

In 2011, the additional capped funding required from the Commonwealth and jurisdictions to Close the Gap for Vision was estimated using data that were publically available<sup>1</sup>. The costs of providing eye services were derived from estimates of service needs using data from the National Indigenous Eye Health Survey<sup>2</sup>. The funding known to be provided at that time was subtracted to give the estimated gap in funding. The gap for annual capped funding for the Commonwealth and jurisdictions was estimated to be \$19.5 million<sup>3</sup>.

In 2014 this estimate was revised in consultation with the Commonwealth Department of Health. The 2011 estimate was adjusted for the increase in the Aboriginal and Torres Strait Islander population based on the 2011 Census (+20.51% from 2006 Census) and the CPI from June 2011 to June 2014 (+6.75%). In 2015 the estimated required further revision when the number of Primary Health Networks (PHN) was increased from 24 to 30.

### With the increased funding committed since 2011 the additional funds required has decreased significantly

- The increased funding for visiting specialist services (VOS and RHOF) has reduced the amount required.
- New funding for case-management by other sources (such as MOICDP, CCSS, CTG) has reduced coordination costs. Now the only funds required are for the development and coordination of regional services and referral pathways (\$200,000 per year per PHN region).
- Existing AHMAC structures and data agencies are expected to provide the governance, monitoring and oversight functions, which has reduced the governance funding to \$600,000.
- Extensive community consultation shows the need for a small increase in funding for trachoma health promotion activities to capitalise on the current activities.

These figures are for annual expenditure and will need appropriate adjustment into the future. However, regional coordination will reduce once the reforms to the regional health care structures become embedded.

### Annual Additional Capped Funds Required From the Commonwealth (\$ million)

Roadmap Recommendations	2011 Estimate Additional costs for Commonwealth and States/Territories	2011 Estimate Adjusted for CPI and Census to 2014 for Commonwealth and States/Territories	2011 Estimate Adjusted for CPI and Census to 2014 for Commonwealth only	2015 Estimate Additional costs for Commonwealth only
Commonwealth (VOS, RHOF)	2.91	3.74	3.74	1.55
States/Territories (LCS, PATS)	2.01	2.59	N/A	N/A
Regional Coordination	13.33	17.15	10.29 <sup>#</sup>	6.00
Governance and Evaluation (AHMAC reporting)	1.25	1.33	1.33	0.60
<b>Sub total</b>	<b>19.50</b>	<b>24.81</b>	<b>15.36</b>	<b>8.15</b>
Trachoma (S and A)*	0.00	0.00	0.00	0.00*
Trachoma Health Promotion	-	-	-	0.80
<b>Total</b>	<b>19.50</b>	<b>24.81</b>	<b>15.36</b>	<b>8.95</b>

\* Trachoma (S and A) has received Commonwealth funding 2009-2013 and 2013-2017

<sup>#</sup> Based on 60/40 Commonwealth/State cost split as per 2012 Indigenous Expenditure Report health costs (not Hospital services)

<sup>1</sup>Hseuh YA, Brando A, Dunt D, Anjou MD, Taylor HR. The Cost of Closing the Gap for Vision. 2011

<sup>2</sup>Taylor HR, Keeffe JE, Arnold AL et al. National Indigenous Eye Health Survey. 2009

<sup>3</sup>Taylor HR, Anjou MD, Boudville AI, McNeil RJ. The Roadmap to Close the Gap for Vision. 2012

## Explanation for cost estimates

### Commonwealth funding of RHOF and VOS

The Department of Health provided 2012-2013 estimates of funding allocated for VOS circuits with Indigenous focus (\$2.68 m) and a proportional allocation for the RHOF based on Indigenous patients receiving services (\$0.79 m). This allocation is subtracted from the revised additional costs for optometry and ophthalmology visiting services of \$5.02 m, giving a gap estimate of \$1.55 m.

The 2011 Roadmap estimates have been adjusted to take account of the increased size of the Aboriginal and Torres Strait Islander population following the 2011 Census (+20.51% from the 2006 Census) and CPI increases from June 2011 to June 2014 (+6.75%).

### State and territory funding of Low Cost Spectacles and Patient Assistance Transport

The funding for these services are not included in this Commonwealth estimate as the Low Cost Spectacle and Patient Assistance Transport Schemes are wholly state or territory government funded and so there are no direct cost implications for the Commonwealth.

### Regional coordination

This figure has been significantly revised given the Commonwealth funding of case management (coordination for chronic disease, diabetes, closing the gap etc.) and the coordination funding required now is for regional projects to establish collaborative networks, develop efficient systems coordination and document clinical care pathways. The national requirement is estimated by using the new Primary Health Network regions (30 across the country) and the cost of one full time equivalent person plus travel and office costs. \$200,000 per region is required by 30 regions giving total annual cost of \$6.0 m for regional coordination.

An additional estimate includes dissection of the Commonwealth and State coordination costs for the 2011 figures. The Productivity Commission 2012 Indigenous Expenditure Report provides direct expenditure in 2010-2011 for hospital services, public and community health and health care subsidies and support split by Commonwealth and State and Territory governments. A 60/40 cost split Commonwealth/State is used to estimate the Commonwealth regional coordination cost.

### Governance and evaluation

The cost estimate has been revised to include only Commonwealth costs for Governance and Evaluation as outlined in the Roadmap. Jurisdictional structures will be funded from the states or territories and so the residual Commonwealth cost will be to provide secretariat support to the national oversight function (using an existing principle committee of AHMAC) and technical advice and data analysis for this group. The estimate is based on current annual cost for similar functioning arrangements for the National Trachoma Reporting and Surveillance Unit (NTSRU; \$350,000 per year) and advice from the Department.

### Trachoma (S and A)

The elimination of trachoma, surgery and antibiotics (S and A), is currently funded by the Commonwealth 2013-2017 for \$16.5 m. This measure follows initial funding for trachoma elimination 2009-2013 of \$16.0 m. No additional capped costs are required in this revised estimation.

### Trachoma health promotion

A plan for the required trachoma health promotion activities for 2014 to 2018 includes three specific activities and costs:

- engagement of early childhood, schools and environmental health sectors; \$1.55 m
- education and capacity building with community and staff; \$0.67 m
- health promotion multi media campaign; \$0.98 m.

This \$3.20 m over four years are additional funds, \$0.80 m per year, to the current four year trachoma elimination funds of \$16.5 m.