

# 8 Expenditure on health-related welfare services

Health to Aboriginal peoples is a matter of determining all aspects of their life, including control over their physical environment, of dignity, of community self esteem, and of justice. It is not merely a matter of the provision of doctors, hospitals, medicines, or the absence of disease and incapacity. Health is not just the physical well-being of the individual, but the social, emotional, and cultural well-being of the whole community. This is a whole-of-life view and it also includes the cyclical concept of life-death-life (NAHSWP 1989).

## Background

The two earlier reports on expenditures on health services for Aboriginal and Torres Strait Islander peoples (Deeble et al. 1998; AIHW 2001) applied a somewhat narrow definition of health services, particularly if one takes into account the National Aboriginal Health Strategy Working Party (NAHSWP) view of health, cited at the opening of this chapter.

This report has largely followed the Government Purpose Classification (GPC) of Health (GPC 25), with some minor modifications. Expenditure on two other sub-groups of the GPC – welfare services for the aged (GPC 2622) and welfare services for people with a disability (GPC 2623) – are included in this report as a means of broadening the scope of the health expenditure reporting (Table 8.1). The health-related component of expenditure on ACCHSs by the Australian Government is also included.

**Table 8.1: Health-related welfare expenditure GPC categories**

<b>GPC 2622 Welfare services for older people</b>	<b>GPC 2623 Welfare services for people with a disability</b>
Respite care	Respite care
Domestic and personal assistance services (via HACC)	Development care
Services delivered by residential institutions (hostels, villages, group homes)	Substitute care
Concessions for aged persons (financial assistance not primarily related to earning capacity)	Domestic and personal assistance services (via HACC)
Community centres (senior citizens)	Services delivered by residential institutions (hostels, villages, group homes under Commonwealth/State disability agreement)
	Transport
	Supported employment and rehabilitation
	Community centres (day care and nursing homes for people with a disability)
	Disability concessions (e.g. transport, material assistance etc.)

Source: ABS Government Purpose Classifications.

The methods used in producing these experimental estimates of Indigenous expenditure on health-related welfare services drew heavily on three main sources of the Indigenous usage data. These were the Aged and Community Care Management Information System (ACCMIS); the Home and Community Care (HACC) minimum data set; and the Commonwealth/State Disability Agreement minimum data set. Details of the methods used,

together with warnings concerning the limitations of the underlying data, are provided in Appendix 9 (available online at the AIHW website <www.aihw.gov.au>). Furthermore, readers should note that data covering service use do not reflect either the unmet need or the adequacy of the service programs delivered.

## Total health-related welfare expenditure

Total recurrent health-related welfare expenditure for 2001–02 was \$5,066.0 million. Of this, it was estimated that \$151.8 million (3.0%) was on services for Indigenous Australians (Table 8.2). On a per person basis, average expenditures on health-related welfare services for Indigenous Australians were 28% higher than for non-Indigenous people.

**Table 8.2: Total recurrent health-related welfare expenditure, by program and Indigenous status, 2001–02**

Program area	Expenditure (\$ million)			Expenditure per person (\$)		
	Indigenous	Non-Indigenous	Indigenous share (%)	Indigenous	Non-Indigenous	Ratio
Welfare services for older people <sup>(a)</sup>	42.5	1,898.6	2.2	92.61	100.17	0.92
HACC	19.9	768.2	2.5	43.40	40.53	1.07
ATSI Flexible care services	3.1	0.0	100.0	6.76	—	..
Multipurpose services	0.3	9.3	3.4	0.71	0.49	1.44
CACCP	8.1	242.2	3.2	17.61	12.78	1.38
Low-level residential care	2.9	582.1	0.5	6.36	30.71	0.21
Other	8.2	296.8	2.7	17.78	15.66	1.14
Welfare services for people with a disability <sup>(a)</sup>	95.7	3,013.9	3.1	208.66	159.01	1.31
CSDA services						
Accommodation	37.2	1,374.8	2.6	81.22	72.53	1.12
Community support	16.9	282.2	5.6	36.76	14.89	2.47
Respite	9.1	142.4	6.0	19.84	7.51	2.64
Community access	6.7	292.3	2.3	14.72	15.42	0.95
Employment	5.1	256.2	2.0	11.11	13.51	0.82
Other	11.2	322.7	3.3	24.33	17.02	1.43
Other services						
HACC	8.7	208.9	4.0	18.93	11.02	1.72
Australian Government rehabilitation services	0.7	103.3	0.7	1.53	5.45	0.28
Low-level residential care	0.1	31.0	0.3	0.23	1.64	0.14
Health-related ACCHS services <sup>(b)</sup>	13.7	1.7	89.1	29.87	0.09	339.24
<b>Total</b>	<b>151.8</b>	<b>4,914.2</b>	<b>3.0</b>	<b>331.15</b>	<b>259.26</b>	<b>1.28</b>

(a) Includes Australian Government administrative costs, excludes state and territory administrative costs, concession expenditure and services for older people.

(b) Excludes state and territory government expenditure on ACCHSs.

Sources: AIHW analysis of 2002 ACCMIS; AIHW analysis of 2002 HACC MDS data; CGC 2003; DoHA 2002; DoHA unpublished data.

## **Expenditure on welfare services for older people**

Total expenditure on health-related welfare services for older people was \$1,941.1 million. Services to older Indigenous people accounted for an estimated \$42.5 million (2.2%) of this expenditure. This equates to an average expenditure per person of \$92.61 for Aboriginal and Torres Strait Islander peoples, around 8% lower than is spent on average for non-Indigenous people.

Three major areas: Home and Community Care services (HACC), Community Aged Care Packages (CACP) and Aboriginal and Torres Strait Islander flexible care services accounted for almost three-quarters (\$31.1 million) of the expenditure on welfare services for older Indigenous Australians. On average, expenditure per person on low-level residential aged care services for older Indigenous Australians was one-fifth of that spent on non-Indigenous people. Aboriginal and Torres Strait Islander flexible care services, which account for \$3.1 million in expenditure, compensate for this disparity to some extent.

## **Expenditure on welfare services for people with a disability**

Total expenditure on welfare services for people with a disability was \$3,109.6 million. Services for Aboriginal and Torres Strait Islander peoples were estimated to account for 3.1% of this (\$95.7 million), representing an average per person of \$208.66 – 31% higher than the average spent per non-Indigenous person (\$159.01).

This expenditure can be divided into two broad categories:

- the Commonwealth/State Disability Agreement (CSDA) funded services; and
- other services, which include HACC, Australian Government rehabilitation services and residential aged care (that is, low-level care for people with a disability).

Services funded under the CSDA are designed for people who need ongoing support with everyday life activities. The target group of programs for people with disabilities is those people requiring ongoing or episodic support (AIHW 2002). The disability may be attributable to an intellectual, psychiatric, sensory, physical or neurological impairment or acquired brain injury (or some combination of these) which is likely to be permanent and results in substantially reduced capacity for self-care/management, mobility or communication.

The largest estimated outlays on welfare services for Indigenous and non-Indigenous people with a disability were on accommodation services. Expenditure through this program on Indigenous Australians was estimated at \$37.2 million, representing 2.6% of the total.

## **Expenditure on health-related services through ACCHSs**

A further \$15.4 million was spent by the Department of Health and Ageing on the provision of health-related services through ACCHSs. Services for Indigenous Australians were estimated to account for 89.1% (\$13.7 million) of this expenditure.