

# Australia

*Large, sparse population, many with remote access needs, government focus on care.*

# Australian Demographics

Support and services for the aged in Australia are provided by a large number of government programs (Commonwealth level – meaning the federal structure which binds the Australian territories under the Crown, the State/Territory level, and local level) as well as programs/support from the community and voluntary sectors (particularly families and carers), the private for-profit sector and the private not-for-profit sector.

Because the aged are able to access 'mainstream' support and services (for example, health care, housing support and income support) that are available to the whole population, it is not possible to precisely identify exactly what is provided to the aged and what it costs.

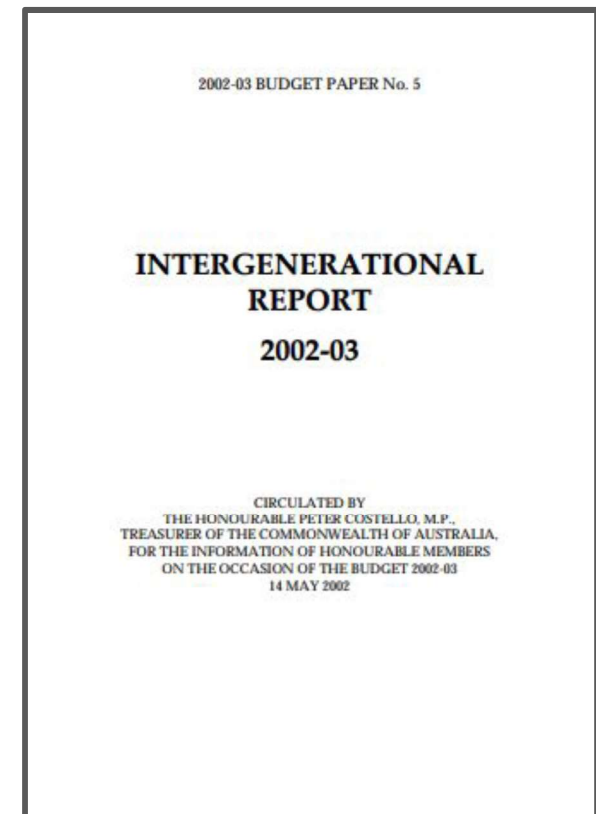
Most assistance and support is provided to that section of the aged population most in need: The frail and the disabled. For many aged over 65 years of age there is no need for specific assistance. With the general trend towards people living longer and being healthier for longer, the main emphasis in terms of assistance and support is towards the 'older' aged that is those aged over 75 80 years of age. It is generally understood that the greatest need for support is in the last two years of a person's life.

In recent years the tendency of policy has been for an increased emphasis on early intervention and 'healthy' ageing combined with 'ageing in place', that is, keeping older people out of health and residential facilities for as long as possible. This is not only more cost effective from a government point of view, (for example, it costs the Commonwealth, on average, approximately \$30 000 per annum to fund an average residential aged care bed compared to the average cost of a Community Aged Care Package of approximately \$10 000 per annum), it also conforms to the wishes of the vast majority of aged people themselves.

# Remote Communities

There has been substantial attention given not only to demographic change in Australia, but also specifically to its rural dimensions. **There is a National Strategy for an Ageing Australia (see next slides)**, but until 2002 it contained very few references to rural and remote areas, and almost none to Indigenous people.

The Intergenerational Report, released in May 2002 raised the level of debate about the potential implications of Australia's ageing for the social security, health and aged care and taxation systems. It asked whether and how the aged care system will cope in twenty and forty years' time, and whether for example the Pharmaceutical Benefits Scheme is sustainable. This same agenda was further promoted through the release by the Treasurer of Australia's Demographic Challenges in February 2004.



Source: [The Australian](#)

## Remote Communities

A higher proportion of the population is elderly in rural and remote areas than in the cities. In the capital cities, 20.6 percent were 55 or over in 1996, compared with 25 percent for 'small rural centres' and 24.4 per cent for 'other rural areas'. Remote centres, in contrast, had only 12 percent of their population over 55 years of age.

This profile is largely due to two phenomena: the out-migration of young people to the cities for education, work and 'the bright lights'; and significant in-migration of older people because of lower house prices, retirement to small coastal settlements and general perceptions of the positive aspects of life in country areas ("peace and quiet", safety and security) regarded as beneficial for retirement.

