

Response to Queensland Competition Authority Medical and Disability Aids and Equipment Pricing Investigation 2013

Table of Contents

ueensland Competition Authority	. 3
Medical and Disability Aids and Equipment Pricing Investigation	. 3
Issues Paper Submission	. 3
1.2 What sources of data for expenditure on medical aids and equipment are available?	. 3
1.3 Are there specific examples of price disparities for medical aids and equipment?	. 3
1.4 Are there any additional community concerns about pricing disparities for medical and disability aids and equipment?	
2.1 Is there scope to rationalise or consolidate government and/or non-government programs for distributing medical and disability aids and equipment?	. 3
2.2 Will there be scope under Disability Care Australia to use government procurement to make non-subsidised aids and equipment available to consumers in competition with retail outlets?	. 4
2.3 Do stakeholders expect the retail options for medical and disability aids and devices will expand as Disability Care Australia is implemented?	
2.4 What role do health care professionals have in determining the source and choice of aids and equipment and in ensuring value for money in purchases?	
3.1 What factors must be taken into account in comparing prices?	. 5
3.2 What additional non-price factors are important when purchasing medical and disability aids and equipment?	. 5
5.4 Will the advantages of increased consumer choice provided by direct funding of individuals offset the advantages of group purchasing through government programs?	. 5
References	6

Queensland Competition Authority

Medical and Disability Aids and Equipment Pricing Investigation

Issues Paper Submission

1.2 What sources of data for expenditure on medical aids and equipment are available?

Sources of data include the <u>Standing Offer Arrangement</u> through Medical Aids Subsidy Scheme, and the <u>Community Aids Equipment and Assistive Technology</u> Initiative Guidelines.

1.3 Are there specific examples of price disparities for medical aids and equipment?

QDN is aware that members can and do source equipment directly from suppliers where such equipment is not on the 'Standing Offer Arrangement' and they self-fund the purchase. One such example is where a person dealt directly with a supplier to have the price of a light-weight power wheelchair was reduced from \$2800 to \$2500.

This light-weight wheelchair also meant the person could travel for work more easily as the wheelchairs dismantles into three (3) pieces and goes in a car or light aircraft.

1.4 Are there any additional community concerns about pricing disparities for medical and disability aids and equipment?

An issue that is set to become more common revolves around the use of motorised scooters in indoor settings. These are increasingly being used by people with disability in shops and on public transport. Many of these exceed the transport standards for size and this is set to become an issue, if not already. Some of these scooters are unstable, and is therefore an area of great concern. Scooters in this class can also have only three (3) wheels and are tremendously unstable.

2.1 Is there scope to rationalise or consolidate government and/or non-government programs for distributing medical and disability aids and equipment?

The current system is onerous, limiting, and inefficient. Any changes to the system must result in greater flexibility for the person requiring aids or equipment. For many people with disability, the "gap" that they must pay for the equipment that meets their individual needs is often unaffordable. Many people with disability are not economically empowered, and often are living solely off the disability support pension. This results in great financial strain to acquire the equipment required, or people being unable to purchase the aids and equipment that they require due to restricted financial capacity.

2.2 Will there be scope under Disability Care Australia to use government procurement to make non-subsidised aids and equipment available to consumers in competition with retail outlets?

Government procurement will result in a narrowing of the market, with inflated prices as a consequence. The 'Standing Offer Arrangement' has been a form of preferred procurement process. There is some evidence that this has narrowed the market, inflating prices rather than lowering them.

Currently, people with a disability consult LifeTec to compare prices and features.

2.3 Do stakeholders expect the retail options for medical and disability aids and devices will expand as Disability Care Australia is implemented?

As people with disability are provided with greater financial resources to purchase the equipment they need, the market will respond accordingly to accommodate the increased purchasing power in the sector. Only 25% of the current needs of people with disability are being met. Assuming that the total need is met once the NDIS is fully implemented, a massive expansion of the market must be expected.

2.4 What role do health care professionals have in determining the source and choice of aids and equipment and in ensuring value for money in purchases?

Health care professionals play a vital role in ensuring the aids and equipment meet the needs of individuals, and that funds are used efficiently in the process. There are times, however, when the requirement for Allied Health professional approvals is excessive and onerous. It is often very difficult for a person with disability to find an Allied Health professional with the required skills and expertise. Often, these professionals come at a cost that the individual can't afford.

QDN acknowledges the need for Allied Health professionals in approving large purchases. QDN believes greater efficiency could be achieved in the system, if people with disability do not require a personal appointment with an allied health professional, but only approval based on information regarding their disability and equipment needs. The need for an appointment with an allied health professional in a wheelchair prescription is a major barrier for people with disability in accessing affordable and timely aids and equipment. People with disability should not be forced to wait for equipment because of a workforce capacity issue.

There are many adults who know exactly what they want and need when purchasing a new wheelchair. With experience, they have considered and encountered all the factors that will influence their wheelchair prescription. It would be more efficient for a person in this instance to attend a seating clinic or wheelchair supplier, determine exactly what they require, document all of the details, and gain approval from an allied health professional (without having to attend a lengthy appointment). A recommendation could then be made regarding purchase of the equipment to be funded by National Disability Insurance Agency formerly DisabilityCare Australia.

QDN believes that "registered seating clinics" should have automatic authority to fund equipment, in acknowledgement of the clinic's accepted level of expertise. The individual may bring an allied health professional to be present in these appointments, but it should not be mandatory.

QDN also believes there should be a national accreditation process for equipment prescribers. This will ensure that people with disability have access to the highest level of expertise if they require specialised knowledge in their equipment prescription.

3.1 What factors must be taken into account in comparing prices?

Factors to be considered when comparing prices include: warranties, size, standards, service availability (support and parts), transportation (eg overseas freight).

3.2 What additional non-price factors are important when purchasing medical and disability aids and equipment?

Transport Access Standards must be met. There is confusion amongst taxi drivers regarding equipment, and its suitability to be fastened into taxis. Other issues regarding the footprint of large scooters and their accessibility on public transport must be addressed. Building Codes, speed regulations, and driver credentialing are other issues that must be considered.

5.4 Will the advantages of increased consumer choice provided by direct funding of individuals offset the advantages of group purchasing through government programs?

For many people with disability, the advantages of increased consumer choice are so profound it is difficult to measure against a financial outcome. Having access to a particular wheelchair that it is more comfortable, and allows greater function, are factors that should not have to be balanced by economic considerations. Even so, a small functional gain as a result of greater individual choice may be the catalyst for an individual being able to enter the workforce. In this respect, any increase in cost will be easily offset by the individual's increased economic participation.

Similarly, an individualised piece of equipment may promote independence with activities of daily living. This will reduce reliance on paid support workers, and therefore offset any additional financial outlay on the aid or equipment. It is this investment principle that stands to serve both people with disability, and the government well under the National Disability Insurance agency (formerly DisabilityCare Australia).

References

Community Aids Equipment and Assistive Technology Initiative Guidelines, http://www.qld.gov.au/disability/service-providers/caeati-guidelines/ Queensland Government 2013.

Standing Offer Arrangement, http://www.health.qld.gov.au/mass/mobilityaids.asp Queensland Government 2013