



Consumers Health
Forum OF Australia

SUBMISSION TO TREASURY CONSULTATION

MEASURING WHAT MATTERS

January 2023

Consumers Health Forum of Australia (2023)
Submission on Measuring What Matters.
Canberra, Australia

P: 02 6273 5444

E: info@chf.org.au

twitter.com/CHFofAustralia

facebook.com/CHFofAustralia

Office Address

7B/17 Napier Close,
Deakin ACT 2600

Postal Address

PO Box 73
Deakin West ACT 2600

*Consumers Health Forum of Australia is funded
by the Australian Government as the peak
healthcare consumer organisation under the
Health Peak and Advisory Bodies Programme*

CONTENTS

Contents

Introduction.....	3
OECD Indicators.....	5
Additional Indicators.....	6
Financial security	6
Unexpected health expenditures	7

Introduction

CHF is the national peak organisation for healthcare consumers. CHF's vision is for Australia to have a world class health and social care system centred on consumers and communities. To achieve this, CHF wants to see consumers included in all governance structures within the health system and in policy making processes, including the government's Measuring What Matters initiative.

CHF strongly supports the government's intention to improve its measurement of Australians' wellbeing and quality of life, and its plan to use those indicators for future budgets and assessment of progress.

CHF uses a broad definition of health and has advocated across many of the policy areas that affect social determinants of health, especially income and people's ability to avoid or transition out of poverty.

As well as drawing on the work that CHF and others have led on social determinants of health, this submission is informed by:

- discussion at the CHF Members Policy Forum in November 2022 which focused on Wellbeing Budgets
- consumer consultation held in January 2023.

Our consultation with consumers shows they largely agree on what matters to them, as well as how they would like these factors to be measured and reported. Overall, consumers want robust data on the following factors which align with the OECD framework:

- income and wealth
- housing
- health
- education
- social supports.

However, given good health is not evenly distributed across the population, with some groups experiencing avoidable differences in health, wellbeing, and longevity. Consumers want new indicators stratified to highlight these differences for policymaking and evaluation.

Our 2020 report *Making Health Better Together* highlighted those factors such as geography, age, gender identity, sexual orientation, culture, language, health status and economic means are associated with different levels of access to healthcare. Consumers have a strong desire for government to address inequities, so they want to see the connection between these factors and access to healthcare and health outcomes measured more precisely to inform policy. Any analysis of new indicators should particularly focus on health outcomes for people and communities living with health disadvantage.

Whilst nationally aggregated data may be the initial focus, it is critical that insights drawn from the data are nuanced enough to reflect Australia's diversity. These wellbeing indicators should build on and integrate with those used for the Closing the Gap activities and reports.

Wellbeing reports should also be sensitive to the impact of different policy settings on the lived experience of local communities. Policies and programs vary across States and Territories. In some policy areas, the States and Territories play a significant role in funding, policy setting and service delivery. The Annual Report on Government Services could be used for comparison in this regard.

Finally, making the reporting accessible to all Australians is essential. This means taking into account the literacy, abilities, and connectivity of everyday folks during the development of reporting mechanisms. Evidence shows that the best way to do this is to meaningfully engage with citizens during the design and development of indicators and reporting processes. Authentic co-design of this foundational work will help to ensure governments can be held accountable for the wellbeing of the nation in future.

OECD Indicators

Overall, the indicators in the OECD framework address most of the key determinants of health and provide a useful starting point for this work. However, the OECD indicators may need some modification to ensure they can be analysed to represent the wellbeing experiences of Australians from a range of perspectives. A one size fits all approach will provide limited value.

Below are some suggestions about how some of the OECD indicators could be adapted to better fit the Australian environment.

Household financial situation

Income is a key social determinant of health and a critical indicator of wellbeing. The use of household income as a measure for income, wealth and debt is appropriate but CHF recommends it be disaggregated by household size to gain a better understanding of how income and wealth is shared amongst people.

Reporting should provide age-related insights, especially for household wealth, as the intergenerational differences can be quite marked. CHF would also like to see the source of income as an indicator. For example, employment, investment, or income support.

Housing

Appropriate affordable housing is also a key social determinant of health. The OECD indicator of housing affordability is extremely limited. It does not distinguish between different household income levels, housing tenure (rent, mortgage, or fully owned), or location. Australia needs a set of indicators that reflect this complexity.

There also needs to be an indicator that covers house purchase affordability given concerns about the level of home ownership in Australia.

The OECD indicators include a measure of overcrowding in housing, which is not currently used for Australia. CHF wants this measure adopted in Australia because of the connection between overcrowded housing with a range of health and social problems.

