

27 October 2016

Commissioner Stephen King
Human Services Inquiry
Productivity Commission

Dear Commissioner King,

Re: Productivity Commission Preliminary Findings Report – Human Services: Identifying Sectors for Reform

The Australian Dental Association New South Wales (ADA NSW) is the peak professional body representing dentistry in NSW and the ACT. Our vision is to achieve the best standard of oral health for our community, and promoting oral health is a key part of our mission. Thank you for this opportunity to provide feedback on the Productivity Commission Preliminary Findings Report on Reforming Public Dental Services. The comments below are a general response to the Productivity Commission's Preliminary Findings Report on Reforming Public Dental Services. ADA NSW drew on the expertise of our Advocacy and Policy Committee in developing this submission.

ADA NSW welcomes the Commission's finding that public dental services need to be reformed. Evidence for reforming public dental services is compelling. The Commission noted some of this evidence:

- that only 14 per cent of expenditure on dental health in 2013-2014 was through government sources
- 84 per cent of the population 5-years and older had last visited a private dental practitioner
- concerns regarding access to dental services in remote areas
- a lack of "continuity of care" for patients managed within the public sector – leading to unfavourable visiting patterns
- lack of equity in accessing dental care for certain population groups
- financial and other barriers causing people to defer dental treatment
- dental conditions were the second highest cause of potentially preventable hospital admissions.

Based on this evidence, the mission to reform should be to "Improve oral health status by reducing the incidence, prevalence and effects of oral disease and to reduce inequalities in oral health status across the Australian population", the goal of Australia's National Oral Health Plan 2015-2024 or Healthy Mouths Healthy Lives prepared under the auspices of the COAG Health Council¹.

To increase the delivery of dental services to those currently having an unfavourable pattern of dental visiting, a reliance on the participation of private dentists is required, as they constitute the dominant segment of the labour force (approximately 85 per cent) and are dispersed in location².

A comprehensive range of services are provided in the private sector, including emergency and general dental as well as more complex and costly treatments such as orthodontic and endodontic services.

Private practitioners have played a significant role in improving access and providing care for eligible public patients under government funded dental programs.

In NSW with the introduction of the NSW Oral Health Fee for Service Scheme in 2000, private practitioners have played a significant role in improving access and providing care for eligible public patients³. This Scheme offers an alternative way for those who are eligible for public oral health care to receive dental treatment by a private practitioner who is registered with this Scheme.

There has also been a significant increase in public dental service activity as a result of the implementation of the Commonwealth National Partnership Agreement through strategies such as increasing recruitment of dental staff, increasing clinic hours and available chair time, and the increased use of the private sector via the NSW Oral Health Fee for Service Scheme. Funding through the National Partnership Agreement on treating more public dental patients has reduced waiting times significantly in recent years^{1 4}. Utilisation of private dentists and private infrastructure makes economic sense and has proven very successful in reducing the number of patients on public dental waiting lists.

Australian Dental Association Inc. (ADA)⁵ provided an initial submission in response to the Productivity Commission's Issues Paper – Human Services: Identifying Sectors for Reform. ADA NSW concurs with ADA that a more competitive framework within the dental health sector can be achieved through a cooperative approach between public and private sector dentists. The National Advisory Council on Dental Health⁶ also recommended that those eligible for publicly funded dental care, should be able to freely access dental care and to choose their provider, either public or private.

Models of care for the Inquiry to consider, include the Child Dental Benefits Schedule (CDBS), the National Partnership Agreement on treating more public dental patients and dental schemes operating in Western Australia which subsidise dental care from private dentists as articulated in the ADA submission⁵. This would enable eligible patients for public dental care to make a choice between private and public sector dentists in accessing timely, affordable, high quality and appropriate dental care. For example, under the CDBS parents have the freedom of choice to select private or public dental providers in a completely contestable way for their children.

Reform should, according to the National Health and Hospitals Reform Commission (NHHRC) principles⁷, result in care that has a strong foundation in primary health care, is provided in convenient sites, and supports education and research to ensure the future health of the system.

A report "Improving Oral Health and Dental Care for Australians" prepared for the NHHRC recommended that a well-supported public sector dental service is required to deliver population oral health strategies and population oral health promotion with strong emphasis on the social determinants of health⁸.

