

painaustralia

**SUBMISSION TO THE DEPARTMENT OF TREASURY
CONSULTATION ON THE REVIEW OF THE EARLY RELEASE OF
SUPERANNUATION BENEFITS**

FEBRUARY 2018

EXECUTIVE SUMMARY

Painaustralia welcomes the opportunity to provide this submission to the Department of Treasury on its review of the early release of superannuation benefits.

This submission addresses questions 1.2, 1.5 and 1.11 in the Treasury consultation paper Early release of superannuation benefits (December 2017).

The rapidly increasing number of Australians accessing superannuation for medical bills highlights the urgent need for greater access to pain management services and a national response to the escalating social and economic issue of chronic pain.

It is unacceptable that desperate Australians living with chronic pain are being left with no choice but to seek early access to their superannuation due to excessive waiting lists to access critical pain services and high out of pocket costs for patients using private pain services and other treatments.

One in five Australians live with chronic pain and its prevalence is increasing due to the rise in chronic conditions and an ageing population. It is estimated to cost the Australian economy at least \$34 billion and is our third most costly health burden. It is critical that the Australian Government urgently prioritise a national policy framework to prevent pain and enable greater access to best practice pain management.

Painaustralia does not believe the use of superannuation on compassionate or medical grounds is an appropriate safety net as it diminishes the financial situation for millions of vulnerable and marginalised

people living with chronic conditions. However, until the services gap for chronic pain is addressed, the current regulations should not be changed in way that would limit access to vital pain services.

Many Australians who live with chronic pain are financially disadvantaged, face forced early retirement and unemployment and have limited capacity to pay for private health services. Early access to their superannuation may be their only option to get the critical medical treatment and support they need.

Many pain conditions have no known cure and multidisciplinary pain management is critical to reduce disability and social and economic exclusion. Therefore, Painaustralia does not support changing the regulation to limit access from 'alleviation' of acute or chronic pain to the 'treatment' of these conditions as it could preclude people living with chronic pain that cannot be cured yet endure ongoing disability and exclusion from work and the community.

While unrelieved pain can cause severe physical and psychological problems, including death and suicide, this is not widely understood. Suicidal behaviour is two to three times higher for people with chronic pain compared to general population.¹ Regardless of this fact, chronic pain is debilitating, greatly diminishes quality of life and impedes participation in work or the community. Therefore, Painaustralia does not support restricting early access to superannuation to life-threatening conditions only.

ABOUT PAINAUSTRALIA

Painaustralia is the leading national peak body to develop and inform national pain strategies and policies and was formed in 2011 to work with government, health professional and consumer stakeholders to facilitate implementation of the National Pain Strategy.

Painaustralia's primary mission is to improve the quality of life for people with pain and their families and minimise the burden of pain on individuals and the community. Effectively tackling pain – as a complex physical, psychological and environmental condition – is in the interest of every Australian.

With over 150 members and partners across a diverse range of stakeholders including consumers, medical specialists, pharmacists, academics, carers, pharmaceutical companies, allied health professionals and others with an interest in pain, Painaustralia consults our network widely to inform practical and strategic solutions to address this complex and widespread issue. We have a vast consumer network.

Painaustralia also provides essential sources of information for consumers, medical practitioners and researchers.

SUMMARY OF RECOMMENDATIONS

Minimising Australia's pain burden as a national health priority

Painaustralia recommends that people living with chronic pain are consulted in the upcoming review of out-of-pocket costs and an evidence-based report and recommendations pertaining to chronic pain specifically is provided as part of the review.

Painaustralia recommends that the National Pain Strategy is adopted by the Australian Government and implemented through COAG to address the gap between demand and access to pain services.

Painaustralia recommends that the Australian Government fund the priorities outlined in the 2018 Painaustralia Pre-Budget Submission to address the gap between demand and access to pain services.

Early release of superannuation for people living with pain

Painaustralia does not support limiting access to vital pain management services until the pain services gap is addressed.

Painaustralia does not support amending SIS Regulation 6.19(3)(a)(ii) and (iii) to refer to 'treatment' rather than 'alleviation' of acute or chronic pain.

