

SUBMISSION TO THE PRODUCTIVITY COMMISSION INQUIRY INTO REFORMS TO HUMAN SERVICES

The Fred Hollows Foundation (The Foundation) welcomes the opportunity to make a submission to the Productivity Commission inquiry into Reforms to Human Services. The Foundation works in Australia to strengthen the current eye health system so that it can function in a more effective and culturally appropriate way for Aboriginal and Torres Strait Islander people living in remote and underserved communities. This involves working in direct partnerships with local service providers in these communities and other eye health organisations.

The Foundation makes four main points to this submission based on experience and work with Aboriginal and Torres Strait Islander communities:

- The reform of service provision within Aboriginal and Torres Strait Islander communities must be co-designed with affected communities, and set within a framework of self-determination and based on the communities' own ambitions and priorities;
- The current model of service provision in remote Aboriginal and Torres Strait Islander communities is inadequate, therefore any improvements from greater competition, contestability and user choice will be limited if this is not addressed;
- There are other ways to improve the efficiency and effectiveness of services in remote communities such as greater investment in service coordination and Aboriginal Community Controlled Health Organisations (ACCHOs); and
- Mechanisms to introduce greater competition and contestability in the commissioning of services must be developed in partnership with local Aboriginal and Torres Strait Islanders ensuring that the important role of Aboriginal and Torres Strait Islander organisations is not overlooked and that these organisations are not disadvantaged, but rather supported to enhance their capacity to achieve positive and holistic outcomes.

The Foundation is also a member of Vision 2020 Australia, the national peak body for the eye health and vision care sector, and supports Vision 2020 Australia's submission to this inquiry.

Self-determination, empowerment and participation of Aboriginal and Torres Strait Islander communities are critical to improving health and social outcomes

The Foundation adopts a human rights-based approach to improving Aboriginal and Torres Strait Islander health through an eye health lens. This invariably means using a framework of self-determination as outlined in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) when working with Aboriginal and Torres Strait Islander communities.

The UNDRIP provides a framework for working collaboratively with Indigenous peoples, through participation and empowerment, to improve outcomes on a local and national scale. The links between Indigenous self-determination, empowerment and participation are

highlighted and strengthened through the UNDRIP¹ and evidence from Australia and internationally consistently shows that community empowerment, involvement and participation are the precursors to long-term development.² The Overcoming Indigenous Disadvantage Report (2011) supports this and states that “when [indigenous people] make their own decisions about what approaches to take and what resources to develop, they consistently out-perform [non-indigenous] decision-makers”.³

Recognising the value of Aboriginal and Torres Strait Islander organisations and the need to undertake a partnership-centred approach in the delivery of services or development initiatives in Aboriginal and Torres Strait Islander communities, The Foundation is also a signatory of the *Partnership Principles for NGOs working with Aboriginal organisations and communities in the Northern Territory* from the Aboriginal Peak Organisations of the Northern Territory.⁴ The Foundation also contributed to the Australian Council for International Development’s *Effective Development Practice with Aboriginal and Torres Strait Islander Communities Practice Note*, which reinforces the importance of working in partnership with Aboriginal and Torres Strait Islander communities and organisations for productive relationships.⁵

The inadequate level of service provision needs to be addressed first

The Foundation notes that the inquiry focusses on how the current model of service provision in remote Aboriginal and Torres Strait Islander communities can be improved through competition, contestability and informed user choice. However, The Foundation contends that improvements to service delivery from greater competition, contestability and user choice will not be fully realised if the funding for basic service provision is insufficient. Increased funding and funding certainty is required for truly transformative improvements to services in remote Aboriginal and Torres Strait Islander communities.

In the eye health context, the *Roadmap to Close the Gap for Vision* highlights that total expenditure on Aboriginal and Torres Strait Islander eye health is not adequate and well below demand and population-based needs.⁶ This has resulted in inequitable eye health outcomes, where Aboriginal and Torres Strait Islander people are three times more likely to go blind and three times more likely to suffer from vision impairment compared to the non-Aboriginal and Torres Strait Islander population.⁷

¹ Cowan, A. (2013). UNDRIP and the intervention: indigenous self-determination, participation, and racial discrimination in the Northern Territory of Australia. *Pacific Rim Law & Policy Journal*, 22(2), 247-310

² Malezer, L. (2013). Challenges in Evaluating Indigenous Policy. *Better Indigenous Policies: The Role of Evaluation Roundtable Proceedings*. Canberra: Productivity Commission.

