



NACCHO



National Aboriginal Community
Controlled Health Organisation

www.naccho.org.au

*Closing the gap in vision through **better**
access to prescription glasses for
Aboriginal and Torres Strait Islander
Australians*

Joint-submission to the Federal Budget 2015-16

January 2015

About Optometry Australia:

Optometry Australia is the national peak professional body for the optometry profession, comprising a membership base of over 90 per cent of all practising optometrists in Australia. Our focus is to lead and enhance the profession of optometry, on behalf of all optometrists. In existence since 1904, Optometry Australia is a federation comprising of the National and six state/territory organisations. Contact details for the National and State organisation Offices at www.optometry.org.au

About the National Aboriginal Community Controlled Health Organisation (NACCHO):

NACCHO is the national authority on Aboriginal Comprehensive Primary Health Care, representing over 150 Aboriginal Community Controlled Health Services (ACCHSs) across the country on Aboriginal health and wellbeing issues.

NACCHO believes that ACCHSs represent the only truly effective and culturally valid model for delivering Comprehensive Primary Health Care to Aboriginal Peoples. They represent a model for leadership, self-determination and the participation of Aboriginal Peoples in the solutions to the needs of their communities. www.naccho.org.au

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1.0. Executive Summary

Optometry Australia and the National Aboriginal Community Controlled Health Organization (NACCHO) welcome the opportunity to advise on budget priorities for the 2015-16 Federal Budget.

This joint budget submission offers a tangible and cost-effective strategy to ensure Aboriginal and Torres Strait Islander Australians can readily access prescription glasses in a culturally-appropriate manner, helping to close the gap in eye and vision health disparities.

Many Aboriginal and Torres Strait Islander Australians are currently unable to access prescription glasses when they need them, with uncorrected refractive error accounting for 54% of all vision loss in the Indigenous population. Vision loss alone accounts for 11% of the total Indigenous health gap. Existing spectacle schemes across States and Territories which provide variable subsidized access for some low-income earners have proven to be largely ineffective for Indigenous Australians; where cost is still a barrier to spectacle-access and the rate of uncorrected refractive error remains high. This is simply unacceptable given refractive error is immediately correctable with prescription glasses.

Optometry Australia and NACCHO recommend the Australian Government take a lead role in addressing high rates of uncorrected refractive error among Aboriginal and Torres Strait Islander Australians, by committing to a national approach to improve access to prescription glasses. This can be achieved by adopting one of the options listed below.

Recommendation

The Australian Government commit to a national approach for improving access to prescription glasses amongst Aboriginal and Torres Strait Islander Australians by:

Option 1: Establishing a single, 'National Indigenous Subsidized Spectacle Scheme' co-funded by the Australian and State/Territory Governments.

Option 2: Supporting State and Territory Governments to establish their own individual and nationally-consistent Indigenous Spectacle Schemes through an inter-governmental partnership arrangement.

Existing State and Territory spectacle schemes vary significantly in their structure, funding and overall effectiveness. This has created a level of uncertainty and inequity among the community. It is therefore not surprising that these schemes on the whole have failed to meet the needs of Aboriginal and Torres Strait Islander Australians. A new approach is urgently needed to address the existing high rates of refractive error experienced by Indigenous Australians. Consistent with key recommendations in the 'Roadmap to Close the Gap for Vision' and supported by Vision 2020 Australia, the time has come for dedicated Indigenous spectacle scheme(s) to be established, either nationally or at the jurisdictional level (with national support).

We estimate the cost of providing the required number of subsidised prescription glasses to Aboriginal and Torres Strait Islander Australians over the next 3 years at \$7.0 million. Previous economic analysis suggests effective spectacle schemes can attain up to \$30 million in cost savings

per annum through the prevention of productivity losses by allowing people to participate in work and study – which are also key priorities of the Australian Government to close the gap across Indigenous Australia.

The Victorian Aboriginal Subsidised Spectacle Scheme (VASSS), established in 2011, is the only Indigenous-specific spectacle scheme currently operating in Australia. To date, it has exceeded all expectations, achieving excellent outcomes for Aboriginal and Torres Strait Islander Victorians by significantly increasing provision of prescription spectacles among Aboriginal people and helping to close the gap in Indigenous eye and vision health. We believe these outcomes can be achieved on a national scale with appropriate leadership from the Australian Government.

