



**Submission to the**  
**Senate Standing Committee on Community Affairs**  
*Inquiry into Hearing Health in Australia*

February 2010

## About NSA

National Seniors Australia (NSA) is the largest organisation representing Australians aged 50 and over with some 280,000 individual members.

Our members are from metropolitan, regional and rural areas across all states and territories, and are broadly representative of the three key ageing cohorts: those aged 50-65; those aged 65-75; and those aged 75 +.

NSA works to provide a voice and address the needs of this diverse membership:

**We represent** – to governments, business and the community on the issues of concern to the over 50s;

**We inform** – by providing news and information through our website, forums and meetings, our bi-monthly award winning magazine, a weekly E-newsletter and our Australia wide branch network;

**We provide opportunity** – to those who want to use their expertise, skills and life experience to make a difference in indigenous communities and on our environmental legacy;

**We support those in need** – our Charitable Foundation raises funds to provide comfort and support for our most vulnerable older citizens;

**We provide savings** – through quality insurance, affordable travel and tours, and discounts on goods and services.

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## Executive Summary

Currently government funded hearing services are limited to a small proportion of people experiencing hearing loss. While people aged 65 years and over represent half of all people with hearing loss, they receive less than one-third of Government health expenditure on hearing. As the population ages, hearing loss will become more prevalent with projections estimating that one in four people will experience hearing loss. Now is the time for the Australian Government to act to expand the Office of Hearing ensure that service provision is equitable and takes into consideration the cost of hearing loss on the community.

### **Recommendations**

- That the *Australian Government Hearing Services Program* be extended to include subsidised or free services for all people that hold a Commonwealth Seniors Health Card and people aged under 65 years that are holders of health care cards.
- That the Western Australia and ACT Governments be encouraged to develop hearing aid banks in Western Australia and the ACT, to ensure that all states and territories have a hearing aid bank.
- That further assistance be provided to hearing aid banks to update and maintain technological equipment required for reconditioning hearing aids and conducting hearing tests.
- That awareness initiatives be developed and implemented to gain more second hand hearing aids to supply hearing aid banks.
- That greater transparency in the sale of hearing aids be introduced. This could include the development of guidelines and a standard two week cooling off period.
- That independent advice services be introduced separate to the sale of hearing aids where consumers can access impartial information about hearing aids.
- That research into the effectiveness of existing laws and programs to limit noise exposure be developed.

## Introduction

National Seniors Australia (NSA) welcomes the opportunity to comment on the *Senate Inquiry into Hearing Health in Australia*. NSA has a particular interest in hearing loss due to its increased prevalence in seniors, with half of the population over 65 and one third of the population over 70 experiencing hearing loss.<sup>1</sup>

The message from NSA members is that while government services for hearing loss assist people that qualify, there are many people that are ineligible, making the cost of hearing aids and cochlear implants prohibitive. This often leaves seniors with significant out-of-pocket expenses regardless of whether or not they have private health insurance.

NSA is strongly of the view that an extension of hearing services for seniors is required to assist the largest group of hearing impaired to continue contributing to the community. These services need to be holistic and should include a range of preventative, curative and support services. These strategies include education regarding exposure to causal factors, support services for people experiencing hearing loss and the availability of a range of appropriate and affordable hearing assistance options for more seniors.

As this submission has been prepared by NSA, its focus is upon people aged 50 years and over that experience hearing loss. This submission will address the Terms of Reference for the Inquiry, in areas that have been raised by NSA members.

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<sup>1</sup> Access Economics, February 2006, *Listen Hear! The Economic Impact and Cost of Hearing Loss in Australia*

## The extent, causes and costs of hearing impairment in Australia

NSA members have reported that the greatest barrier to accessing hearing services is cost. There are two programs that our members have reported accessing to assist them with purchasing hearing aids. These programs are the Australian Government Office of Hearing Services Program and State and Territory Hearing Aid Banks. Both of these programs will be explored in greater detail in the sub-sections below.