There are also some rural and remote differences caused by the national distribution of the Indigenous population. While Indigenous people make up only 2% of the Australian population overall, they are disproportionately distributed in rural and remote areas. Indigenous people comprise 1% of the population of metropolitan areas, 3% of rural zones, 13% of remote centres and 26% of 'other remote areas'. Indigenous people have poorer health status (particularly because of higher rates of chronic disease) and a life expectancy that is around 20 years less than for other Australians.

This results in them needing a range of support services — including aged care — at a younger age than non-Indigenous people. This means that the demographic of rural and remote areas is even more skewed because of the need for such services at an earlier age.

# National Strategy for an Ageing Australia

The National Strategy is a framework for a government response to the challenges and opportunities that an older Australia will present. It will be the vehicle for ongoing leadership by the Commonwealth Government in engaging the Australian community on this important issue.

According to the Australian Government, as of 2012, the goal of the National Strategy for an Ageing Australia is to deliver the best outcomes for all Australians regardless of age.

## National Strategy Principles

- The ageing of the Australian population is a significant common element to be addressed by governments, business and the community.
- All Australians, regardless of age, should have access to appropriate employment, training, learning, housing, transport, cultural and recreational opportunities and care services that are appropriate to their diverse needs, to enable them to optimise their quality of life over their entire lifespan.
- Opportunities should exist for Australians to make a life-long contribution to society and the economy.
- Both public and private contributions are required to meet the needs and aspirations of an older Australia.
- Public programs should supplement rather than supplant the role of individuals, their families and communities.

# National Strategy for an Ageing Australia

It's policies and goals are:

- an ageing workforce and the need for action as the supply of younger entrants drops dramatically but the demand for economic growth persists and competition in a global economy continues to increase;
- the need for adequate levels of, and sustainable sources of, retirement incomes to support retirement living;
- the need for positive individual and community attitudes to ageing;
- the need for age-friendly infrastructure and community support (including housing, transport and communications), to enable greater numbers of older Australians to participate in and remain connected to society;
- the importance of healthy ageing to enable a greater number of older people to remain healthy and independent for as long as possible
- a growing demand for accessible, appropriate and high quality health and aged care services.



## *National Strategy for an Ageing Australia*

**An Older Australia, Challenges and Opportunities for all**

**The Hon Kevin Andrews MP, Minister for Ageing**



# Medicare

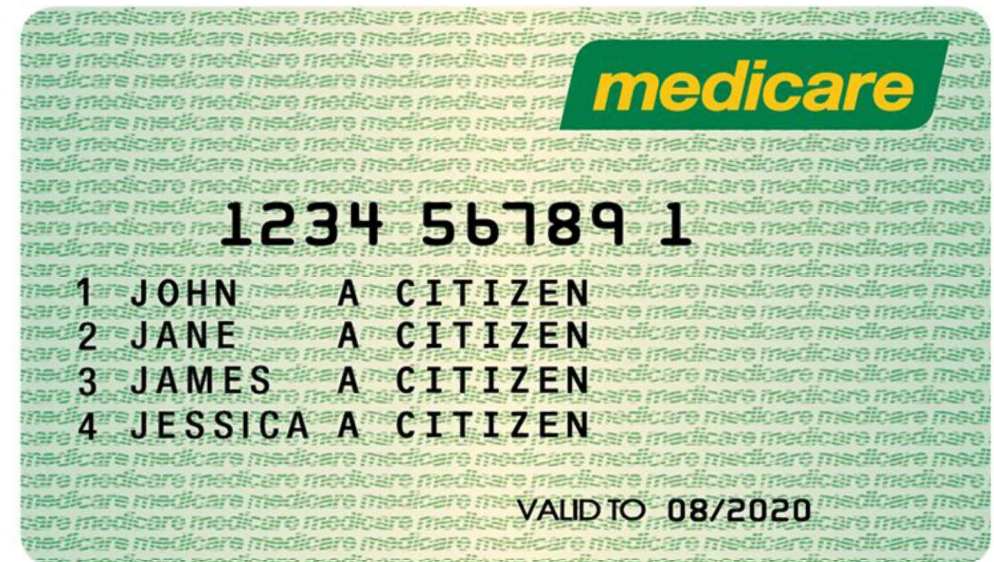
**Medicare** has been Australia's universal health care scheme since 1984:

- medical services;
- public hospitals;
- medicines

Medicare covers all of the cost of public hospital services. It also covers some or all of the costs of other health services.

The other important part of Medicare is the Pharmaceutical Benefits Scheme (PBS). The PBS makes some prescription medicines cheaper. The PBS lists brand name, generic, biologic and biosimilar medicines. There are over 5,200 products on the PBS.

