4 Conclusion

DVA clients are concentrated in the age groups 70 to 84 years. Thus, while DVA manages the health care of veterans across the age spectrum, it is important to note that due to this concentration of Gold Card holders in the 70 years and over age group, small changes here have much greater significance than larger changes in usage for those below age 70.

The health service use of veterans and war widows and widowers is what would be expected of an older population, in that there is much greater use of hospital acute admitted patient services, medical services and pharmaceuticals than by the younger population.

When the health service use of veterans and war widow(er)s is compared to the rest of the community of a similar age, the use by veterans and widow(er)s is higher. Further analysis shows this difference is basically due to service-related disabilities of veterans, and the higher use of health services that is typical of widows.

This conclusion is in line with other studies such as Marshall et al. 1998 which found that: 'Veterans do not demonstrate an excess consumption of health care relative to their community peers when their worse health is taken into account'.

This analysis has only been done for the three areas where comparable data can be obtained at this stage, i.e. hospital acute admitted patient services, GP/LMO attendances and PBS listed pharmaceuticals. Expenditure in these areas is about two-thirds of total DVA health expenditure. The result of no major difference in health service use once allowances are made for service-related disability and widowhood will not necessarily apply for other health services such as aged care homes, allied health professionals, dental services, home care, ambulance services, out-of-hospital specialist services, outpatient services, and accident and emergency services. Analysis in these areas depends on data from other sources such as the ABS National Health Survey.

The cost per LMO service is 12% higher than the cost of GP services provided to the rest of the community. This is due to the prices in the DVA contracts with LMOs being higher than the costs of the GP services used by older patients under Medicare (DVA contracts pay 100% of the Schedule Fee, and the average cost for Medicare GP services received by older patients was 88% of the Schedule Fee in 1999–00). Further research is required to investigate whether the higher price results in higher quality services.

The costs for pharmaceuticals are the same for veterans and war widow(er)s as for the rest of the community.

It is not possible to ascertain at this stage whether the actual cost of hospital services and associated medical services is higher for DVA Gold Card holders than for the rest of the community. There is no significant difference in the case-complexity of the admitted patient services used by the two groups, so there is no reason to expect a cost difference, but given the greater use by veterans and war widow(er)s of private hospitals, there may be a difference.