PREVENTION PROGRAMS STRUGGLE FOR CASH AS FUNDS POUR IN FOR ACUTE CARE

Dollars denied as diabetes runs riot

EXCLUSIVE

JOANNA PANAGOPOULOS
NATASHA ROBINSON

Governments have been pouring money into acute care that operates like an ambulance "at the bottom of the cliff" yet refuse to offer long-term, secure funding for prevention programs that deliver enormous results at low cost.

An assessment of the escalating diabetes epidemic by a bipartisan parliamentary committee has called for a fundamental shift to preventative healthcare, highlighting the government's warped priorities as billions are instead spent on amputations, dialysis and acute care admissions.

One such low-cost preventative program, based around planting vegetable, fruit and bush tucker gardens in Northern Territory and West Australian schools, and teaching children how to grow, harvest and cook the produce, has lowered the prevalence of type 2 diabetes in four of six communities where the project has been fully implemented.

The EON Foundation has more than 40 remote Australian communities on its waitlist, with program founder Caroline de Mori saying: "People are telling us, 'We're dying too young, please come and help us'."

Yet the federal government has not committed to funding the program – which sees EON project managers follow up with communities fortnightly for at least five years – beyond December 2024.

Australian Medical Association president Steve Robson called Australia's approach to preventative health "an international embarrassment", with a "paltry 2 per cent" of Australia's hundreds of billions of dollars in health expenditure devoted to "true preventive measures".

"The diabetes report has shown us that failing to deal with prevention, and putting all of our eggs into the treatment basket, leaves us dealing with a catastrophic epidemic of ill health that is overwhelming our ability to deal with it," he said. "Unless Australia takes preventive care seriously, and develops a comprehensive plan to stop these conditions before they take our communities in their grip, then chronic disease will become a lead weight across the chest of our economy."

Public Health Association of Australia chief executive Terry Slevin said the government should urgently implement a funding program, like the PBS and its adjoining advisory scheme, to assess the effectiveness and cost-benefit of preventative programs.

"We don't see cardiovascular, or cancer programs on a three-, two- or one-year cycle, as is the case for some preventative healthcare programs. They are an ongoing service delivery and should be treated as such," he said.

Royal Australian College of General Practitioners chair Lara Roeske said investing in preventive care in general practice was "key".

> 'Unless Australia takes preventive care seriously, chronic disease will become a lead weight'
>
> STEVE ROBSON
> AMA PRESIDENT

"This will not only help more Australians live healthier lives, it will also save the health budget. We know type 2 diabetes can be prevented or delayed in up to 58 per cent of people," Dr Roeske said.

New analysis of the EON Foundation initiative showed that between 2020 and 2023, there were 112 fewer cases of diabetes than predicted across the six NT communities. A cost-benefit analysis also showed the program cost $2.9m over four years, and $244,000 each year from the fifth year, with a net program benefit of $1.3m per year from the fifth year.

Ms de Mori said despite exceptional results, long-term government funding had not been locked in. "Costs of more dialysis machines, forget that. Cost to people being on Centrelink who are too sick to work, forget that," she said.

While the parliamentary committee report found that type 2 diabetes was fast becoming entrenched as a multi-generational disease in the most disadvantaged pockets of the nation, Ms de Mori said it did not have to.

"Young people now can have a different outcome to their parents and grandparents. The tragedy of type 2 diabetes on quality of life, such as having limbs cut off, is a miserable, miserable life, but doesn't have to be," she said.

"The government needs to step up and make longer-term commitments to preventing this hideous disease and reversing it."

Blindness alarm from use of weight-loss drugs

Weight-loss drugs such as Ozempic may cause people to go blind, according to a new study.

Harvard researchers found that people taking semaglutide, also known by the brand name Wegovy, were significantly more likely to develop a rare and irreversible eye condition.

Non-arteritic anterior ischaemic optic neuropathy (Naion) can cause sudden blindness in one eye.

It rarely involves pain or discomfort and patients often only notice it on waking up.

Patients prescribed Ozempic for diabetes were four times more likely to be diagnosed with Naion; those given the drug for obesity were seven times more likely to develop vision loss.

A team at Harvard Medical School launched the study after doctors "noticed a disturbing trend" of patients taking Ozempic suddenly going blind. They looked at the records of 17,000 patients treated at Massachusetts Eye and Ear, a teaching hospital, over the six-year period since Ozempic became available to see if there was a link.

In overweight patients with type 2 diabetes, 8.9 per cent on semaglutide developed sudden blindness, compared to 1.8 per cent on other diabetes drugs.