The Medicare Benefits Schedule (MBS) is a list of all health services that the Government subsidizes.



Source: Australian Government Department of Health

# Aged Care Initiatives and Programs



## Australian Government

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## Department of Health

The Australian Government funds a wide variety of care programs at a “Commonwealth” (federal) level, with a special emphasis on home care and dementia care and monitoring. This, plus the challenge presented by remote communities, makes Australia fertile ground for the development of tech-enabled home care.

### **My Aged Care**

My Aged Care aims to make it easier for older people, their families, and carers to find information on ageing and aged care in Australia. They provide online information and trained call centre staff to help you get an older person’s needs assessed and to find and access services.

### **National Aged Care Advocacy Program (NACAP)**

NACAP provides free and confidential advocacy support to older people and their carers. It also helps aged care service providers to understand their responsibilities and the consumer rights of the people they care for.

### **National Dementia Support Program (NDSP)**

The NDSP is an Australian Government initiative to fund information, education programs, services and resources.



# Aged Care Initiatives and Programs

## **Residential aged care**

Residential aged care is for senior Australians who can no longer live independently at home. The Australian Government funds residential aged care to make it more affordable and accessible.

## **Specialist Dementia Care Program (SDCP)**

The SDCP funds specialist dementia care units in residential aged care homes. The units provide specialised care to people with very severe behavioural and psychological symptoms of dementia. They aim to reduce or stabilise symptoms so that people can move into less intensive care settings.

## **Commonwealth Home Support Programme (CHSP)**

The CHSP provides entry-level support for older people who need some help to stay at home. Service providers work with them to maintain their independence and keep them as well as possible. Find out what service providers need to know about this program.

## **Dementia-Friendly Communities**

Dementia-Friendly Communities is an Australian Government-funded program to build understanding, awareness and acceptance of dementia in the community.

## **Home Care Packages Program**

The Australian Government subsidises organisations to provide home care services to eligible older people. As an approved provider of Home Care Packages, make sure you understand how funding works, the fees you can charge, and what your responsibilities are.

# Council on the Ageing (COTA)



COTA Australia is the peak policy development, advocacy and representation organisation for older Australians, representing COTAs in every State and Territory and through them over 500,000 older Australians.

With the eight state and territory COTAs as our members, COTA Australia has two main governance structures to help inform our work:

- COTA Australia Board – made up of representatives of one representative of each of our eight member organisations, along with an independent Chair and up to 2 additional independent Directors.
- National Policy Council – each of the eight member organisations of COTA Australia nominates one elected member as its representative to the National Policy Council (NPC).

Additionally, COTA Australia comes together with its eight member organisations's CEO's and Presidents in the COTA Federation once a year to discuss our collective futures and directions.

COTA Australia speaks to Federal Government Ministers and advisors, Shadow Ministers and other Parties, and the most senior levels of the public service on key issues of relevance. We make submissions to Government and Parliamentary Inquiries.

# Council on the Ageing (COTA)

Policy areas for action as identified by the National Policy Council include but are not limited to:

**Aged care:** Access, consumer choice, quality, long term sustainability.

**Health:** Access, affordability, choice, reform, advance care directives.

**Ageism:** Age discrimination, human rights, UN Convention on the Rights of Older People.

**Housing:** Older Persons Housing Strategy, Liveable Housing (formerly National Dialogue on Universal Housing), future Housing design, retirement living options, public housing stock and rents.

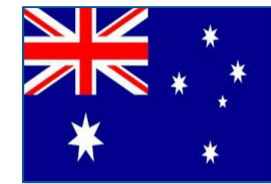
**Retirement Incomes:** Adequacy, concessions, superannuation.

