



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

18 January 2021

Hearing Services Program Expert Review Panel
Department of Health
GPO Box 9848
Canberra ACT 2601

via email: hearing-review@health.gov.au

Dear Professor Woods and Dr Burgess

Interim Advice to Government- Implementation of Hearing Services Program Changes

My office welcomes the opportunity to consult on the Interim Advice to Government. The decision by the Department of Health to not undertake consultation on the changes is concerning given the Regulatory Impact Statement (RIS) identified a disproportionate impact on small and rural providers.

According to the RIS the program changes will require businesses to adjust their models to accommodate a 40% loss of revenue, and transition costs. To retain diversity in the provider market, Government needs to assist small providers through the transition. This office supports Options 3 and 1 as assistance measures for small to medium providers and rural markets.

- I. **Option 3: Loading on small and medium providers:** A time-bound, focused service loading during a 3 year transitional period is an appropriate support for small and medium providers.
 - i. **Definition of small and medium providers:** This office supports the RIS definition of small and medium providers over the definition used in the Interim Advices.
 - ii. **Amount of loading:** The calculation of the loading will need to be sufficient to allow small businesses to adjust their business models while remaining financially viable. It must also mitigate the estimated costs associated with amending business models, changing IT systems and training as identified in the RIS. My office should be consulted before finalising any loading calculation method or eligibility requirements.
- II. **Option 1: Rural and remote loading on services:** Due to higher costs associated with the delivery of services in rural areas, loading for services delivered in rural and remote areas is an appropriate additional support for these at risk markets.
 - iii. Eligibility for this loading should be restricted to small and medium providers to promote diversity in rural markets. The Review Panel should also consider the suitability of this kind of rural loading as a long term support for the development of thin rural markets.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Ms Jac Frater on 02 6213 7434 or at jac.frater@asbfeo.gov.au.

Yours sincerely

Kate Carnell AO
Australian Small Business and Family Enterprise Ombudsman

T 1300 650 460 E info@asbfeo.gov.au
www.asbfeo.gov.au

Office of the Australian Small Business and Family Enterprise Ombudsman
GPO Box 1791, Canberra City ACT 2601