review be more professionally balanced than the previous committee of review, which included a disproportionate number of psychologists.

OTA will be an active participant in the forthcoming review, highlighting the great work its members do as part of multi-disciplinary care teams in the delivery of mental health care, and reminding the Australian Government that the last time occupational therapists were excluded from the *Better Access* scheme, in 2010, the outcry from disadvantaged clients was so pronounced the decision was later reversed. Regrettably, it took nearly twelve months for the decision, which had no basis in scientific evidence, to be reversed; in that time many occupational therapy practices had been dismantled in anticipation of a substantial loss of work. Those practices that did survive are only now recovering from this event.

Recommendation: Expanded eligibility for the* Better Access *initiative, which allows for aged care residents to access up to 20 Medicare subsidised individual psychological services each calendar year, should be made permanent.

Allied Health

OTA, like all other member associations of Allied Health Professions Australia (AHPA), was extremely disappointed that few if any of the sector's recommendations to government were acknowledged, let alone accepted, in the findings of the MBS review of items pertaining to allied health.

As AHPA wrote in a letter to the Health Minister soon after the release of the Review's findings:

> *It is evident from the final Taskforce reports, developed as part of the MBS Review process, as well as from the ongoing work of the Primary Health Reform Steering Group (PHRSG), that the medical peak bodies do not consider allied health professionals an integral and essential part of the primary care team. Those bodies appear to reject allied health primary contact roles and to hold a view that the MBS is not responsible for providing appropriate and equitable access to allied health services. That view is at stark odds with the wide body of evidence showing the importance and cost effectiveness of allied health interventions.*

In this correspondence, AHPA made three eminently reasonable requests of government:

1. *Develop a clear statement about the role of allied health professionals within primary care to guide future work by the Department of Health and any taskforces or committees.*
2. *Clarify funding responsibility for those allied health primary care services, including the role of the Commonwealth, the jurisdictions, and other funders such as private health insurers.*

3. *Undertake a Department of Health-led process to develop proposals for alternate models of funding of allied health primary care services, with the goal of piloting these in 2021/2022.*

OTA believes that the federal government should, once and for all, accept and act upon the definitive evidence that allied health practitioners save our health system money.

- They play a key role in preventative care; for example, an occupational therapist prescribing the installation of grab-rails and rubber shower mats in the home of an elderly client may well prevent a fall which results in that client occupying a public hospital bed, at a cost to the community of thousands of dollars a day.
- They ameliorate the effects of injury, ill health, age and disability, thereby enhancing an individual's quality of life and often rendering them more productive.
- In both these capacities, allied health professionals help keep people out of GPs' clinics and the emergency departments of our already overstretched public hospitals.

Accordingly, OTA strongly endorses AHPA's call for appropriate recognition of the value of allied health and clarification of its funding model into the future.

Recommendation: The Australian Government should recognise the key role allied health professionals play in the health and wellbeing of the community, and clarify its funding model for the sector into the future.

Telehealth

The Australian Government is to be commended for its timely amendments to the MBS, whereby allied health professionals were able to deliver care by means of telehealth within a few weeks of the likely extent of COVID-19 becoming apparent. This enabled the ongoing care of vulnerable Australians, and ensured the viability of many allied health practices.

In the case of occupational therapy, it appears most services can be effectively delivered via telehealth. OTA is currently participating in a university led study of just how efficacious such services are. Until such evidence-based findings become available, however, OTA is largely guided by the anecdotal evidence of highly experienced members – which is remarkably consistent.

Members report that telehealth is well received by most – but not all – clients. Most – but not all – services can be delivered by telehealth very effectively. Telehealth reduces the time spent travelling to and from clients, enabling more clients to be seen in a day and thereby going some of the way to addressing an occupational therapy workforce shortage which is rapidly becoming more acute.

Members overwhelmingly support a hybrid care model, whereby telehealth appointments are interspersed by face-to-face appointments as deemed necessary by the occupational therapist in consultation with the client.

The Australian Government, when considering the future of MBS subsidised telehealth beyond its current deadline of 31 March 2021, should take into account this feedback, as well as that of the

other allied health professions. It should also recognise telehealth's game-changing potential for the delivery of allied health care to clients in rural and remote Australia.