**Employment:** Mature age employment, superannuation and Workcover reform.

**Essential Services:** Affordability, effective concessions.

**Non Metropolitan:** Regional, rural and remote ageing special issues.

# Australia



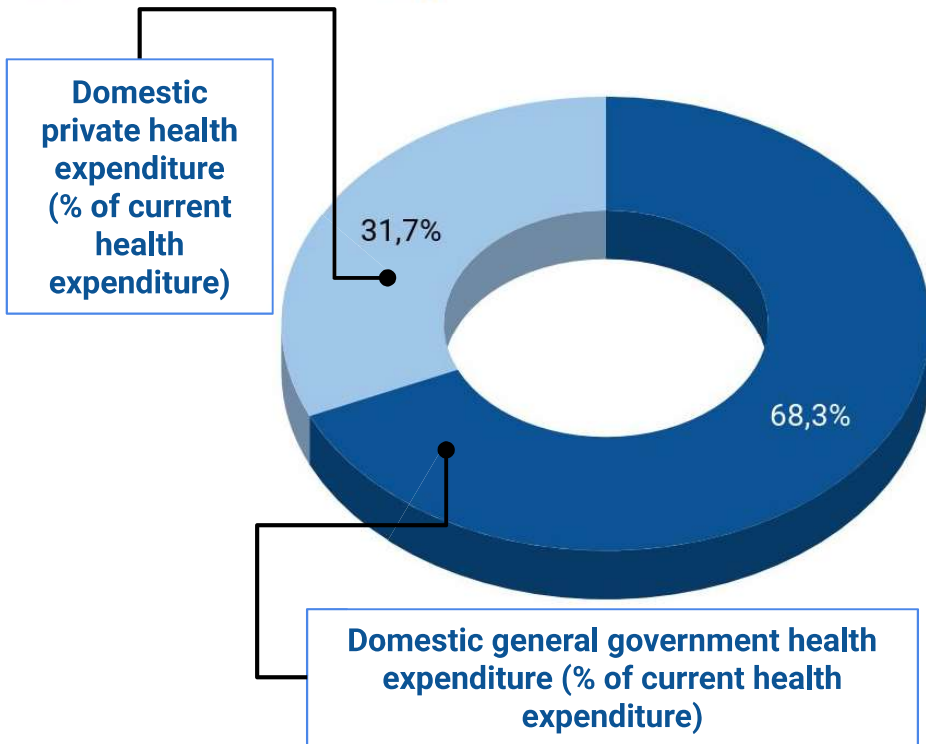
## General metrics

|                       |  |                     |
|-----------------------|--|---------------------|
| HALE                  | Both Sexes HALE (2016)   | 73 years            |
|                       | HALE/Life Expectancy Difference 2016                                   | 9.9                 |
| Economy               | GDP per Capita, Current Prices (2016)                                  | 50.02 thousand (\$) |
|                       | Annual GDP Growth (2016)   | 2.8 %               |
| Healthcare            | Current Health Expenditure per Capita (2016)                           | 5.00 thousand (\$)  |
|                       | Public Health Care Expenditure 2016                                    | 9.25 % of GDP       |
| Retirement            | Age Dependency Ratio 2016  | 52                  |
|                       | Population over 65, 2016   | 15.3 %              |
|                       | Number of WHO Age Friendly Cities and Communities                      | 28                  |
| General Health Status | Alcohol Consumption per Capita (Litres of Pure Alcohol) 2016           | 10.6                |
|                       | Annual Cigarette Consumption (Units per Capita) 2016                   | 916                 |
|                       | Prevalence of Overweight among Adults 2016 (Age-Standardized Estimate) | 64.5 % of adults    |