In patients prescribed semaglutide for obesity, 6.7 per cent developed the eye condition, compared to 0.8 per cent of those not taking the drug.

The study, published in Jama Ophthalmology, is the first to identify that eye problems could be a side effect of the popular new drugs. The authors said from now on, doctors should warn patients of the "potential risk" of going blind before prescribing the drug.

Semaglutide is one of a new generation of powerful weight-loss medications that work by mimicking a hormone that makes you feel full. It was first prescribed in 2017 for diabetes.

Joseph Rizzo, the author of the study, from Harvard Medical School, said: "The use of these drugs has exploded ... and they have provided very significant benefits in many ways, but future discussions between a patient and their physician should include Naion as a potential risk."

Naion affects up to one in 10,000 people every year, so the overall risk remains low.

Experts are not sure why weight-loss drugs might cause the condition, which involves a blockage in the blood vessels supplying the optic nerves.

There is no treatment.

The findings will add to concerns about the potential harm of weight-loss injections. Other side effects include nausea, diarrhoea, kidney failure and inflammation of the pancreas.

Semaglutide is being taken by millions of people around the world, and manufacturer Novo Nordisk is struggling to keep up with demand. Recent trials have suggested the drug could also be used to treat heart and kidney disease. Novo Nordisk has been contacted for comment.

THE TIMES

The EON Foundation is achieving results in Jilkminggan in the NT, and elsewhere, but funding has not been locked in

Health fund talks on life support

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The stoush comes as the sustainability of private hospitals is currently being examined by a federal health department rapid viability review. About 70 private hospitals have closed over the past five years, many private maternity and psychiatric wards are currently sitting idle, rehab facilities have closed, and many more entire hospitals are on the brink of bankruptcy.

"There is a crisis in private healthcare in Australia," Mr Blake said. "The reality is private hospitals are failing.

"The long-term issue is that the system itself is within years of being unfundable. If one part of the system fails, we all fail. The last thing St Vincent's wants to do is end up in a situation where we are going out of contract with insurers, it's an absolute last resort, and the proof of that is that we've never done it before. But the best outcome for us in this negotiation doesn't even cover our costs."

If the contract lapses, it will not be the first time customers of a health fund have had to rely on the default benefit scheme safety net because their insurer's agreement with a hospital has been ripped up.

But it is an extremely concerning development for the industry that a not-for-profit hospitals provider – which is attempting only to cover its costs where making a profit is not a consideration – should deem the contract negotiations so unfair it was willing to abandon them.

NIB chief executive Mark Fitzgibbon issued a short statement in response to St Vincent's position, saying "NIB has a long partnership with St Vincent's, is sympathetic to St Vincent's financial position, and that of other private hospitals, and has made a very fair and reasonable offer to St Vincent's".

"It's disappointing they have elected to argue their position publicly," Mr Fitzgibbon said. "But we will continue discussions with them, noting that our partnership has several months remaining."

The Australian Medical Association said the dispute highlighted the need for an independent regulator for the private health system.

"Disputes like this should never be allowed to happen," said AMA president Steve Robson. "Australians pay their health insurance premiums in good faith and rightly expect to be able to use their policies when they need them."

Private Healthcare Australia chief executive Rachel David warned against that call and criticised the tactic of taking the negotiations public.

"There's no suggestion that patients are going to be penalised at any level," Dr David said.

"I think part of this is designed to put some political pressure on the government to undertake some kind of intervention. I also don't think that's appropriate. I think the sector needs to show that it can manage within its means and deliver a product that's value for money for consumers."

Private hospitals have not yet recovered from the severe impacts of the Covid-19 pandemic, with the benefit payments being provided to operators under contracts with private health insurers lagging well below health inflation and the rising costs of staff and equipment.

The private hospitals industry as a whole is operating on a profit margin of just 1 per cent while insurer profits have been rising year on year.

Newcastle Business School professor Francesco Paolucci, an expert in healthcare systems, said the breakdown in a crucial contract negotiation between a big insurer and private hospitals operator was predictable amid the multiple pressures on Australia's public-private health system model.

> 'Insurers have been banking record profits while returning less to patients and hospitals'
>
> KATHARINE BASSETT
> CATHOLIC HEALTHCARE

"This outcome is not surprising," Professor Paolucci said. "We are going to see more of this. The problem that we currently have is we have a system that is fragmented, with a number of stakeholders involved in funding something that needs co-ordination and integration, which is the purchasing of healthcare."