Trust in Government

This indicator would best be disaggregated, showing Commonwealth and State /Territory trust levels separately.

Additional Indicators

Access to Health Services

The only health measures in the OECD set of indicators are life expectancy at birth and premature mortality. These should be included in the Australian set of indicators.

The Australian Health Performance Framework is a tool that allows for reporting on the health of Australians, the performance of health care in Australia and the Australian health system¹. One of the benefits of using its indicators is that the data can be disaggregated to highlight differences across population groups.

The priority indicators from that framework are:

- accessibility
- continuity of care
- effectiveness
- efficiency and sustainability, and
- safety.

Financial security

As well as looking at income and wealth indicators, consumers want financial security measured to see how well people are managing to live on their income. Measuring and reporting on financial security would provide a more holistic indication of how people are feeling about their financial situation than measures such as household income or household wealth.

Sometimes, when measuring financial security, people are asked how easily they can find a certain amount of money for an emergency. In the health context the question is: If you became suddenly unwell how would this impact on your financial security?

¹ AIHW Australia's Health performance Framework at <https://www.aihw.gov.au/reports-data/australias-health-performance/australias-health-performance-framework>

The Reserve Bank of Australia has been considering which non-traditional sources of data would give closer to real time data on how householders are coping with financial pressures.²

An alternate source of data can be found in the *Household, Income and Labour Dynamics in Australia (HILDA) Survey*.³ The short form Commonwealth Bank–Melbourne Institute Reported Financial Wellbeing Scale was administered for the first time in Wave 20 of the HILDA Survey and provides an opportunity to understand Australians' levels of self-reported or perceived financial wellbeing. This is recommended as an indicator in the future.

Personal health expenditures

One area where personal emergencies, or at least unexpected expenditures can arise, is in health. The World Health Organisation (WHO) notes that:

*Financial protection is at the core of universal health coverage (UHC). Health financing policy directly affects financial protection. Inadequate financial protection mechanisms in health lead to financial hardship due to out-of-pocket health spending and financial barriers to access health care. Key to protecting people is to ensure prepayment and pooling of resources for health, rather than relying on people paying for health services out-of-pocket at the time of use.*⁴

Even though Australia has Medicare to fund public hospital treatments and to partially fund doctors' services, and the Pharmaceutical Benefits Scheme to subsidise medicines, there are still many out-of-pocket costs for consumers. In 2018 CHF released the *Out of Pocket Pain* report which highlighted the ramifications for individuals who have to meet many out-of-pocket health expenses.⁵ It showed that many consumers struggle to meet such costs and are forced into crisis actions, like drawing on superannuation to meet health costs.

For some it is not only large health costs that create problems. Consumers regularly report to CHF that they struggle to meet everyday health care costs. CHF's *Consumer Sentiment Survey (2021)* confirmed that:

- 14% of Australians with chronic conditions could not pay for healthcare or medicine because of cost.

² Reserve Bank of Australia 2022 New measures of Financial Stress from Non-Traditional data viewed at <https://www.rba.gov.au/publications/bulletin/2022/dec/new-measures-of-financial-stress-from-non-traditional-data.html>

³ <https://melbourneinstitute.unimelb.edu.au/hilda>

⁴ WHO <https://www.who.int/data/gho/data/themes/topics/financial-protection>

⁵ .CHF 2018 Out of Pocket Pain <https://www.chf.org.au/publications/out-pocket-pain>

- 24% did not fill a prescription or omitted doses of medicine, with over a third saying this was because of cost.⁶

As one consumer put it:

“I have to plan ahead for the week my prescriptions are all due and if I have a doctor’s appointment. Sometimes that week is a choice between medicines and food.”

Conclusion

Everyone has a different perspective on what contributes to their wellbeing. Finding indicators with the breadth and specificity to penetrate the complexity of our experiences of wellbeing that can produce powerful yet accessible insights for all Australians is a big ask. It is also an essential criterion for success. Consumers emphasise that they are not just interested in their own wellbeing but in the wellbeing of all Australians. They want to see a set of indicators that reflect the diversity of lived experience which clearly show what impact government policies and initiatives have in reducing real and perceived inequities.

The development of indicators should be a dynamic and iterative process. It should not be constrained by what data sets we have available now. Australians expect increasing levels of accountability and engagement from their governments. They expect more than bland reports which are impenetrable and unhelpful. The public measurement of national wellbeing has the potential to restore trust in government and increase citizen activation. CHF’s hope is that health consumers, a group whose wellbeing is often challenged, are gladly welcomed to the table as this process begins.

⁶ The Voice of Australian Health Consumers <https://healthsystem.sustainability.com.au/the-voice-of-australian-health-consumers>