Recommendation: The Australian Government should not, as a matter of course, preclude the delivery of allied health services by means of telehealth beyond 31 March this year. Rather, it should weigh the mounting evidence of telehealth's efficacy and consider its potential value in an increasingly overstretched health system.

National Disability Insurance Scheme (NDIS)

Therapy pricing arrangements

OTA was disappointed last year when the National Disability Insurance Agency (NDIA) chose not to inform allied health peak bodies that there would be no increase in the hourly rate paid to service providers, not even an increase in line with the rise in the Consumer Price Index. Given this meant occupational therapists doing NDIS work would actually be paid less than in previous years, OTA believes the NDIA could have done us the courtesy of forewarning us.

OTA remains concerned that our repeated call for a flat rate to be applied to all therapy providers, irrespective of profession or location, continues to be disregarded. Psychologists continue to be paid a higher fee than other allied health professionals (and with further differentiation within the psychology profession itself) and physiotherapists working in certain locations continue to command a higher hourly rate.

OTA is concerned that such differentiation will pave the way for an increasingly complicated schedule of fees, which is soon rendered obsolete by changing demographics and, as such, is inherently unfair.

Recommendations: OTA calls for an increase in the hourly rates paid to service providers by the NDIA, ensuring that, at the very least, these rates rise in line with the Consumer Price Index. We remind the government that, despite gradual improvements to the NDIS, its flawed processes and systems continue to place a considerable unpaid administrative burden on service providers that other schemes do not. In this context it would be unreasonable to expect service providers to absorb actual pay cuts over two successive years.

OTA reiterates its call for a flat rate for therapy supports that reflects the true costs of providing services under the NDIS.

Certification of NDIS providers

OTA continues to receive extensive feedback from members, particularly sole providers and small business owners, who are concerned about the administrative and financial cost of seeking certification to provide early childhood supports. This problem has become more widespread and pressing as the NDIS Quality and Safeguards Commission (the Commission) has rolled out its operation beyond the two original jurisdictions of New South Wales and South Australia.

Many providers are seriously considering walking away from the scheme due to the requirement that they undergo a prohibitively expensive and time consuming audit. Despite protestations to the contrary from the Commission, OTA can only conclude that this expense is, at least in part, attributable to the fact that providers are required to select from a small list of approved auditors. This is plainly anti-competitive and, as a result, some occupational therapists have been quoted audit fees in excess of $15,000.

Those based in rural and remote locations are required to cover the travel and accommodation costs of the visiting auditors. Significantly, some jurisdictions, for example the ACT, have no locally based approved auditor.

And the fact that this cost will have to be met every three years renders NDIS work for many smaller practices unsustainable.

OTA asks again why one arm of government, the Australian Health Practitioner Regulation Agency (AHPRA), deems our members fit to practice while another, the Commission, questions that fitness. OTA is aware that a large number of providers are choosing not to re-register and that this has led to a significant increase in the number of families requesting plan reviews to change their funding to self or plan managed, thereby enabling them to see unregistered providers.

Despite assurances from the Commission, the cost of certification is not proportionate to the size of the practice or the business.

OTA has also begun to receive complaints from members about yet another layer of bureaucracy, namely complying with NDIS Worker Screening Requirements. While these requirements replace state and territory based requirements for working in the disability sector, and will facilitate movement of health professionals across state and territory borders, our members report that complying with the new requirements is more onerous than was previously the case.

OTA asks why complying with these requirements is necessary, given that occupational therapists undergo annual registration with AHPRA and are already registered with the NDIS Quality and Safeguards Commission. When will the Australian Government stop adding to the bureaucratic burden on AHPRA registered allied health providers working in the NDIS?

Recommendation: NDIS service providers registered with the Australian Health Practitioner Regulation Agency have already been deemed competent to practise by the Commonwealth Government and should not have to be certified or verified in any way whatsoever by the NDIS Quality and Safeguards Commission.

Should this recommendation not be adopted, the Commission should ensure that any audits it undertakes are proportionate to the size of the organisation being audited and the types of supports it provides. The register of auditors approved by the Commission should be significantly enlarged, with multiple auditors in every state and territory.

