Australian Health Care Reform Alliance

POLICY POSITION PAPER 3: PREVENTION

PREVENTION

Key points

- Australia has a proud and world-leading record of successful preventive health campaigns, such as tobacco reduction and road accident reduction strategies, which have very significantly reduced harmful behaviours, illness and death rates, and the massive health care costs associated with them.
- However, there are many gaps in Australia's current preventive health efforts, including in relation to obesity, injury prevention, mental health and domestic violence.
- Increasing the focus on prevention and using our existing expertise can help Australians maximise their health and well-being and reduce unnecessary and inefficient health spending.
- The investment in preventive health spending should be increased to 5% of the total health budget

WHY IS PREVENTION IMPORTANT?

Prevention is a vital component of overall health care and plays a key role in keeping the population healthy and productive and in managing the increased demand for health care in our future.

Prevention is important from both an individual and community perspective. For individuals, primary prevention is always better than cure: nobody would choose to be sick or injured if they could readily delay or prevent it through increased health literacy, awareness of preventable diseases and appropriate services/programs. Where diseases and disabilities cannot be prevented, secondary prevention is also important as it enables people to manage their conditions in order to maximise their quality of life and productivity.

On a population health basis a failure to undertake effective prevention means decreased overall health status, an increased requirement for health care, higher health expenditure and loss of economic production.

Preventive health increases the overall efficiency of our health system through avoiding preventable diseases and allowing more resources to be used to treat non-preventable illnesses. Preventive care is usually significantly cheaper than treating illnesses long-term. For example, one single prevented hospital stay can cost the equivalent of years of monthly GP visits.

However, while in the short-term decreasing preventable illnesses reduces costs for the health care system this is a more complex calculation over the long-term. Longer lives mean longer productive lives (including paying more taxation) but also more health care for non-preventable illness over a longer period. However, it goes without saying that people would prefer to have longer disease-free lives and that they would be willing to pay more for this, particularly in a wealthy country like Australia. International research shows that as populations get wealthier, individually and collectively, they typically choose to invest more in their health and education.[i]

BACKGROUND – WHERE HAVE WE BEEN?

Australia has a very strong history of successful preventive health initiatives. Examples of previous successes in preventive health include:

- Immunisation: sustained efforts since the 1990s have seen childhood immunisations rise from one of the lowest to one of the highest in the world. Subsidised immunisation for measles saved an estimated 95 lives and averted 4 million cases between 1970 and 2003.
- Tobacco use: a bi-partisan, multi-sectoral approach to reducing tobacco use has reduced smoking levels in Australia to historically low levels. This has resulted in net benefits of $2 billion in the 30 years between 1970 and 2000. In 1998 alone, more than 17,000 deaths were averted.
- HIV/AIDS: public health campaigns and peer-based education strategies since the late 1980s have kept HIV infection rates in Australia and low levels and preventing this disease from entering the mainstream community
- Motor vehicle accidents: ongoing efforts involving the law enforcement, health and education sectors have seen a steady decline in the road toll since the 1970s. This has saved 1,000 Australian lives and kept 5,000 people out of hospital every year.[ii]

Other examples include successful breast and bowel screening programs to encourage the early detection of cancer and health promotion campaigns, such as beyondblue, to reduce the stigma of mental illnesses.

However, this record of success has not been carried over as effectively into other areas, such as:

- alcohol misuse
- overweight and obesity
- oral health
- food labelling
- injury prevention
- mental health
- domestic violence
- health inequality
- stigma and discrimination against people with specific illnesses and disabilities
- lower health status of specific population groups, including Indigenous Australians, people in prison and people with mental illnesses

Australia could have similar success in these areas, using available expertise, with suitable investment.

CURRENT SITUATION – WHERE ARE WE NOW?

Despite Australia's previous successes in preventive health, at the Federal Government level there has been a reduction in interest and a slow retreat from investment in prevention among state governments (with a few exceptions).

Current data shows that for the financial year 2011–12, Australia spent $2.23 billion, or only 1.7% of total health expenditure on public health activities, which include prevention, protection and promotion. This amount does not include spending in non-health sectors such as road safety, the environment, and schools.