For a relatively modest investment, a significant opportunity exists to make a real and immediate difference in the lives of many Aboriginal and Torres Strait Islander Australians living with uncorrected refractive error.

2.0. The problem

2.1. High rates of uncorrected refractive error and barriers to accessing prescription glasses amongst Indigenous Australians

Eye and vision conditions contribute approximately 11 percent of the overall Indigenous health gap. Despite up to 90 per cent of vision loss amongst the Indigenous population being preventable or treatable with early detection, Aboriginal and Torres Strait Islander peoples experience:¹

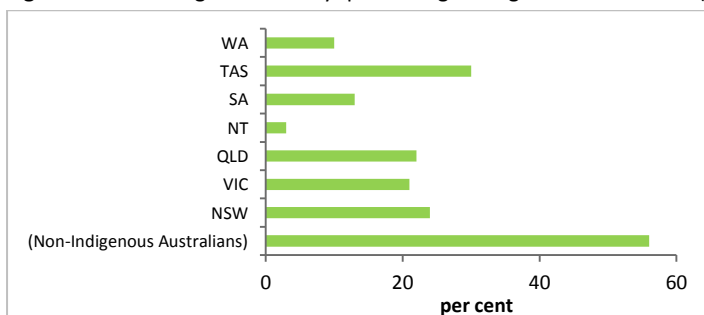
- 2.8 times the rate of vision loss;
- 6 times the rate of blindness; and
- 20 times the rate of blindness resulting from uncorrected refractive error, compared to the broader community.

Vision loss has a significant impact on a person's ability to undertake everyday activities such as read, drive and interact with others. Vision loss can also significantly reduce opportunities for Indigenous Australians to engage in meaningful work or study; an area in which the Australian Government has prioritised the development of targeted strategies to foster improved opportunities to 'earn and learn' amongst Indigenous Australians. Refractive error is the term used to describe the spectrum of common vision complaints that impact a person's ability to see clearly either close-up or in the distance (or both). Refractive errors include:

- Myopia (near-sightedness)
- Hyperopia (far-sightedness)
- Astigmatism (an irregular curvature of the cornea resulting in blurred vision)
- Presbyopia (the need for reading glasses with increasing age)

Uncorrected refractive error is responsible for approximately 54 per cent of all vision loss among the Indigenous population. It is estimated about 30,000 Aboriginal and Torres Strait Islander Australians require prescription glasses every year to correct refractive error.² As shown by figure 1, only 20% of all Indigenous adults who require glasses to correct Myopia actually have them, compared to 56% in the wider community. This is simply unacceptable given refractive error, in most cases, is easily and immediately correctable with prescription glasses.

Figure 1: Access to glasses for Myopia amongst Indigenous Australians (S/T)



¹ IEHU. Melbourne School of Population and Global Health. National Indigenous Eye Health Survey. 2008

² IEHU. Melbourne School of Population and Global Health. 2011. Projected Needs for Eye Care Services for Indigenous Australians.

Amongst many Aboriginal and Torres Strait Islander Australians, access to clinically-indicated prescription glasses can be cost prohibitive, which deters many Aboriginal people from seeking primary eye care, evidenced by the fact 35% of Indigenous adults have never previously had an eye examination by a trained eye health professional.³

A national survey of optometrists in 2012 revealed optometrists believe ‘cost/affordability’ is the

‘4 out of 5 Indigenous adults who require prescription glasses for near-sightedness do not have them.’

biggest barrier to accessing prescription glasses among Aboriginal and Torres Strait Islander peoples.⁴ Untimely access to primary eye care can also mean late detection of vision-threatening ocular disease such as diabetic retinopathy, glaucoma and macular degeneration, which can result in permanent vision loss. In addition to cost, cultural and

geographical barriers also reduce access to prescription glasses among Aboriginal and Torres Strait Islander Australians.

