



Prevention

Context

- Preventive care includes aspects such as:
 - information, education and counselling programmes
 - immunisation programmes
 - early disease detection programmes
 - epidemiological surveillance and risk and disease control
 - preparing for disaster and emergency response programmes.
- The Australian Institute of Health and Welfare (AIHW) defines public health by services and activities:⁽¹⁾
 - ‘Public health services: Services provided and/or funded by governments that are aimed at protecting and promoting the health of the whole population or specified population subgroups, and/or preventing illness or injury in the whole population or specified population subgroups.’
 - ‘Public health activities: The core types of activities done or funded by the key jurisdictional health departments that deal with issues related to populations, rather than individuals. These activities comprise:
 - communicable disease control
 - selected health promotion
 - organised immunisation
 - environmental health
 - food standards and hygiene
 - cancer screening
 - prevention of hazardous and harmful drug use
 - public health research.’
- The *Interim Report of the Sustainable Health Review*⁽²⁾ expressed that prevention and health promotion is essential in a sustainable health system, and was an issue consistently raised throughout the consultation process. Reducing the preventable burden of disease, disability and death is an urgent public health priority in Australia and globally.⁽³⁾ Being overweight or obese, tobacco use, and excessive drinking are among the leading causes of preventable illness and preventable hospital admissions.⁽⁴⁾ However, improvements in modifiable lifestyle behaviours, such as tobacco use, high body mass, insufficient physical activity and alcohol use can significantly improve the health of the population and reduce demands on the health system.⁽⁴⁾
- The AIHW calculated that in 2011, Western Australians lost more than 435,000 years of healthy life as a result of premature death or living with disability or illness, due to chronic disease or injury.⁽⁴⁾ Cancers, mental health disorders and cardiovascular diseases together accounted for almost half (45%) of the total health loss in WA.⁽⁵⁾

- There is strong evidence that investment in prevention improves the health of the community and reducing demands on the health system. According to the World Health Organization:⁽³⁾
 - ‘Prevention can be the most cost-effective way to maintain the health of the population in a sustainable manner, and creating healthy populations benefits everyone. Concerns about upfront costs and the intangibility of outcomes, however, too frequently lead to a lack of action and continued investment in increasingly expensive curative approaches.’
- The WA Preventive Health Summit in March 2018 brought together important health promotion and public health stakeholders to discuss ways to encourage healthier lifestyles, and reduce obesity and alcohol related harm in WA.⁽⁶⁾
- Numerous submissions to the Sustainable Health Review urged additional investment in prevention. Some of the statements made in submissions include:
 - ‘Establishing a strong public health approach in Western Australia will be vital in ensuring the sustainability of the health system. Investing in public health initiatives which address health behaviours and the social and environmental determinants of health have been shown to be cost effective in both the short and long term, with large gains to both health and economic sustainability.’
 - ‘It is imperative the Western Australian Government commit to incorporating a public health approach to investment in the WA health system, and must also commit to funding, implementing, monitoring, and evaluating public health programs across a number of areas, for which there are already effective strategies and plans in place ready to be utilised.’
 - ‘Health promotion and primary prevention should be prioritised for the health and wellbeing of the community with adequate sustained funding for evidence-based statewide and local prevention activities.’
 - ‘There is evidence to show that investing in prevention will save the health system dollars.’
- Investment should be backed by evidence to deliver the most value for money for the community.
- There should be transparency in how money is invested and regular reporting of progress.
- Health Impact Assessments is a process of assessing the health impacts of policies and initiatives using quantitative and qualitative measures and can assist with preventive planning.⁽⁷⁾ Health Impact Assessments are a key way in which health and wellbeing can be considered in planning decisions and will strengthen the link between health and planning legislation.
- There has been significant work undertaken estimating the return on investment in prevention. A recent review of literature by R. Masters et al found that the average expenditure on public health yielded a return of around 14.3 to 1 (see Table 1).⁽⁸⁾