Between 2000–01 and 2010–11, government expenditure on public health activities grew at an average rate of 3.8% per year. Much of this growth resulted from implementing the human papillomavirus vaccination (HPV) program in 2007–08.[iii] In the 2014/15 Budget the Federal Government walked away from the National Partnership Agreement on Preventive Health cutting $376 million dollars from prevention over four years.

While public health expenditure estimates are subject to data quality issues that affect international comparability, comparisons suggest Australia spends less on prevention and public health services than most

other OECD countries, ranking in the lowest third in 2010–11. New Zealand led the way, with 7% of total health expenditure, followed by Canada at 5.9% (OECD 2013).[iv]

Some of the challenges to improving prevention initiatives include structural, funding and policy barriers, such as the following:

- Prevention initiatives typically involve a long term pay-off which may not be attractive to governments with a narrow short-term focus
- There is mixed appreciation of the value of prevention in the community which results in little political clout behind idea
- Some preventive initiatives involve policies and strategies opposed by powerful industry and vested interest groups
- Some funding arrangements can create barriers to preventive health services: these include fee-for-service primarily focussed on medical care; and lack of flexibility for other health professionals, such as nurse practitioners, to take on preventive care roles.
- An eroding of occupational health and safety standards which have previously helped prevent the development of illnesses and disabilities

FUTURE AGENDA - WHERE WE WANT TO GO?

The Australian Institute of Health and Welfare (AIHW) has identified the challenges presented by an ageing population and the prevalence of overweight and obesity, along with the chronic diseases they initiate, as areas for the attention of prevention research, policy and action for the foreseeable future. They also identify the following areas as requiring more attention: physical inactivity, poor nutrition, oral conditions, mental health and health disadvantage.[v]

AHCRA suggests the following directions and strategies:

What can happen now

- Increase recognition that prevention is as much a community issue as one of individual responsibility
- Recognise the social determinants of health (SDOH) by, at minimum, developing a Government response to the tripartisan report from the Senate Inquiry into SDOH
- Include consideration of health impacts as a key condition of Australia signing bi- and multi-lateral trade agreements
- Address preventive health issues currently being ignored, such as implementing a National Plan of Action to prevent domestic violence (which the United National estimates could save $23,673 for each woman prevented from experiencing violence)

Over the next 1-2 years

- Expand the role of the new Primary Health Networks in coordinating stronger activity within the primary health care sector around prevention[vi]
- Develop alliances with industry around the value of a healthier workforce
- Develop a plan to address the social determinants of health
- Ongoing preventive health goals built into key performance indicators for Ministers, senior bureaucrats and Primary Health Network managers
- Increase the flexibility of the health workforce, such as expanding the role of nurse practitioners, physicians assistants and oral health therapists
- Instigate an ongoing consultation process with the community about their values and preferences for health issues

Over the next 3-5 years

- Increase the investment in preventive health spending to 5% of the total health budget
- Ensure the social determinants of health are addressed through all health policies and programs
- Introduce a focus on health issues in policies and programs across all sectors of government

CONTEXT AND CONTACT DETAILS

This paper is one in a series being developed by AHCRA focussing on the future of our health system. The other papers in the series include: Universal Health Care, Primary Health Care and Prevention and are available on the AHCRA website www.healthreform.org.au

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[i] Joseph P. Newhouse, "Medical Care Costs: How Much Welfare Loss?" *The Journal of Economic Perspectives*, vol. 6, no. 3, 1992, pp. 3-21; Chris L. Peterson and Rachel Burton, Congressional Research Service, *U.S. Health Care Spending: Comparison with Other OECD Countries*, September 17, 2007; Chapin White, "Health Care Spending Growth: How Different is the United States from the Rest of the OECD?" *Health Affairs*, January/February 2007, pp. 154-161.

[ii] DoHA (Department of Health and Ageing) 2003. Returns on investment in public health: an epidemiological and economic analysis prepared for the Department of Health and Ageing. Canberra: DoHA

[iii] Australian Institute of Health and Welfare Preventing Ill-health AIHW 2014

[iv] AIHW 2014

[v] AIHW 2014

[vi] Similar to the current role of Multi-Purpose Centres in rural and regional areas