14. POPULATION AND PREVENTATIVE HEALTH

Key Points of ACT Argument

Assessment Structure

- The proposal to assess population health and preventative health services under a unified category is supported.

Socio-Demographic Composition Factor

- A Socio-Demographic Composition (SDC) factor based on a measure of population health status is not supported. Population and preventative health services generally have a ‘whole of population’ focus and apply to all individuals irrespective of their health status.

- The SDC factor should be discontinued. This would be consistent with the nature of related health programs, which provide benefits to the whole population of States.

- If the Commission is still inclined to assess a SDC factor using a general health status measure, it should be discounted by at least 63%, on the basis of the National Public Health Expenditure Report.

Introduction

14.1. The Commission's Discussion Paper CGC 2001/12 - Scope and Structure of the Standard Budget proposed that a Population and Preventative Health category be established to cover expenses associated with population and preventative health services and health research. The Paper also proposed that the HIV/AIDS component, included in the 1999 Review Public Health category, cease to be separately identified as an expense component in the new category, as expenditure on HIV/AIDS could no longer be separately identified.

14.2. Discussion Paper CGC 2002/13 - Population and Preventative Health proposed that socio-demographic disabilities be assessed through a general health status measure, such as mortality rates, because:

- public health activities cover a myriad of services for which different demand and cost patterns exist;

- no appropriate use of cost data exist for these services; and

- many ‘at risk’ groups targeted by public health activities are not exclusively of low socio-economic status, Indigenous or from non-English speaking backgrounds (NESBs) and may be better captured through a broad health status measure.45

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Changes to the Assessment Structure

14.3. The proposed changes to the Public Health assessment, as outlined in Discussion Paper CGC 2001/12, are supported.

Socio-Demographic Composition Factor

14.4. The ACT believes that expenditure in the Population and Preventative Health category is not driven by health status, and that use of a health status measure would be contrary to the cost drivers behind population and preventative health services.

14.5. Preventative and population health services are either ‘whole of population’ services, or targeted to a specific sector of the population. ‘Whole of population’ services include activities such as food standards regulation, environmental health, epidemiology, and communicable disease surveillance, while targeted services include activities such as immunisation, screening programs, and most health promotion campaigns.

14.6. ‘Whole of population’ services are not related to health status – by definition, they apply to everyone equally. For example, the cost of identifying the source of a food poisoning outbreak, or monitoring air quality is unaffected by the health status of the population in the area where the work is taking place. Assessing disabilities in this area based on health status would therefore misrepresent the cost drivers of State expenditure. According to the National Public Health Expenditure Report 1999-2000, expenditure on food standards and hygiene, and environmental health constituted 9% of State expenditure on population health.

14.7. Similarly, many health promotion campaigns have a ‘whole of population’ focus. The same Report finds that selected health promotion activities, which are defined as having a ‘whole of population focus’, constitute 20% of State population health expenditure.

14.8. Most preventative health activities, such as immunisation and screening, have target groups that are age and/or sex related, not health status related. For example, almost all immunisation is provided to children irrespective of their health status, and screening programs generally target specific groups of the community who are otherwise healthy. The National Public Health Expenditure Report 1999-2000, found that screening programs and immunisation accounted for 34% of State expenditure on population health.

14.9. The other major categories of expenditure discussed in the Report related to communicable disease control, and prevention of hazardous and harmful drug use. Elements of these activities are targeted to ‘at risk’ groups,

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48 Ibid, p7.
but many of these groups do not have poor health status. For example, a growing at risk group for tobacco use is young women, a group that generally has good health status, as do young men, who are a major target group for prevention of hazardous or harmful drug and alcohol use.

14.10. A large component of communicable disease control relates to HIV/AIDS, Hepatitis C, sexually transmitted infections, and needle and syringe programs. These programs generally target young people, who are otherwise healthy, and health status would not be a good measure of the presence of target populations for these activities. Together communicable disease control, and the prevention of hazardous and harmful drug use accounted for 35% of reported State population health expenditure.

14.11. In summary, the target populations for these services are not people with poor health status, and using health status measures to assess expenditure disabilities in this category would misrepresent the relative demands on State expenditure.

14.12. Due to the complexity of the category, the multiple target groups for activities, and the fact that a large proportion of expenditure has a ‘whole of population’ focus, the ACT believes that disabilities related to the composition of State populations should not be assessed for this category, and socio-demographic composition factors should not be applied to this expenditure.

14.13. Health status measures are not considered an accurate reflection the cost drivers of most population and preventative health service expenditure, as population and preventative health services generally have a ‘whole of population’ focus and are not related to the health status of individuals.

14.14. The Socio-Demographic Composition factor for the Population and Preventative Health category should be discontinued. This would be consistent with the nature of the related health service programs, which provide benefits to entire State populations.

14.15. If the Commission is still inclined to assess a SDC factor using a general health status measure, it should be discounted by at least 63%, on the basis of the National Public Health Expenditure Report.