The Australian Government should act immediately to relieve the bureaucratic burden on AHPRA registered allied health providers working in the NDIS.

Ensuring funding certainty for NDIS participants

Despite assurances by the government that the NDIS is fully funded, its decision to abandon a planned increase in the Medicare levy to pay for the scheme created uneasiness within the disability sector. This uneasiness was exacerbated when, in 2019-20, funds unspent by the NDIS because of the inefficiency of its rollout were used to help achieve the appearance of a balanced Federal Budget.

With the scheme estimated to cost around $22 billion in the first year of full operation, it is imperative that any lingering uncertainty around the scheme's funding be resolved.

Recommendation: The Australian Government should clearly outline how it intends to fund the NDIS in the coming years and the likely impact of scheme costs on other areas of spending.

Establishing eligibility for the NDIS

OTA is on the record as supporting easier access to the NDIS and is acutely aware that, too often, a potential participant's socio-economic status is a key factor in whether or not they are deemed eligible for the scheme. One of the commendable features of the proposed Independent Assessments is the fact that, for the first time, eligibility screening will be free of charge – something that will address one of the real injustices of existing arrangements.

This in-principle support for easier access to the scheme notwithstanding, OTA holds grave concerns about the Independent Assessment model proposed by the NDIA late last year. This concern is widespread throughout the community and resulted in the NDIA announcing a deferment of the model's introduction to mid-2021 and a period of consultation in the interim. This consultation is ongoing and is to be welcomed.

However, it would appear that whatever form the Independent Assessments ultimately take, they are to be delivered by a small panel of approved providers. This has already been foreshadowed by the NDIA in its tender documentation, and even in the title of the model – Independent Assessor Panel. OTA knows from experience that such panels usually comprise a few large, impersonal, multi-disciplinary companies. Very few panelists work in small practices. Almost none are sole providers. And all too often, such arrangements – while bureaucratically convenient – result in the termination of longstanding and hugely beneficial clinical relationships between highly experienced clinicians working in small practices with often very complex clients.

The victims of this discernible trend in public policy are twofold. First there are those service providers who, while perfectly competent and conscientious, don't make the cut and, as a result, are denied access to a reliable source of work. Second, there are the consumers who, while being promised unprecedented choice in an age of consumer driven care, are actually seeing their choice limited by public policy that is quite deliberately anti-competitive. Excluding qualified practitioners from whole fields of practice makes a mockery of all the rhetoric around consumer choice.

Recommendation: The Australian Government should require the NDIA to discard its proposed model for the delivery of Independent Assessments, which involves the establishment of an anti-competitive panel of providers, ensuring all appropriately qualified and registered occupational therapists are able to perform the assessments.

Department of Veterans' Affairs

Given the demands of military service, both physical and mental, a sizeable proportion of veterans require the services of occupational therapists.

While occupational therapists derive enormous professional satisfaction from working with veterans and war widows, it has become increasingly difficult work to sustain. This is because remuneration for such work has, in effect, been frozen by the Department of Veterans' Affairs (DVA) for more than a decade. There has been no increase in the rebate, beyond adjustment in line with the CPI, since 2007. That increase was modest and applied to only one item on the schedule of fees. And, moreover, there was no adjustment in line with the CPI between 2013 and 1 July 2018.

Those occupational therapists still working with veterans do so at a loss; they only keep doing it out of loyalty to longstanding clients and by relying on cross-subsidies from other work.

The fee schedule is outdated, no longer reflecting the increased complexity of the work done by occupational therapists and the assistive technology they prescribe. Our members often identify mental health issues while doing assessments and are subsequently expected to perform a case management role which is not remunerated. An updated fee schedule should reflect the changing landscape in which occupational therapists work. It should remunerate them for the time it actually takes to perform increasingly complex consultations.

OTA welcomed the initiative in the 2020-21 Federal Budget whereby the fee paid to occupational therapists delivering mental health related supports to veterans was significantly increased.

OTA now asks that a similar adjustment be made to the schedule of fees for all other supports delivered by occupational therapists to veterans and war widows. This would help ensure that work done for DVA clients becomes more sustainable, and might help preserve clinical relationships between experienced occupational therapists and often highly complex clients.