³ Productivity Commission (2011). *Overcoming Indigenous Disadvantage Report 2011*. Canberra.

⁴ Aboriginal Peak Organisations Northern Territory, 2014. *Partnership Principles for NGOs working with Aboriginal organisations and communities in the NT* <http://www.amsant.org.au/apont/our-work/non-government-organisations/apo-nt-ngo-principles/>

⁵ Australian Council for International Development, 2014. *Effective Development Practice with Aboriginal and Torres Strait Islander Communities Practice Note* https://acfid.asn.au/sites/site.acfid/files/resource_document/Effective-Development-Practice-with-Aboriginal-and-Torres-Strait-Islander-Communities.pdf

⁶ Taylor, HR, Anjou, MD, Boudville, AI, McNeil RJ. *The Roadmap to Close the Gap for Vision: Full Report*. Melbourne: Indigenous Eye Health Unit, Melbourne School of Population and Health, The University of Melbourne, ISBN 978073404756 4: 2012.

⁷ The Centre for Eye Research Australia and Vision 2020 Australia, 2016, *The National Eye Health Survey Report* http://www.vision2020australia.org.au/uploads/resource/250/National-Eye-Health-Survey_Full-Report_FINAL.pdf

Strong coordination of services and support for Aboriginal Community Controlled Health Organisations make a difference

International and Australian research suggests that coordinating health services can reduce complexity and improve the overall effectiveness and efficiency of service delivery.⁸ This is especially important in the eye health context, where the patient pathway for eye health care often requires multiple visits to different service providers and locations across the primary, secondary and tertiary levels of health care.

Coordination within the eye health care system improves service delivery in remote communities and can include:

- Better coordination and links between eye health outreach optometry and ophthalmology services;
- The integration of patient electronic record systems;
- Accessible transport for patients and their families and carers; and
- Workforce to support coordination and liaison between primary health services, regional hospitals and eye health services.

The complex patient pathway can be difficult to navigate for Aboriginal and Torres Strait Islander people, their families and communities. Without good coordination, Aboriginal and Torres Strait Islander people can be discouraged from seeking services, or can drop out of the system before receiving treatment.⁹

The Foundation has seen the benefits from strengthened coordination through the engagement of Indigenous Liaison Officers. Indigenous Liaison Officers funded by The Foundation have increased access to and the uptake of eye health care services such as cataract surgery for Aboriginal and Torres Strait Islander people living in remote communities in the Northern Territory.

Greater support and investment in Aboriginal Community Controlled Health Organisations (ACCHOs) is also necessary to improve the effectiveness and efficiency of health care in remote communities. ACCHOs are primary health care services initiated and operated by the local Aboriginal and Torres Strait Islander community to deliver holistic, comprehensive, and culturally appropriate health care to the community.¹⁰ They also play a pivotal role in working with specialist and other health care providers such as outreach to provide local knowledge and coordination. For example, ACCHOs are needed to coordinate the visiting eye care services such as outreach optometry and ophthalmology services in their communities to ensure that patients can be seen and receive the right care, at the right place and at the right time.

In addition to delivering effective outcomes for Aboriginal and Torres Strait Islander people, ACCHOs have also been shown to be cost effective. A cost-benefit analysis by Deloitte Access Economics of the Danila Dilba Health Service, an ACCHO in the NT, found that each

⁸ Flaxman et al. 2009; New Zealand Ministry of Social Development 2003; Office of Evaluation and Audit 2009 in Stewart, J, Lohar, S & Higgins, D, 2011. Effective practices for service delivery coordination in Indigenous communities. Resource sheet 8. Produced by the Closing the Gap Clearinghouse. Canberra: Australian Institute of Health and Welfare and Melbourne: Australian Institute of Family Studies.

⁹ Taylor, HR, Anjou, MD, Boudville, AI, McNeil RJ. *The Roadmap to Close the Gap for Vision: Full Report*. Melbourne: Indigenous Eye Health Unit, Melbourne School of Population and Health, The University of Melbourne, ISBN 978073404756 4: 2012.