Table 1: ROI of public health programmes overall, and stratified by level and specialism⁽⁸⁾

	Median ROI	ROI range	Number of ROI studies	Median CBR	CBR range	Number of CBR studies
Overall	14.3	-21.3 to 221	34	8.3	0.7 to 29.4	23
Local level	4.1	0.9 to 19.3	18	10.3	0.9 to 23.6	11
National level	27.2	-21.3 to 221	17	17	1.2 to 167	10
Specialism health protection	34.2	0.7 to 221	8	41.8	1.1 to 167	10
Legislation	46.5	38 to 55	2	5.8	3 to 8.6	2
Health promotion	2.2	0.7 to 6.2	12	14.4	2 to 29.4	3
Healthcare public health	5.1	1.1 to 19.3	6	None reported	None reported	None reported
Wider determinants	5.6	1.1 to 10.8	6	7.1	0.7 to 23.6	6

CBR, cost-benefit ratio; ROI, return on investment

Exemplars considered

A range of exemplars were identified throughout the course of the SHR in public submissions, Clinical and Consumer and Carer Reference Groups, Working Groups and in public forums. The following exemplars are indicative, however are not an exhaustive list of the exemplars considered throughout the SHR.

International comparisons

- The Organisation for Economic Co-operation and Development (OECD) undertakes health expenditure and financial analysis to provide comparable information over time and between countries. The OECD has been recording information since 2000 and shows changes over time and is based on *A System of Health Accounts 2011* which provides a comprehensive reporting framework for internationally comparable data.
- The most recent available data is available for Australia in 2015 and indicates that 1.9 per cent of the total health expenditure was spent on preventive care.⁽⁹⁾
- The average of all OECD countries that had financial information available for 2015 was 2.8 per cent, almost a full percentage point higher than Australia.
- Countries at the upper end of the list for preventive health expenditure include Canada (6.2%), United Kingdom (5.3%), Italy (4%) and Korea (4%). Australia ranked 28th out of 32 countries for expenditure on preventive care, above or equal to Belgium (1.9%), France (1.8%), Portugal (1.8%) and Greece (1.3%).

Jurisdictional comparisons

- The AIWH provides annual reports outlining health expenditure over time, also at a State and Territory level. For 2016-17, it was estimated that Australia spends \$2,740 million annually, or 1.5 per cent of the total health expenditure, on public health services and activities (aimed at protecting and promoting the health of the whole population or specified subgroups)⁽¹⁰⁾. Noting

that OECD provides information on a calendar year, and AIHW on a financial year, in 2015-16 the AIHW estimated 1.6 per cent of the total health expenditure was on public health prevention activities each year. This is similar to the 1.9 per cent figure indicated by the OECD.

- Table 2 shows that compared to other states, in terms of proportion of health expenditure spent on public health, WA is behind the Northern Territory (3.85%) and New South Wales (1.63%).
- If WA reaches the five per cent target, we would become a leader in this space in Australia and internationally.

Table 2: Comparison of expenditure on Public Health 2016-17

	Australia (\$, Millions)	WA (\$, Millions)
Area of expenditure - Public Health	2,740	308
Total Spend	180,658	19,159
Proportion of Total spend	1.52%	1.61%

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Area of expenditure - Public Health	894	676	456	308	201	42	52	101
Total Spend	54,819	43,792	37,619	19,159	15,340	3,843	3,463	2,622
Proportion of Total spend	1.63%	1.54%	1.21%	1.61%	1.31%	1.09%	1.50%	3.85%



This background paper was developed by the Sustainable Health Review secretariat to inform the work of the Sustainable Health Review Panel. Every effort has been taken to ensure accuracy, currency and reliability of the content. The background paper is not intended to be a comprehensive overview of the subject nor does it represent the position of the Western Australian Government. Changes in circumstances after the time of publication may impact the quality of the information. Background papers are published in full at: www.health.wa.gov.au/sustainablehealthreview.

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