OTA is aware that the unsustainably low fees paid by DVA has led to an acute shortage of occupational therapists in Far North Queensland, an area notable for a large proportion of veterans. This replicates the situation in the Northern Territory, where for several years veterans in need of occupational therapy have had to seek support at their nearest public hospital. Occupational therapists in private practice are able to provide such care, but only if the work is financially sustainable.

OTA calls again for an immediate and meaningful increase in the fees paid by DVA to occupational therapists, ensuring that those providing care and support to our nation's veterans are paid at least a living wage to do so.

Recommendation: There should be a significant increase in the fees paid by the Department of Veterans' Affairs to those occupational therapists providing services to veterans and war widows.

Primary Health Care

Targeted spending on primary health care is a means of addressing the health needs of individuals before they become more acute. A proactive investment in 'wellness', rather than reactive spending on the treatment of illness, represents a longer-term investment in the health of the community.

While the creation of Primary Health Networks (PHNs) tasked with addressing local population health needs is a positive initiative for local communities, OTA believes there should be greater investment in raising community and GP awareness of the vital 'value add' provided by allied health professionals. This will enhance the holistic nature, and therefore the effectiveness, of primary health care.

By enabling people to participate in daily activities, occupational therapists are key to illness prevention. By assisting the injured to return to work as soon as possible, occupational therapists enhance economic productivity. And by promoting wellness, occupational therapists help minimise avoidable hospitalisations, thereby relieving pressure on the health system.

OTA welcomed the announcement by the Commonwealth Government, in August 2019, of a Long Term National Health Plan, and its stated commitment to improving primary care and preventative health measures. Given their central role in the delivery of primary care and the prevention of disease, it is imperative that the allied health professions be regularly consulted in the development of the National Plan and in any primary care arrangements resulting from it. These arrangements should enshrine, and facilitate the operation of, an interdisciplinary model of care.

While development of the Long Term National Health Plan was understandably delayed by COVID-19, OTA believes it fair to say that the allied health sector was disappointed by early indications of the Plan's likely direction, perceiving that allied health was once again being at best misunderstood, at worst devalued.

Any workable primary care model will commit to genuinely inter-disciplinary care, valuing the key role played by all members of the care team.

Recommendation: The Australian Government should implement an interdisciplinary, preventative model of health care that encourages active dialogue between all members of a patient's care team.

Aged Care

Occupational therapists play a key role in providing aged care services to older people, both in the community and in Residential Aged Care Facilities (RACFs).

Occupational therapists work with older people with age-related conditions such as poor balance and coordination, memory loss and confusion, and vision and hearing loss, which lead to changes in their ability to participate in the meaningful activities of everyday life.

OTA welcomed the Royal Commission into Aged Care Quality and Safety, and lodged a submission with the Commissioners in September 2019. OTA also welcomed the interim report of the Royal Commission and the Commonwealth Government's subsequent announcement, on 25 November 2019, that $537 million had been set aside to facilitate the implementation of particular recommendations contained in the Commissioners' final report, most of it to fund an additional 10,000 home care packages.

OTA also welcomed the Royal Commission's *Aged Care and COVID-19 special* report, which calls for a greater allied health presence in RACFs.

In anticipation of the Royal Commissioners' final report, due for release early this year, OTA urges Treasury to develop a fiscal strategy that will ensure the implementation, over a reasonable period of time, of those recommendations of the Royal Commission which are subsequently accepted by the Commonwealth Government.

Recommendation: Treasury should develop a fiscal strategy that will ensure the implementation, over a reasonable period of time, of those recommendations of the Royal Commission which are subsequently accepted by the Commonwealth Government.

The maldistribution of the health, aged care and disability workforce

In a land as vast as Australia, and with a population as urbanised as Australia's, it is unsurprising that our health, aged care and disability workforce is stretched so thinly between our major cities. But while the problem comes as no surprise, it nonetheless remains a problem.

Key issues behind these workforce shortages include the difficulty of recruiting and retaining workers, high turnover rates, inadequate availability of senior/experienced staff, and an oversupply of part-time and casual workers.