### **The Australian Government Office of Hearing Services Program**

The Australian Office of Hearing Services Program provides hearing assessments, hearing aids and support for people with hearing aids, free of charge to eligible consumers. The program also offers maintenance of hearing aids for an annual fee and the opportunity for consumers to contribute a co-payment to gain more expensive models of hearing aids. Eligibility for the program is limited to people who:

- are under 21 years of age;
- are Aboriginal and Torres Strait Islander people aged over 50 years or a participant of the Community Development Employment Projects Program;
- hold a pensioner concession card, DVA Gold Card, DVA White Card for hearing loss or is a dependant of a card holder;
- are a member of the Defence Force;
- are undergoing Australian Government funded rehabilitation; or
- receive a sickness allowance from Centrelink<sup>2</sup>.

Many seniors are ineligible for the program, including those aged 50-65 years who are not Aboriginal and Torres Strait Islander people and those aged 65 years and over who are not in receipt of a Pensioner Concession Card (PCC). For seniors who are ineligible for the Australian Government Hearing Services Program, the greatest barrier for accessing hearing aids and cochlear implants was said to be out-of-pocket-expenses. These expenses include payment for accessing health professionals, testing, for purchasing the devices and for maintenance and ongoing support. Several members commented on how the costs were often prohibitive:

*'I am 50 years old and wear one hearing aid but really need 2...I have a fantastic hearing aid which cost me \$4000 but I could only afford 1. And of course my private health cover only allows \$1000 refund every 3 years. I wrote to them and advised them that I needed 2 hearing aids but they would not provide any further cover. I think I will be eligible this year to get the second one if I can afford it.'* **NSA Member**

*'When I lost the hearing in my left ear I was referred to an ear nose and throat specialist. He felt that in my case, a cochlear implant in the left ear would provide the best chance of improving my hearing. He suggested two organisations which arranged implants. I made an appointment ...and started on their assessment program which involve a number of tests (At \$200/hour). I pulled out of their program because of the cost of all the tests they required to determine if I was a suitable applicant.'* **NSA Member**

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<sup>2</sup> Department of Health and Ageing, *Hearing Services: The Australian Government Hearing Services Program*, Page last updated 2 February 2010, Accessed at <http://www.health.gov.au>

In 2005 expenditure for the Australian Government Office of Hearing Services was \$243 million<sup>3</sup>. This equates to \$62 per person with hearing loss per annum. It is difficult to compare health expenditure data due to the difference in health conditions and differing treatment needs. However for the purpose of analysis, hearing loss is experienced by 1 in 6 people and health care expenditure is \$62 per person per annum, while mental health conditions are experienced by 1 in 5 people and expenditure is \$2,064 per person per annum<sup>4</sup>. This represents a significant difference in healthcare expenditure.

NSA strongly supports an expansion of The Australian Government Hearing Services Program to include the provision of free services and subsidies to people outside of the groups currently included within the program. NSA recommends these groups include seniors that are not currently eligible for the program, due to the higher prevalence of hearing loss within this age group. NSA also believes there is a strong case for extending the program due to the financial cost of hearing loss to the Australian community. It was estimated that in 2005, productivity loss due to hearing loss equated to \$6.7 billion, while the cost of informal carers equates to \$3.2 billion<sup>5</sup>. Some of these costs could be averted if people experiencing hearing loss are able to access affordable hearing services, hearing aids and support services.

#### *Recommendation*

- That the *Australian Government Hearing Services Program* be extended to include subsidised or free services for all people that hold a Commonwealth Seniors Health Card and people aged under 65 years that are holders of health care cards.

#### **Hearing Aid Banks**

Hearing aid banks have been established in most states and territories by not-for-profit organisations with partial funding from state and territory governments.<sup>6</sup> Hearing aid bank services are available to people that are unable to access the Office of Hearing Services program, with specific eligibility criteria for hearing aid banks varying between jurisdictions. Hearing aid banks generally collect second hand hearing aids, have them reconditioned and then provide them to consumers for little or no cost. Currently there are hearing aid banks in all states except Western Australia and the ACT.