Parties to contract negotiations never reveal the numbers on the table, but a general guide is that offers by insurers often tend to broadly align with their latest approved premium increase.

For NIB, that was 4.1 per cent, one of the largest increases of all funds, and well above the industry average rate rise of 3.03 per cent. The health fund paid out only 79 per cent of its premium revenue of $1.9bn in the 2022-23 financial year, and its management expenses were 12.3 per cent.

Catholic Healthcare Australia's director of health policy, Katharine Bassett, said St Vincent's was justified in its stance.

"It is totally unacceptable for insurers to put the squeeze on patients and hospitals while increasing their large profit margins and bank balances," Dr Bassett said.

"Today, St Vincent's is rightly taking a stand against insurer power and greed. Other hospitals may need to do the same.

"While it's St Vincent's and NIB today, it could be another hospital and insurer tomorrow as funding from insurers has not kept pace with the rising costs of delivering care.

"Insurers have been banking record profits while returning less to patients and hospitals. We've reached the breaking point."

Brinkmanship last resort for struggling private operators

NATASHA ROBINSON
HEALTH EDITOR

The foundations of Australia's celebrated public-private healthcare system have been slowly cracking for years. Yet the immense pressures of ageing and chronic disease that will be placed upon this shaky base have not yet ramped up to their full force – not even close.

Public hospitals are critically overloaded and understaffed, with elective surgery waiting lists stretching into the never-never. It pushed millions to take out private health insurance during Covid in the belief that would provide instant access and choice.

Consumers are now discovering the value proposition of health insurance is at risk of becoming a falsity.

The government has recognised the looming disaster and called a rapid viability review of struggling private hospitals, with many on the verge of going broke.

The hands-off approach to the commercial running of the private sector, borne out of Paul Keating's introduction of direct contracting in line with the philosophy that competitive market tension would place downward pressure on costs and premiums, worked for two decades. But laissez-faire by governments is arguably irresponsible or indefensible in circumstances where market power is in serious imbalance.

We have a private system on its knees, with the exception of Ramsay Healthcare. Insurers are under great pressure to keep costs low for consumers but are by and large in a state of rude financial health. It's no wonder St Vincent's Health, whose books are bleeding, and which runs not only top private hospitals but also charitable healthcare and services to the poorest for free in significant measure, felt it had no option but to play a game of unprecedented contractual brinkmanship with NIB.

There are salient lessons from the pandemic as to what can happen if market forces are left to run amid a weakening of critical parts of the health system. Look to the collapse in primary care, triggered by years of Medicare rebate freezes and inadequate indexation. Aided by telehealth, corporates have moved, and what we get is fragmented healthcare, cowboy telehealth operators, supermarkets moving to app-based healthcare integrated with their own pharmacies, and unregulated markets in medicinal cannabis. All driven by a pervasive profit motive.

There are real questions as to what happens to the private health market if governments let market forces prevail. Underpinning all the tensions is a complete failure across all systems to fund and prioritise preventive healthcare. Insurers cannot be blamed for wanting to step in to reduce costs and keep people well. But it's worth asking what vertically integrated healthcare, in which insurers own and operate the services, the proliferation of which we are now witnessing with NIB at the forefront, would really mean for Australia and the egalitarianism we pride ourselves on.

'We'll fight for those on frontline'

EXCLUSIVE

MATTHEW DENHOLM
TASMANIA CORRESPONDENT

Tasmania's minority government may struggle to pass an austere budget, with balance-of-power MPs warning they won't accept frontline service cuts, and flagging parliamentary manoeuvres to force additional funding.

With state debt rivalling Victoria's on some measures, and ballooning deficits amid an economic decline, Tasmania's September 12 budget is tipped to be tough, with health not immune from cuts. Australia's last Liberal government relies on offers of confidence and budget supply from five crossbenchers: three Jacqui Lambie Network MPs and two independents, needing the votes of four to survive and pass bills.

Two JLN MPs told The Australian their pledges of supply did not necessarily extend to all budget measures, while joining independent Kristie Johnston in warning the government not to cut frontline services.

Ms Johnston said the parliament could vote to demand the minority government, formed after a hung parliament was elected on March 23, introduce a "supplementary supply bill" to cover spending shortfalls left by the budget.

"We could send a really clear signal to the government that their budget may not be satisfactory or that they need to be finding additional funds," she said. "That's where the crossbench can hopefully work very strongly together. The government ought to take that very seriously. If it ignores the will of the parliament, it does so at its own peril ... It can get difficult for the government if they ignore those calls, because that shows a lack of confidence."