The federal government should work to address this maldistribution as a matter of urgency, ensuring those Australians living outside our major cities and regional centres enjoy reasonable access to health services befitting one of the world's most advanced countries. The stated determination of all governments to 'close the gap' of Indigenous disadvantage is another compelling reason to ensure such access.

Education must play a key role in any long-term solution to this problem. Regular and meaningful rotations through regional and remote locations during the training of medical and allied health

professionals heighten the possibility that the student will eventually settle and practice in such a location. This is most easily achieved by way of training networks that link major metropolitan hospitals with smaller regional and rural hospitals. While this is largely the responsibility of state and territory governments, the federal government should work with, and encourage, these governments to implement such arrangements.

The provision of rural-based scholarships and fellowships is another means of attracting students and recent graduates to locations outside our major cities.

OTA strongly supports the development of an Allied Health Rural Generalist Pathway, which is key to the provision of multidisciplinary care in rural and remote areas. We also join with other organisations in calling for the development and implementation of a comprehensive rural and remote health strategy.

The appointment of a National Rural Health Commissioner in 2017 was an important step forward. While the office of the Commissioner is currently focussed on particular projects, notably a rural response to the COVID-19 pandemic and the recognition of Rural Generalist Medicine as a distinct field of practice, it must not lose sight of the need for a comprehensive strategy aimed at addressing workforce shortages in rural and remote Australia. As indicated above, the expanded use of telehealth consultations must inevitably play a part in any lasting solution to this problem.

Recommendations: The federal government should commit to addressing workforce shortages, and consequently reduced access to essential services, in rural, regional and remote parts of Australia. The government should work with state and territory governments to develop training networks that link major metropolitan hospitals with smaller regional and rural hospitals, and increase the provision of rural-based scholarships and fellowships to attract students and recent graduates to locations outside our major cities.

The office of the National Rural Health Commissioner should develop a comprehensive rural and remote health strategy, in consultation with all interested parties. The expanded use of telehealth consultations must necessarily figure in this strategy.

Private health insurance

An ongoing concern to members of OTA is the lack of recognition of occupational therapy by Australian private health insurance funds. Some cheaper packages offered by private health insurers exclude occupational therapy altogether, while including other therapies with little evidence in support of their benefits. Many of the more expensive packages relegate occupational therapy to the status of an optional extra.

OTA believes it is critical that private health insurers are made aware of the efficacy of occupational therapy and are encouraged to incorporate its services in their basic packages. This would enable policy holders to access therapeutic services of proven value if and when the need arises.

At a time when government is focusing on the public health and economic benefits that flow from preventative medicine, OTA believes private health insurers should be encouraged to devote more energy and resources to preventative care when undertaking product design. While we recognise that many insurers offer customers benefits, such as discounted gym membership, that encourage healthy lifestyles, it is fair to say that there still exists a general belief that health insurance only 'kicks in' once someone is sick or injured.

In the case of elderly customers, for example, the health system and the private health funds would generate substantial savings by making even a modest investment in assistive technology and home modifications as prescribed by an appropriate allied health professional. There is ample evidence to support the assertion that every dollar invested in falls prevention by a private health fund will save that fund multiple dollars and, more importantly, enhance the wellbeing and quality of life of its elderly policyholders.

At the time of writing, the Commonwealth Department of Health is undertaking a review of the second wave of private health insurance reforms. Among the proposed reforms under consideration are several pertaining to Out of Hospital Mental Health Services, including one which would allow private health insurers to directly fund the mental health services of a wider range of allied health professionals as part of the Chronic Disease Management Program (CDMP).

While OTA welcomes initiatives aimed at facilitating the delivery of mental health care outside of the hospital setting, it is imperative that the quality of such care in no way be compromised. It is of concern, therefore, that such a significant workforce reform be treated as just one small part of a sweeping review of the private health insurance industry.

Accordingly, OTA recommends that the Australian Government conduct a separate review of the CDMP, as part of which mental healthcare undergoes dedicated scrutiny.

Recommendation: The Australian Government should encourage the private health insurance industry to play a more proactive role in the delivery of preventative healthcare and, in particular, falls prevention among elderly policyholders.

The Australian Government should conduct a separate review of the Chronic Disease Management Program, as part of which mental healthcare undergoes dedicated scrutiny.