2.2. Inconsistency and inequity across state/territory subsidised spectacle schemes

Subsidised spectacle schemes for eligible people operate across most jurisdictions of Australia, generally targeting low-income Australians. These schemes vary significantly regarding structure, governance, eligibility criteria, subsidy level, spectacle choice, and patient contribution. This creates both uncertainty among patients and confusion amongst providers. It also means access to affordable glasses is currently not equitable for Aboriginal and Torres Strait Islander Australians, particularly those living in rural and remote areas.

Although there is limited data on the effectiveness of these existing spectacle schemes for

Indigenous Australians, anecdotal reports suggests these schemes have largely failed to meet the needs of Aboriginal and Torres Strait Islander Australians; where price is still a significant barrier to access and the rate of uncorrected refractive error remains unacceptably high (with the Victorian Aboriginal Subsidised Spectacle Scheme being the exception). For example, some schemes are very poorly understood among Aboriginal and Torres Strait Islander

‘Under existing arrangements across jurisdictions, access to prescription glasses is not equitable for Aboriginal and Torres Strait Islander Australians’

Australians regarding eligibility and payment requirements, while other schemes are considered to offer little to no benefit for the Indigenous population.⁵ It is clear that a lack of uniform access to prescription glasses is a major contributing factor to the current disparity in low vision and inequitable access to glasses amongst Aboriginal and Torres Strait Islander Australians.

³ IEHU. Melbourne School of Population and Global Health. 2011. Projected Needs for Eye Care Services for Indigenous Australians.

⁴ Optometry Giving Sight and Optometry Australia. 2012. Benefits and barriers of an Indigenous Spectacle Scheme – Survey outcomes.

⁵ Anjou, M. Boudville, A. Taylor, H. National consistent spectacle supply for Indigenous Australians. *Aus NZ J Pub Hlth.* 2013.37;1.

Operational and administration parameters, including the responsibilities and expectations of optometrists, also play a key role in determining the success of subsidised spectacle schemes. Some schemes have unrealistic administration requirements of optometrists and one scheme is even known to operate below cost-neutral for optometrists, resulting in more and more optometrists choosing not to participate, which only further reduces the capability of Indigenous patients to access the scheme.⁶

3.0. The solution

3.1. Commit to a national approach for improving access to prescription glasses amongst Aboriginal and Torres Strait Islander Australians

Optometry Australia and NACCHO call on the Australian Government to commit to a coordinated, national approach to address high rates of uncorrected refractive error and poor access to prescription glasses amongst Aboriginal and Torres Strait Islander Australians.

To address the inconsistencies and inequity across existing state and territory spectacle schemes, the eye and vision health sector, led by Vision 2020 Australia, have developed a set of principles to guide the development of Indigenous spectacle schemes, fostering national uniformity and equitable access to prescription glasses for Aboriginal and Torres Strait Islander Australians.⁷ These principles are:

- *Alignment for national consistency:* Jurisdictional schemes should be aligned as much as possible to achieve national consistency. This is best facilitated through national leadership.
- *Enable better access for all Aboriginal and Torres Strait Islander Australians:* Eligibility for subsidised spectacle schemes should be set as broadly as possible to facilitate improved access regardless of personal financial status, geography, and other factors.
- *Implemented through an ongoing process of consultation with Aboriginal and Torres Strait Islander Communities:* The design of schemes should occur in consultation with Aboriginal and Torres Strait Islander communities to facilitate maximum benefit and cultural appropriateness.
- *Address financial barriers to accessing clinically-required optical appliances:* Schemes should provide access for eligible patients matched to clinical need and practical requirements at no cost or with the requirement of a known minimal co-payment, providing cost-certainty.
- *Minimise practical barriers to patient and provider participation:* Administrative and paperwork requirements for optometrists, dispensers and patients to participate in the scheme should be minimized as much as possible. Reimbursements to optical dispensers under the scheme should reflect the true cost of providing optical appliances. Appliance

⁶ Optometry South Australia. 2012 Submission: Recommendations for change.

⁷ Optometry Australia; Aboriginal and Torres Strait Islander Eye Health Working Group. 2013. Principles for a subsidized spectacle scheme for Aboriginal and Torres Strait Islander Australians.

delivery arrangements should provide optical appliances to the patient in the shortest practicable timeframe and delivery to the patient at a location that is culturally secure and readily accessible.