Painaustralia does not support removing these provisions entirely where the individual's condition is life-threatening

KEY ISSUES

1 Minimising Australia's pain burden as a national health priority

The rapidly increasing number of Australians accessing superannuation for medical bills highlights the urgent need for greater access to pain management services and a national response to the escalating social and economic issue of chronic pain.

One in five Australians live with chronic pain² (constant daily pain for a period of three months or more) and its prevalence is increasing due to the rise in chronic conditions³ and an ageing population. It is estimated to cost the Australian economy at least \$34 billion⁴ and is our third most costly health burden.⁵

It is unacceptable that desperate Australians living with chronic pain are being left with no choice but to seek early access to their superannuation due to excessive waiting lists to access critical pain services and high out of pocket costs for patients using private pain services and other treatments.

Best-practice pain management requires coordinated multidisciplinary assessment and management involving physical, psychological, and environmental risk factors in each patient, as well as self-management strategies. These services are working when they are available.⁶

Yet, the average Australian is forced to wait for between six months and three years to attend a multidisciplinary pain-management program.⁷ The median waiting time from referral to initial clinical assessment for a publicly funded outpatient adult pain management service is 150 days, compared with 38.5 days for a privately funded service.⁸ The issue is even more acute for Australians living in regional and rural areas where there are often no services, and there has been limited investment or expansion of telehealth pain services for rural or immobile pain patients.

There are 275 pain medicine specialists practicing in Australia, who are unable to meet demand, supplemented by just 24 registered pain specialist training positions.

The longer people living with chronic pain are required to wait to access support and treatment services, the likelihood of developing other chronic conditions like mental illness and disability increases and their capacity for recovery is diminished. Pain specialists believe ongoing chronic pain can be avoided altogether with proper treatment in the first six months.⁹

The cost of pain to individuals and workplaces is momentous - it is the leading cause of absenteeism and early retirement and many people with chronic pain cannot work.¹⁰ Chronic pain limits the immediate income and the long-term financial capacity by reducing their wealth accumulation with one study finding individuals who retire early due to back problems will have as little as \$3700 in accumulated wealth for retirement.¹¹

Without national action on pain, Australians living with pain will continue to be left with little option but to live in social and economic exclusion and take desperate measures to afford private services.

Out of pocket costs are a significant issue for people accessing private pain services and a range of other medical services that alleviate or treat pain, including allied health services and aids and appliances. Painaustralia welcomes the recent announcement of an expert committee to consider the issue of out of pocket costs by the Australian Government but the issues must be addressed as a key priority in health reform. It is vital people living with chronic pain are consulted in this review process and recommendations pertaining to chronic pain specifically are provided as part of the review.

To date, our national response to pain has been fragmented. It is critical that the Australian Government urgently prioritise a national policy framework to prevent pain and enable greater access to best practice pain management, to reduce the cost of chronic pain to individuals and the wider economy.

The National Pain Strategy developed in 2010 provides a blueprint for the best practice treatment and management of acute, chronic and cancer pain to improve quality of life for people with pain and their families, and to minimise the burden of pain on individuals and the community. The Strategy outlines the key priority areas to address Australia's pain burden, informed by the evidence base.

The Strategy was a world first, developed by a broad coalition of 200 stakeholders including specialists, consumers, researchers and other health professionals, has been adopted by various state governments, but national leadership is required to realise its full potential.

There are also a range of modest policy decisions and investments that must be made in the short to medium term that can be readily developed yet would significantly reduce health costs over the longer term we must reduce the pain burden facing individuals and the need for them to take desperate financial measures, like accessing superannuation for medical treatment.

The Painaustralia 2018 Pre-Budget Submission¹² outlines these priorities which aim to empower patients to better understand and manage their pain including expanding access to accessible online resources and supports, reduce the impact of pain in the workplace and on productivity and expand pain treatment services through better use of technology to regional areas and priority groups.

Recommendations:

That people living with chronic pain are consulted in the upcoming review of out-of-pocket costs and an evidence-based report and recommendations pertaining to chronic pain specifically is provided as part of the review.