Evidence continues to grow supporting the connection between oral health status and many major chronic diseases including cardiovascular disease, diabetes, respiratory disease, stroke and aspiration pneumonia⁹. Dental diseases share a number of risk factors in common with the major

national health priority areas (e.g. obesity, diabetes and cardiovascular disease). Not only are there common risk factors, such factors tend to cluster in population groups with a lower socio-economic status.

Implementing initiatives that prevent and treat oral disease will support efforts to address chronic disease. Public dental care offers a primary care opportunity for a point of intervention service that can reduce the risk of oral and possibly general health problems. Therefore integrating oral health care into the broader health system will gain synergies and reinforce preventive interventions, improving oral and general health^{9 10}. When prevention and health promotion is supported with a strong primary care system, it potentiates reduced disease in society and reduced future costs and demand for care¹¹.

Public sector dental services offers training and education of the dental workforce and tertiary referral pathways for the eligible Australians. Innovation, education, teaching and research into oral health are often led by the public sector. Public dental sector is essential for multidisciplinary management of medically, physically and/or mentally impaired patients; management of dental and medical emergencies; for specialised service provision and for specialist dental training and education.

Some sub groups of the Australian population do not have choice, because they need special services that are not readily accommodated in the fee for service remuneration private system. More time and resources are required to provide dental services for people with special needs, those with multiple complex health and social problems, chronic disease, and the elderly and frail. The report Improving Oral Health and Dental Care for Australians highlighted that the fee-for-service payment struggles to accommodate such demands on the private dentist, leaving such patients less attractive to private dentists. The report also noted that maldistribution combined with travel costs or limitations, hours of practice, language and cultural or social hegemony discourage some people from visiting private practices⁸. For some subgroups of the Australian population, the public dental sector remains the only choice in where they can seek the right care in the right setting.

Therefore, without a well-functioning public dental sector, oral health for Australian residents with barriers to access will continue to worsen and the training and education of oral health practitioners will become more difficult.

Individuals who have difficulty accessing dental care seek relief from pain and infection through other health services¹¹. The end result of delays in treatment can be admission to hospital to treat serious infections. Potentially preventable hospitalisations are those conditions where hospitalisation is thought to have been avoidable if timely and adequate non-hospital care had been provided. The Commission's report pointed out that dental conditions are the second highest cause of potentially preventable hospitalisations in Australia. In research and public policy, potentially preventable hospitalisations are often used as a proxy measure of primary care effectiveness and/or access to care.

For these reasons a parallel emphasis must also be placed in investing and building the capacity of the public dental services.

ADA NSW believes that greater competition, contestability and user choice are not the only approach to reform public dental services. A market-economy driven model of competition-contestability-user choice, if instituted without other major funding and structural reforms, may lead

to a deterioration of access to dental services by those most in need with a potential increase in expenditure on those with minimal objective oral health needs.

ADA NSW welcomes the Productivity Commission's next stage of work in this important inquiry. ADA NSW provides some recommendations for the Commission to consider in their analysis of reforming public dental services and improving oral health for all Australians. These include:

- Explore options for new models of care to improve access and continuity of care to public patients through public and private partnership. Providing timely, affordable and appropriate oral health care to all Australians requires an appropriate public private partnership mix.
- Provide additional funds to address inequalities in oral health within the Australian population. This funding should be a dedicated and quarantined budget, targeted to “at risk groups” identified in *Australia’s National Oral Health Plan 2015-2024*.
- Explore opportunities for budget saving, improve accountability and transparency in public dental care.
- Invest in public sector dentistry for population health initiatives, research, education and teaching.
- Integrate oral health care into the broader health care system. Oral and other national health priority diseases have determinants in common, therefore, emphasis on “the common risk factor approach” will have benefits across the whole health system.
- Integrate and coordinate oral health policy within general health policy.
- National leadership in oral health is required similar to general health, given the considerable variation between state/territory dental services delivery, the accountability and reporting of their programs. The establishment of an office of a Federal Chief Dental Officer is suggested in line with the National Oral Health Plan endorsed by all the Nation’s Health Ministers.

ADA NSW looks forward to continued involvement in this Inquiry. We would welcome the opportunity to meet with the Inquiry to further discuss competition in the human services sector and expand on the issues raised in this letter.

Regards,

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Chief Executive Officer

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