Hearing aid banks face a range of challenges including keeping up with the demand for services, maintaining and updating equipment required for testing and reconditioning of hearing aids and building awareness for the need for second hand hearing aids. Hearing aid banks play a small, but pivotal role in assisting consumers who are otherwise ineligible to access free or subsidised hearing aids. However hearing aid bank services are limited by supply factors, with services generally unable to cope with increases in demand. Additional funding is required for hearing aid banks to develop awareness about the opportunity for people to hand in their second hand hearing aids, and to assist hearing aid banks to keep up

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<sup>3</sup> Access Economics, February 2006, *Listen Hear! The Economic Impact and Cost of Hearing Loss in Australia*

<sup>4</sup> Ibid

<sup>5</sup> Ibid

<sup>6</sup> Department of Health and Ageing, *Information for Clients: Hearing Aid Banks*, Page last updated 2 February 2010, Accessed <http://www.health.gov.au>

with technology demands. Hearing aid banks also need to be supported in areas where they are currently unavailable.

*Recommendations*

- That the Western Australia and ACT Governments be encouraged to develop hearing aid banks in Western Australia and the ACT, to ensure that all states and territories have a hearing aid bank.
- That further assistance be provided to hearing aid banks to update and maintain technological equipment required for reconditioning hearing aids and conducting hearing tests.
- That awareness initiatives be developed and implemented to gain more second hand hearing aids to supply hearing aid banks.

## **The adequacy of access to hearing services, including assessment and support services, and hearing technologies**

NSA has identified a need for greater transparency in hearing aid sales. For seniors that are finding it difficult to pay for hearing aids, it has been reported that there is often confusion at the wide selection of hearing aids, with some seniors feeling there is an emphasis on selling the product rather than assisting with hearing health:

*'Our problem is not the [hearing] loss but more the audiologists available. There seem to be no standards in the industry and hearing aids are most[ly] overpriced. An audiologist actually admitted to me that it is salesmanship rather than actual tailoring of needs. I have found instances of this many times.'* **NSA Member**

There were two main concerns that emerged from feedback from members in regards to hearing aid sales. The first was that some seniors felt pressured into purchasing more expensive hearing aids by their audiologists. This is not to imply that audiologists are pressuring seniors into purchases, instead it demonstrates a feeling of being pressured by seniors. The second concern is that there is no independent body to consult to determine what level of hearing aid is sufficient for different individuals. Often the hearing tests and recommendations of hearing aid purchases are made by the audiologist that is also selling the hearing aid.

To improve transparency and accountability in the sale of hearing aids, NSA supports the introduction of a mandatory two week cooling off period when a hearing aid is purchased by a consumer. As with any large purchase, this period would allow the individual to determine whether the product they selected, in this case, the hearing aid, would meet their needs.

Further to this, NSA believes that consumers should be provided with as much information as possible by an independent body when they are considering purchasing or updating their hearing aid. This independent voice should be presented by appropriately qualified professional that are not involved in the sale of hearing aids. This information may include the range of hearing aids available, the difference between hearing aids and arguments for and against purchasing more expensive products.

### *Recommendations*

- That greater transparency in the sale of hearing aids be introduced. This could include the development of guidelines and a standard two week cooling off period.
- That independent advice services be introduced separate to the sale of hearing aids where consumers can access impartial information about hearing aids.



## **The adequacy of current hearing health and research programs, including education and awareness program**

It has been reported that 37% of hearing loss is due to excessive noise exposure, which is preventable.<sup>7</sup> Various laws and programs have been introduced to encourage noise reduction in the workplace and broader environment. Despite these strategies, noise exposure continues to contribute to hearing loss. The Access Economics Report: *Listen Hear!*, recommended that further research was required in a range of areas including the effectiveness of laws and strategies designed to limit noise exposure in the workplace and environment.<sup>8</sup> The Report also suggested that further research was required to establish the effects of recreational noise on hearing loss, including the use of personal stereo systems such as MP3 Players.

NSA believes that education and awareness campaigns are required to ensure that people are aware of the health risks associated with noise exposure. To ensure that these programs are effective, NSA strongly recommends that further research be carried out to determine the challenges of existing programs and possible strategies for the future.

### *Recommendations*

- That research into the effectiveness of existing laws and programs to limit noise exposure be developed.

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<sup>7</sup> Access Economics, February 2006, *Listen Hear! The Economic Impact and Cost of Hearing Loss in Australia*

<sup>8</sup> Ibid