That the National Pain Strategy is adopted by the Australian Government and implemented through COAG to address the gap between demand and access to pain services.

That the Australian Government fund the priorities outlined in the 2018 Painaustralia Pre-Budget Submission to address the gap between demand and access to pain services.

2 Early release of superannuation for people living with pain

Painaustralia does not believe the use of superannuation on compassionate or medical grounds is an appropriate safety net as it diminishes the financial situation for millions of vulnerable and marginalised people living with chronic conditions. However, until the services gap for chronic pain is addressed, the current regulations should not be changed in way that would limit access to vital pain services.

Many Australians who live with chronic pain are financially disadvantaged, face forced early retirement and unemployment and have limited capacity to pay for private health services. Early access to their superannuation may be their only option to get the critical medical treatment and support they need to restore quality of life and return to work or training.

Chronic pain can be associated with an ongoing condition, such as rheumatoid arthritis, but in most cases, there is no obvious physical cause and no cure. Desperate patients can end up going from one specialist to another in the futile search for a solution.¹³ It is why the evidence points to multidisciplinary pain management that treats the physical, psychological and environmental risk factors, rather than one single symptom, as the best way to address chronic pain and reduce disability and social and economic exclusion.

Chronic pain remains widely misunderstood in the community and by health professionals. Conditions such as migraine, osteoporosis, arthritis and other musculoskeletal ailments are well recognised chronic diseases. However, there are many other chronic pain conditions that may not be as well understood such as nerve pain, pelvic pain, abdominal pain, facial pain and persistent post-surgical pain. Greater education and awareness of chronic pain and both pharmacological and non-pharmacological treatment options across the health sector is required, particularly at the primary care level, while noting its diagnosis and treatment can be complex.¹⁴

Painaustralia does not support changing the regulation to limit access from 'alleviation' of acute or chronic pain to the 'treatment' of these conditions as it could preclude people living with chronic pain that cannot be cured yet endure ongoing disability and exclusion from work and the community.

While unrelieved pain can cause severe physical and psychological problems, including death and suicide, this is also not widely understood and is often a secondary consideration in diagnosis and treatment.¹⁵ Suicidal behaviour has been found to be 2-3 times higher in those with chronic pain compared to the general population.¹⁶

Regardless of this fact, chronic pain can be debilitating and preclude participation in social or economic life for those who live with the condition. For example, patients with chronic pain experience high rates of generalised anxiety disorder, post-traumatic stress disorder and substance misuse.¹⁷ It is estimated 30-40% of chronic pain patients presenting for treatment have major depression.¹⁸ Given this, Painaustralia does not support restricting early access to superannuation to life-threatening conditions.

Recommendations:

Painaustralia does not support limiting access to vital pain management services until the pain services gap is addressed.

Painaustralia does not support amending SIS Regulation 6.19(3)(a)(ii) and (iii) to refer to 'treatment' rather than 'alleviation' of acute or chronic pain.

Painaustralia does not support removing these provisions entirely where the individual's condition is life-threatening.

CONCLUSION

This inquiry highlights the urgent need for national action on the escalating social and economic issue of chronic pain.

Many Australians who live with chronic pain face significant financial disadvantage and unemployment – and they have limited capacity to pay for private health services.

Until there is much greater access to publicly funded pain services, including for regional and priority groups, and a reduction in out of pocket costs for private services, desperate measures like early access to superannuation may be the only option available and should not be restricted.

As one consumer in Painaustralia's network explains:

"People with chronic health conditions are already struggling financially. All spare money goes to paying the gap between the funding in the public health system & private care. When you have severe pain, you will pay anything to relieve it. Equally, if you don't have the resources to pay for pain relief, it can leave you suicidal. Access to superannuation is the last stop for money when all other money has run out. It is not "easily" accessible now, and it is still a difficult process for unwell people to ask for and obtain a portion of their superannuation. Please don't make it more difficult for patients who are already under significant stress from multiple sources."

Painaustralia welcomes the opportunity to provide comments on this issue. We welcome any opportunity to work with the Australian Government to address the issues outlined in this submission and develop the sustainable solutions necessary to address this costly health challenge.

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