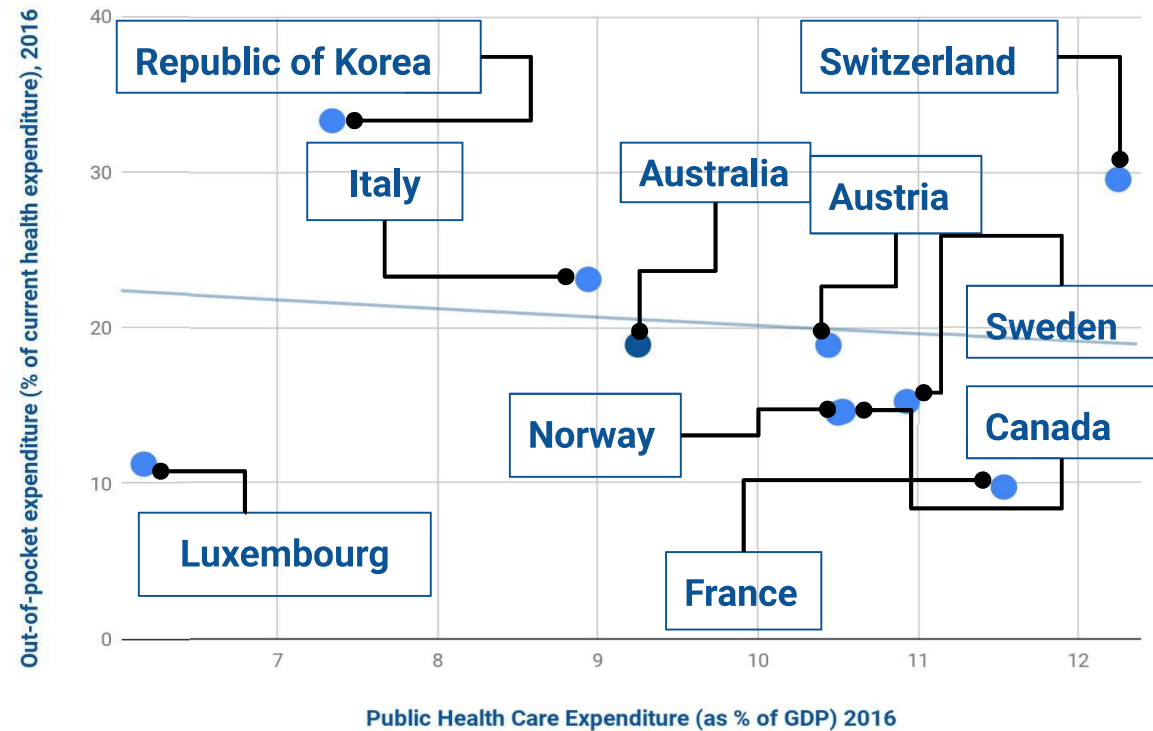
## Longevity-Related Indices

- The Healthcare Access and Quality Index -2016:  
**96**
- Human Development Index 2016:  
**0.94**
- E-Government Development Index 2016:  
**0.91**
- Corruption Perceptions Index 2016:  
**79**
- Global Gender Gap Index 2016:  
**0.72**
- Democracy Index 2016:  
**9.01**

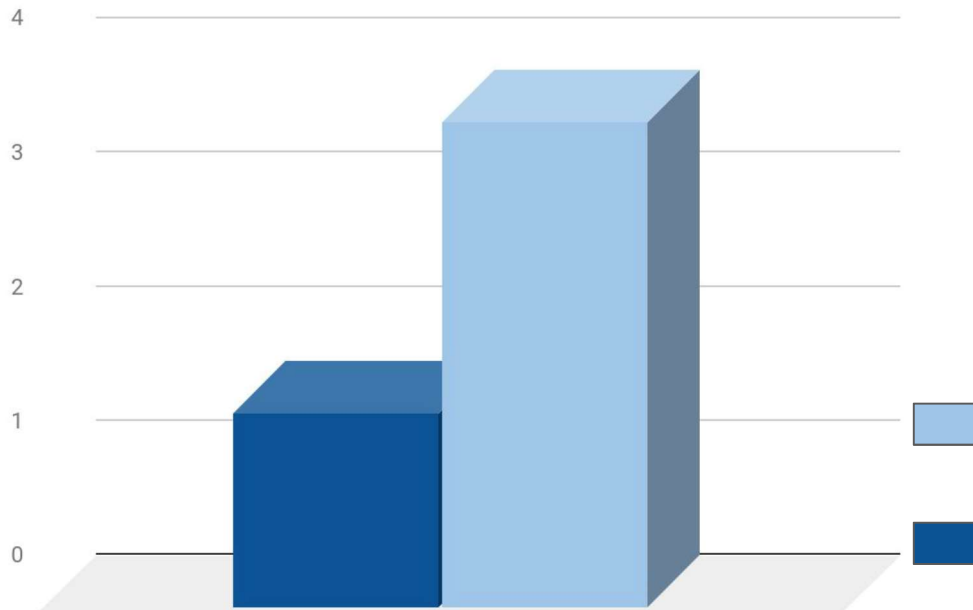
## Current Healthcare Expenditure



## Countries with High HALE and Life Expectancy and High Gap



## Effectiveness ratios



Australians live longer and with more years in a good health. Heart disease is largest cause of death. Adults at high risk of heart attack or stroke should receive appropriate treatment and be aware of their risk factors.

HALE and Life Expectancy Difference CAGR (6 years)/Current health expenditures per capita (current US\$), CAGR (6 years)

HALE CAGR (6 years)/Current health expenditures per capita (current US\$), CAGR (6 years)

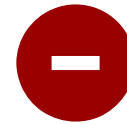


# SWOT Analysis of Healthcare in Australia



## STRENGTHS

- Australia's healthcare system includes both public healthcare system and private healthcare system, where public healthcare system is comprehensive (Medicare) and provides free or low-cost services for taxpayers with additional benefits.
- High range of different funds that finance services provided by specialists and doctors and hospitals besides government. This funds can be mutual and "for cost".
- Different initiatives of government that helps to encourage people to purchase private insurance.