- *Provide offering choice and within a quality framework:* All subsidised frames and lenses should meet Australian standards. A suitable range of frames and lenses accounting for quality, comfort and cultural appropriateness should be ensured.

Independent of the approach taken, Indigenous spectacle schemes should adhere to these principles to ensure they effectively meet the needs of Aboriginal and Torres Strait Islander Australians.

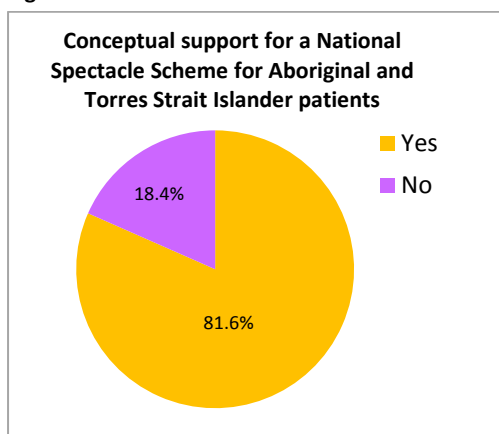
We propose the following options for achieving national uniformity in access to prescription glasses amongst the Indigenous Australians:

1. Establish a National Indigenous Subsidised Spectacle Scheme funded by the Australian Government; or
2. Explore opportunities for the Australian Government to support State/territory governments establish nationally consistent Indigenous Spectacle Schemes.

Option 1: Establish a single National Indigenous Subsidised Spectacle Scheme jointly-funded by the Australian and State and Territory Governments

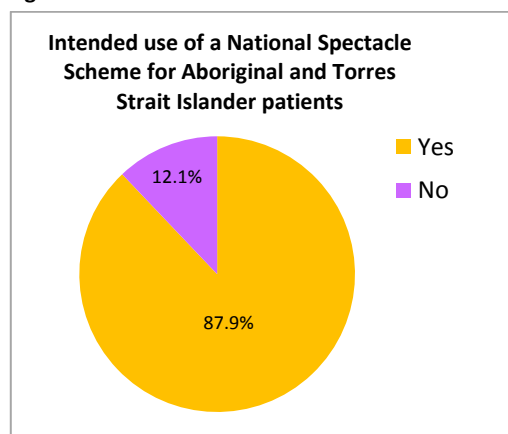
Optometry Australia and NACCHO recommend the Australian Government establish a ‘National Indigenous Subsidised Spectacle Scheme’ as a cost-effective strategy to improve access to prescription spectacles and the subsequent eye health of Aboriginal and Torres Strait Islander Australians. A National Indigenous Subsidised Spectacle Scheme offers a practical and consistent solution in addressing the significantly high rates of uncorrected refractive error across Australia amongst Aboriginal and Torres Strait Islander peoples. As shown by figures 2 and 3, the majority (81.6%) of optometrists support the establishment of a National Indigenous Subsidised Spectacle Scheme and nearly 90% of optometrists would subsequently use the scheme if established.

Figure 2



Q: Do you support the concept of a National Spectacle Scheme

Figure 3



Q: Would you use such as scheme for Aboriginal and Torres Strait Islander patients? (n=199)

Crucially, a national Subsidised Spectacle Scheme also has the support of Vision 2020 Australia, the key national stakeholder of the eye and vision health sector.

A truly national Indigenous Spectacle Scheme would provide:

- The necessary national consistency, ensuring equitable access for Aboriginal and Torres Strait Islander Australians, independent of geographical or socio-economic status; and
- Opportunity to realise economic efficiencies in program implementation through greater purchasing power by the Australian Government.

Despite a single national scheme being proposed, a level of involvement would still be expected by States and Territories; where there is a joint commitment between governments to contribute funding to a national scheme (such as through Council of Australian Government’s Standing Council on Health). The Australian Government would also have broad oversight of the national scheme’s implementation, in consultation with States and Territories.

To achieve national consistency, we recommend optometric rebates for all subsidised optical appliances are aligned nationally by a single pricing schedule, with periodic review to ensure the schedule is consistent with market prices. Using a single pricing schedule would save considerable administration by States and Territories to develop and maintain individual pricing schedules and foster greater clarity and confidence among optometrists.