Ms Johnston had "made it clear" that she would not support cuts to frontline services.

"Our housing waiting list is extreme, our public hospital waiting list is unacceptable – there cannot be cuts to them, and in particular to our child safety services," she said.

"(Appropriate funding for) all those things I would expect to see in the budget. If they're not, that's a matter around which we would have to have a very difficult discussion ... and can we get the government to make additional commitments perhaps via an additional supply bill and appropriation bill."

JLN Bass MP Rebekah Pentland said she supported "belt tightening" and more efficiency in the bureaucracy. However, the guarantee of supply did not extend to every budget item. "No – absolutely not; we will scrutinise the budget," she said.

She hoped the government would work with JLN MPs to ensure any disagreements over budget measures could be addressed before a vote in parliament.

JLN Lyons MP Andrew Jenner said he was unsure the extent to which he could oppose individual budget items while honouring his offer of supply. However, he warned the government not to cut frontline services.

The JLN MPs were conscious of their responsibility to provide stability, while holding the government to account. "It's a real balancing act," he said.

JLN Bass MP Miriam Beswick said she would back greater efficiencies, and fully honour her commitment to supply, but also be a "little storm cloud" for ministers failing to "meet expectations".

Independent David O'Byrne said he would support "all money bills necessary to ensure supply" and "not support frivolous or opportunistic motions".

Australian Government
Department of Climate Change, Energy, the Environment and Water

NOTICES AND INVITATIONS TO COMMENT

Environment Protection and Biodiversity Conservation Act 1999

Notice under section 351(2)
and
Notice under section 368(2)

Proposed Proclamation to amend the Heard Island and McDonald Islands Marine Reserve Proclamation 2002 (as amended)
AND
Proposal to prepare a draft management plan for the Heard Island and McDonald Islands Marine Reserve

The Department of Climate Change, Energy, the Environment and Water is seeking comments from members of the public on:

a. a proposed proclamation to amend the Environment Protection and Biodiversity Conservation (Heard Island and McDonald Islands Marine Reserve) Proclamation 2002 (the Heard Island and McDonald Islands Marine Reserve Proclamation 2002) (as amended in 2014) under section 351(2) of the *EPBC Act* to extend the boundaries of the existing Marine Reserve; and

b. a proposal to prepare a draft management plan for the Heard Island and McDonald Islands Marine Reserve under section 368(2) of the *EPBC Act*.

Comments must be sent no later than 11:59PM Thursday 5 September 2024 through the Have Your Say Portal at the following web address, **https://consult.dcceew.gov.au/**.

All comments will be considered in accordance with the requirements of the *EPBC Act* and managed in accordance with the department's privacy policy which is available at **https://www.dcceew.gov.au/about/commitment/privacy**.

For more information please refer to the following web address: **https://consult.dcceew.gov.au/** or contact **HIMI.review@aad.gov.au**.

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Identification risk sparks mass purge of frozen sperm

LAUREN FERRI

Queensland's health watchdog has ordered the destruction of thousands of frozen sperm donations in fertility clinics after an audit found a large amount of samples were at risk of misidentification.

The Office of the Health Ombudsman conducted an intensive probe into Queensland's self-regulated IVF industry, which had come under scrutiny after providers were hit with claims of malpractice.

The audit found "systemic issues" related to "quality and safety", finding the state had potential errors including identification mix-ups, loss of viability of gametes or embryos, and suspected deterioration beyond laboratory standards.

"Some incidents, such as incorrect labelling of frozen semen and unclear labelling of straws, were not reported" to the regulator by one provider, "potentially indicating lapses in reporting protocols", the report found.

The errors could lead to key genetic information being missed, which advocates say could create a danger of accidental incest.

The OHO recommended all state clinics "dispose of stored donor material not meeting current identification standards".

Forty-two per cent of sperm donations, egg samples and embryos in Queensland were found to have "identification and traceability" issues. This meant clinics had either lost or incorrectly labelled samples.

The OHO also found there were "thousands" of samples from before 2020 that were at high risk.

The report found the destruction of sperm would add to an already large shortage of donated sperm in Australia. One in six Australian couples struggled with starting a family, and many looked to donors to help conceive.

"The impact on consumers and the donor-conceived children in cases of gamete mix-ups cannot be underestimated," the report said.

"Appropriate counselling should be offered by ART providers ... to manage the emotional turmoil created with uncertainty about paternity and genetic origins. The implications for families from such errors are lifelong."

NEWSWIRE