## WEAKNESSES

- The lower level of public healthcare expenditure than average in OECD - 67% in comparison with 72%.
- The health care system is hybrid state model, that makes its' institutions an instrument in political games during elections.
- An average level of doctors and specialists for 1000000 population as was fixed in 2011-12.
- The lack of flexibility in public hospitals that not allow patients to choose the doctor or specialist and makes them to wait for some services for 12 month.
- The highest total cancer rate in the world.



## OPPORTUNITIES

- Ability to spend more taxes and funds in investment in research and development and boosting of doctors' and specialists' qualifications.
- Providing more free and low-cost services to people with lower income and giving more subsidies for medicines.
- Government should concentrate more focus on remote population its' life expectancy and HALE in order to increase it and on resource allocation.
- Encourage companies to provide their employees with medical insurance that will allow them to visit private hospital and choose a specialist.



## THREATS

- Decrease in costs spent on health in % of GDP in 2017-18 according to Australian Institute of Health and Welfare.
- Existence of unique flora and fauna creates a springboard for the epidemics and severe diseases.
- Non-Indigenous Australians live for up to 7 years less than other population that threatens average life expectancy in Australia.
- Less breakthrough progress in medicine that brings new methods and technologies to provide high quality service than in other developed countries.

# Analysis of Strengths and Weaknesses of Health Care System in Australia



- Australian people have a high **life expectancy (83) and HALE**, especially, in comparison with other developed countries. Cigarette and alcohol consumption is lower than in North America and most European countries.
- Medicare covers **100% of costs in public hospitals for general services and 85% of costs for specialists and also 75% of costs for public patients in private hospital** that allows reducing out-of-pocket costs.
- **Lifetime Health Cover and Medicare Levy Surcharge** allow the government to stimulate adults to take private hospital insurance that encourages people to protect and maintain their health on a certain level and make universal healthcare system balanced.
- **Deaths in early childhood have reduced substantially over the past 100 years. In 1907, child deaths (aged 0–4 years) accounted for 26% of all deaths compared to less than 1% in 2017.**
- Control of infectious disease and better hygiene and nutrition. The decline in the later years was associated with improvements in road safety measures, a decrease of smoking, detection and prevention of CDV and chronic diseases.



- Though Australia received good positions in the investigation carried out by OECD **countries it's health care system was weaker than Canadian and German.**
- People in remote regions usually live less.
- Public medicine does not allow its patients to choose a doctor or specialist because of a certain load and have a waiting period for up to 12 months on benefits that can be connected with some medical conditions.
- Concerning adults' access to healthcare, **10% of Australians had to wait for 4 months or more for elective surgery whereas only 4% of the patients had to wait for elective surgery in Canada. About 21% of the patients had experienced a care coordination problem in the past 2 years.**
- Coronary heart, Alzheimer disease, dementia, cerebrovascular disease and lung cancer with COPD are top causes for death in Australia for the younger and elder population.

# Recommendations for Australia

- **Use of bundled payment mechanism** to reduce costs and maintain the quality of services and patients' outcomes. Bundled payments can also be used to reduce unplanned readmissions.
- **Effective allocation of healthcare resources, giving particular attention to remote areas.** The government should appoint more costs to remote regions. This actions will allow spending more on less developed areas and less advanced regions to provide qualified medical aid and healthcare treatment.
- **Conduct additional activities and initiatives to remove crucial causes of popular diseases that can lead to death, especially, among elders.** Lifestyle, habits and working conditions are the first moving point for keeping the nation healthy for long years.
- **Increase investment in healthcare for creation both tangible and intangible assets.** This will allow spending more on research and development to find out more progressive means and ways to conduct surgery and observations that will improve the average level of quality of medicine in Australia.
- **Move from cure to prevention to combat with non-communicable diseases risk factors.** Prevention faces two main barriers. First, most doctors worldwide are trained to diagnose, treat, and cure diseases, but not to prevent them. Incentive schemes in many health care settings reflect that emphasis. Second, the risk factors for these diseases – tobacco use, the harmful use of alcohol, unhealthy diets, and physical inactivity – lie in non-health sectors and are strongly influenced by the behaviours of powerful economic operators.
- **Support a healthy lifestyle.** This means that government should popularize the healthy food and non-alcohol and non-cigarette life to make teenagers and adults healthier that will positively influence HALE and life expectancy with the help of mass media.