Establishing a nationally-consistent Indigenous Spectacle Scheme across Australia is a key recommendation of the *Roadmap to Close the Gap for Vision* (2011) and closely aligns with objectives within the *National Framework for action to promote eye health and prevent avoidable blindness and vision loss* (2005) and the *National Aboriginal and Torres Islander Health Plan 2013 – 2023*, including ‘delivering a health system that is clinically appropriate care, culturally safe, high quality, responsive and accessible for all Aboriginal and Torres Strait Islander people.’⁸

‘Establishing a National Indigenous Subsidised Spectacle Scheme is a key recommendation of the Roadmap to Close the Gap for Vision – considered the gold standard policy framework for Indigenous eye and vision health.’

The Prime Minister’s Indigenous Advisory Council has a focus on ‘practical changes’ to improve the lives of Aboriginal and Torres Strait Islander Australians, including improving school attendance, educational attainment and creating lasting employment opportunities. We consider a National Indigenous Subsidised Spectacle Scheme as a very practical and tangible strategy to improve opportunities for Indigenous people to engage in work and study by immediately restoring functional vision for those living with uncorrected refractive error.

⁸ National Aboriginal and Torres Islander Health Plan 2013 – 2023. pp.16.

Option 2: The Australian Government support State and Territory Governments to establish their own individual, nationally consistent Indigenous Spectacle Schemes

Generalised subsidised spectacle schemes are currently funded and implemented at a state and territory level. If a single national Indigenous subsidised spectacle scheme cannot be established, Optometry Australia and NACCHO believe there is merit in exploring a shared approach between the Commonwealth and receptive State and Territory governments to still achieve access uniformity to prescription glasses for Aboriginal and Torres Strait Islander peoples, such as through individual National-State partnership arrangements. A National-State partnership arrangement for specific health projects is not a new concept and has previously been expressed by the former Health Minister as a sound option to deliver efficient and discreet health programs. Such an approach could also be considered under the *National Partnership Agreement on Closing the Gap in Indigenous Health* between the Commonwealth and States/Territories, which includes broad objectives to improve access to primary health care amongst the Indigenous population. The broader Close the Gap Framework has achieved a tremendous amount since its launch in 2007. This has included bi-partisan commitment by government and all major political parties to take action through the formal signing of the Statement of Intent and a stated intention to work in partnership with Aboriginal health organisations and communities. It is a national project that is above politics and requires ongoing leadership, investment and partnerships.

Under option 2, the Australian Government could still play a central role by committing funding to support state and territories to establish their own Indigenous subsidised spectacle schemes. For example, a centralised system could be established for dispensing where the Australian Government fund the cost of all prescription glasses supplied to States and Territories. States and Territories would cover the costs of all operational components such as marketing, provider recruitment, administration and performance monitoring requirements. States and territories would also maintain overall responsibility of their Indigenous spectacle scheme (in the same way they currently do for generalised spectacle schemes), allowing jurisdictions to develop the appropriate patient pathways and other local system parameters to suit their unique context.

Given the Australian Government would have responsibility for the supply of all prescription glasses, optometric rebates paid to participating optometrists for subsidised glasses could still be nationally aligned to ensure consistency for all optometrists independent of which state or territory they practice in.

3.2. Indicative cost estimate (prescription glasses)

It is estimated approximately \$7.0 million over 3 years is required to provide prescription glasses to Aboriginal and Torres Strait islander Australians with uncorrected refractive error. Table 3 outlines the cost estimations to achieve 50% coverage per annum.

Table 3: Cost estimate of prescription glasses (to achieve 50% coverage over 3-years)

<i>Patients requiring prescription glasses for uncorrected refractive error each year[†] (50% coverage over 3 years):</i>	45,242
<i>Total number of glasses required:</i>	58,814
Estimated breakdown:	
Single vision (distance or near):	22,621
Single vision (two pair; distance and near):	27,145
Bifocals:	9,048
<i>Average unit cost of glasses (frames & lenses):</i>	
Single vision:	\$121.00
Bifocals:	\$178.00
<i>Total costs of glasses:</i>	
Single vision:	\$6,021,686.00
Bifocals:	\$1,610,544.00
Total:	\$7,632,230.00
<i>Patient contribution @ \$10 copayment[#]</i>	
Total:	\$588,140.00
<i>Total estimated cost to establish and deliver scheme over a 3-year period:</i>	\$7,044,090.00

[†]Estimate based on Indigenous Eye Health Survey (2008) showing approx. 24.6% of Aboriginal and Torres Strait Islander people ≥40 years requiring prescription glasses each year.

