

Survey of attitudes towards the Australian health system

Part 2: Financial stress and the Australian health system

Menzies Centre *for*
HEALTH POLICY



Households experiencing financial stress are more likely to suffer poorer health than more financially secure households.

A quarter of those under high stress had forgone medical care or had not had a prescription filled and half had not sought dental care even when they needed it, according to a recent community survey conducted by the Menzies Centre for Health Policy at the University of Sydney and the management consulting firm The Nous Group.

How do financial problems affect people's health and access to care? The survey measures the relationship between health, access to medical services and the levels of financial stress faced by households (the ability to keep up utility, credit card and rent/mortgage payments and calls to family and friends for financial assistance).

Findings include:

- 20% of the sample report some form of financial stress, while 8% report high levels
- Members of households reporting financial stress are more likely to suffer poorer health (35% report only fair or poor health compared to 24% in households with no financial problems)
- Those reporting financial stress make less use of necessary medical and dental services:
 - ⇒ 28% skipped medical tests or treatment compared to 16% of those with no financial stress;
 - ⇒ 21% failed to collect a prescription or missed doses of medicine compared to 14% of those with no financial stress; and
 - ⇒ Almost half the 'financially stressed' group had needed dental care but did not see a dentist (compared to 20% of those with no financial stress).
- Worries about medical costs loom large - 56% of the most stressed and 36% of those with some stress lack confidence in their ability to meet the costs of serious illness, compared to 24% of those with no stress.

The link between financial hardship and poorer health demonstrated in this survey is compounded by growing financial barriers to health care. Our health system has been demanding higher out-of-pocket contributions from households. Over the last decade co-payments for health services in Australia have jumped by almost 25% (OECD), one of the biggest increases of any economically advanced country. These co-payments have reduced the power of Medicare and the Pharmaceutical Benefits Scheme to serve as bulwarks against the health impacts of the deepening economic crisis and rising unemployment.

Survey Details

The survey was completed in July and August 2008 – before the worst of the financial crisis had hit Australia. The survey used a national random sample of 1200 people over 18. It was weighted to ensure the sample was representative of the broader population by gender, region, education and age.

This is the second of a series of reports based on the Menzies Centre-Nous Group Health Attitudes Survey. Full reports are available at:

http://www.menzieshealthpolicy.edu.au/MCHP_V3/site/mn_survey/index.htm

For further information, contact Dr James Gillespie, 02 9351 5048, jimg@health.usyd.edu.au