

Submission
No 26

THE PROGRAM OF APPLIANCES FOR DISABLED PEOPLE (PADP)

Organisation: The Health Services Association of NSW
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The Director
Legislative Council
General Purpose Standing Committee No 2
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Director

Re: Program of Appliances for Disabled People (PADP) Inquiry

The Health Services Association of NSW welcomes the opportunity to make a submission to the Legislative Council's General Purpose Standing Committee No 2's Program of Appliances for Disabled People (PADP) Inquiry.

The Association represents publicly funded health services providers. It was established in 1921 as the Hospitals' Association of NSW in order to assist small community and district rural and metropolitan public hospitals in dealing with government, legal and industrial relations issues. In 1933 it became the registered employer organisation for public hospitals in NSW, ceasing this role in 1991. On 21 June 1991 the organisation changed its name to the *Health Services Association of NSW*. The Health Services Association was also instrumental in founding the Hospitals Contribution Fund (now HCF Australia) in 1932. This was so that patients could attend public hospitals. The Health Services Association is still a member of HCF Australia.

The first issue the Association wishes to raise is in relation to PADP funding. It is an undisputed fact that the PADP is substantially under funded. This in part due to the PADP funding model predicated on historical funding. It is unacceptable that the Health Minister maintains a funding model that is not meeting PADP demand. A new funding model is required. The new funding model should be predicated on covering the actual PADP costs and be sufficiently flexible to accommodate increased PADP demand through the course of the funding cycle.

Associated with funding is the requirement of Area Health Services for health service providers to divert funding away from PADP to prop up other critically under funded related services. This is unacceptable. It means under funded PADP is cross subsidising other services.

The second issue is the centralization of PADP purchasing. While the Association believes bulk purchasing of PADP equipment would reduce the costs of PADP, the Association is concerned as to whether centralization will undermine the ability of health service providers to deliver PADP in a timely and patient friendly manner. Recent centralization programs undertaken by NSW Health have not delivered the anticipated efficiencies.

The third issue is the lack of integration between PADP and other related services.

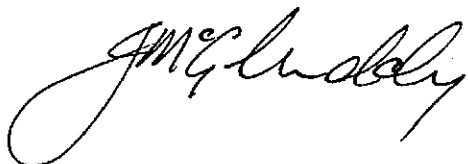
The fourth issue is the lack of engagement with health service providers during recent reforms to PADP. This means the views of health service providers involved at the coal face of PADP have not been incorporated in the reform process. Health service providers responsible for PADP must be actively involved in reforming PADP.

The fifth and final issue the Association wishes to raise relates to the effect of the current PADP problems on patients, particularly elderly patients. The Association is extremely disturbed to learn that patients are currently simply not offered PADP. This means patients are forced to purchase PADP equipment from commercial sources.

Further, the Association believes the failure of the PADP to be offered to patients places the State of NSW in breach of the Medicare principles enunciated in section 68 of the *Health Services Act 1997* (NSW).

The Association wishes to thank the Committee for this opportunity to raise the above issues regarding PADP.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James McGillicuddy', written in a cursive style.

James McGillicuddy
Executive Director