[#]The Victorian Aboriginal Subsidised Spectacle Scheme model imposes a fixed patient copayment of \$10 for all prescription spectacles.

Estimations for the number of prescription glasses required annually are based upon:

- Aboriginal and Torres Strait Islander population 40 years and over (Census, 2011).⁹
- Proportion of Aboriginal and Torres Strait Islander population with uncorrected refractive error (National Indigenous Eye Health Survey 2008).¹⁰
- Approximate supply of different lens types (estimated from the Victorian Aboriginal Subsidised Spectacle Scheme):¹¹
 - Single vision for near or distance (i.e. one pair): 50%
 - Single vision for near and distance (i.e. two pairs): 30%
 - Bifocals: 20%

Other costs (excl. overall administration costs) directly related to the implementation of the scheme such as marketing and promotion to Aboriginal communities, optometrists and other health care providers, as well as other distribution costs will also need to be accounted for either nationally or at a jurisdictional level depending upon the approach adopted.

This costing estimate above is based upon achieving 50% coverage of all Aboriginal and Torres Strait Islander Australians with uncorrected refractive error. It is expected annual funding for the provision

⁹ ABS. 2013. Cat no. 3238.0.55.001. Estimates of Aboriginal and Torres Strait Islander Australians. June 2011.

¹⁰ IEHU (2011). Projected Needs for Eye Care Services for Indigenous Australians.

¹¹ Personal communication with VASSS coordinator

of subsidised spectacles would increase over time to ensure the scheme progressively captures a larger proportion of Aboriginal and Torres Strait Islander people with uncorrected refractive error.

4.0. Benefits

4.1. Increased access to eye care and earlier detection of ocular disease

As evidenced by recent analysis of the Victorian Aboriginal Subsidized Spectacle Scheme (VASSS), Indigenous Spectacle Schemes are of significant value to Aboriginal and Torres Strait Islander Australians by:

- Increasing the number of Aboriginal and Torres Strait Islander peoples accessing primary eye care and being prescribed clinically-indicated prescription glasses. The ratio of consultations to spectacles prescribed since VASSS was introduced has increased from 0.5 to 0.9;
- Increasing the number of Aboriginal and Torres Strait Islander people returning to collect prescription glasses. The VASSS demonstrated a 'non-collection' rate of prescribed spectacles of only 3% as opposed to 16% prior to the scheme being introduced;
- Increasing earlier detection of debilitating eye and vision diseases, including diabetic retinopathy, glaucoma and cataract; and
- Strengthening linkages between Aboriginal Medical Services and primary eye care services.

The introduction of the VASSS also resulted in an increase in the proportion of Aboriginal patients with diabetes attending primary eye care services and improved patient-reported satisfaction with the appearance, quality and comfort of frames. Due to the success of the VASSS, the Victorian Government has committed record funding over the next four years to match community need and demand.

4.2. Increasing productivity and flow-on benefits to the broader community

It is well-documented that correcting vision loss is a highly cost-effective measure, as vision loss significantly impacts a person's ability to perform every day activities such as read the paper, drive a car and interact with others. Investing in a national approach for better access to prescription glasses will also foster more Aboriginal and Torres Strait Islander Australians to productively contribute to society by confidently seeking and engaging in work and study opportunities; a key priority of the Australian Government as outlined by the Prime Minister's Indigenous Advisory Council. Previous research suggests effective subsidized spectacle schemes can attain up to \$30

million in cost savings per annum through the prevention of productivity losses by retaining people in work and improving school attendance.¹²

Establishing a national Indigenous Spectacle Scheme is not only cost-effective given the expected high rate of return on investment, but would duly acknowledge the significant eye and vision disparities experienced by Aboriginal and Torres Strait Islander Australians.

¹² Access Economics. Investing in Sight. Strategic Interventions to Prevent Vision Loss in Australia. Commissioned by Eye Research Australia.