¹⁰ NACCHO, 2014, Investing in Aboriginal Community Controlled Health Makes Economic Sense. http://www.naccho.org.au/download/naccho_health_futures/NACCHO_14_Economic%20Value%20Exec%20Summary_020414.pdf

dollar invested in Danila Dilba returned \$4.18 of benefits to society. Danila Dilba achieved this despite receiving less funding per staff member, less funding per episode of care and less funding per person in its target population, than comparator organisations in the NT.¹¹

Commissioning models that aim to increase competition and contestability must not disadvantage Aboriginal and Torres Strait Islander organisations

The Foundation generally accepts the Commission's view that greater competition, contestability and informed user choice can improve outcomes in human services. However, service provision and commissioning models that aim to increase competition and contestability need to be carefully considered.

Commissioning using competitive tender processes have previously not recognised the significant expertise and ability of Aboriginal and Torres Strait Islander communities to provide services to remote communities. For example, *The Senate Finance and Public Administration References Committee inquiry into the Commonwealth Indigenous Advancement Strategy tendering process* found that the competitive tender model disadvantaged Aboriginal and Torres Strait Islander organisations and did not recognise the enhanced outcomes of service delivery by Aboriginal and Torres Strait Islander organisations.¹² As a result, the inquiry recommended that “future selection criteria and guidelines should give appropriate weighting to the contribution and effectiveness of Aboriginal and Torres Strait Islander organisations”. This recommendation should be considered in the commissioning of all services, not just as part of reforms to the Indigenous Advancement Strategy.

In relation to contestability, quality reporting on outcomes and the ability to monitor and evaluation services is essential, however Aboriginal and Torres Strait Islander organisations may need support to be able to undertake these activities. The Foundation believes that there is also a case for development and support of Aboriginal and Torres Strait Islander organisations more generally to enhance their ability to not just deliver services, but also to build better capacity to manage finances, complete reporting, submit funding proposals and measure outcomes.

Conclusion

The Foundation is keen to participate in this inquiry and welcomes the opportunity to provide more information based on this submission. Should you have any questions or require further information, please contact:

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¹¹ Deloitte Access Economics, 2016. Review of Danila Dilba Health Service Cost benefit and funding analysis
<https://www2.deloitte.com/content/dam/Deloitte/au/Documents/Economics/deloitte-au-economics-danila-dilba-health-service-cost-benefit-funding-analysis-111116.pdf>

¹² Parliament of Australia, 2015. Commonwealth Indigenous Advancement Strategy tendering processes
http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/Commonwealth_Indigenous/Report/c02

About the Fred Hollows Foundation

The Fred Hollows Foundation continues the work of leading Ophthalmologist and Human Rights Campaigner, Professor Fred Hollows. The Foundation works in more than 25 countries around the world, to end avoidable blindness and improve the health of Aboriginal and Torres Strait Islander people in Australia.

Through an eye health lens, The Foundation aims to strengthen Australia's health system and improve the overall patient pathway for Aboriginal and Torres Strait Islander people to ensure they can access high quality, affordable and culturally appropriate eye health care.

The Foundation's work in Australia, through its Indigenous Australia Program, is guided by the following principles:

- ***We work only where we are invited***
 - Establishing a relationship and adhering to the appropriate protocols are vital components underpinning our partnerships
 - We work with stakeholders and communities to identify their aspirations for eye care in their region and work collaboratively to achieve this goal
- ***We work in partnership with Aboriginal Community Controlled Health Organisations***
 - We aim to partner with the community controlled sector in the first instance to develop and implement programs, given we are not a service provider
- ***We do not compete with Aboriginal and Torres Strait Islander Organisations for funding***
 - Where appropriate, we choose to partner with and support their applications for funding
- ***Our programming must be evidence-based***
 - With a demonstrated need, we use a proactive approach and continuous efforts to build on key learnings
- ***Our programs have clear transition plans***
 - We aim to ensure that there is a clear transition plan in place for The Foundation and that programs are sustainable beyond our support
 - Our approach is to model best practice whilst building capacity within our partners