Palliative Care Australia
Matters of life and death

Submission to the Productivity Commission's Interim Report: *Delivering quality care more efficiently*

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palliativecare.org.au

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Executive Summary

Palliative Care Australia (PCA) supports action in the three areas proposed in the Productivity Commission's interim paper. In particular, PCA welcomes a national prevention investment fund aimed at all aspects of prevention: primary, secondary and tertiary. With the right interventions, it is possible to divert unnecessary health spending at all points of the lifecourse and in many parts of our health and care systems.

One area of intervention that has been shown to divert unnecessary healthcare spending is palliative care, especially where people with terminal diagnoses receive palliative care early in their illness trajectory. Early access to palliative care leads not only to better health and social outcomes, but also leads to less unplanned hospitalisation and unnecessary treatment. These impacts are profound because people in their last year of life are much greater consumers of healthcare than the rest of the population.

The data and evidence show there is scope to improve access to palliative care and reduce the unnecessary use of acute hospital services.

Further investment in palliative care services will improve health service efficiency whilst providing better outcomes for those receiving palliative care along with their families and carers. Better and more access to palliative care is needed over the next two decades to provide appropriate end of life care for our population.

There is already a well-established infrastructure to support further investment in palliative care to improve efficiencies: a universal health care system; undergraduate and postgraduate national training programs to improve capability in the workforce; an established clinical outcomes and quality improvement program for services; and a new program to support people over 65 who wish to die at home.

PCA believes that, with further investment, the current palliative care environment could make an even stronger contribution to improving quality of care while reducing expensive and unnecessary treatments for those facing the end of their lives. Provision of more palliative care through a preventative funding program would provide a return on investment.

1 Palliative Care Australia

Palliative Care Australia is the national peak advocacy body for palliative care. PCA represents those who work towards high quality palliative care for all Australians who need it. Working closely with consumers, our Member Organisations, and the palliative care workforce. We aim to improve access to and promote palliative care.

2 What is Palliative Care?

Palliative care is an approach to care which aims to improve the quality of life for people and their families who are facing the problems associated with life-limiting illness, through the prevention and relief of suffering by means of early identification and impeccable assessment and treatment of pain and other problems, physical, psychosocial and spiritual.

Palliative Care:

- Provides relief from pain and other distressing symptoms
- Affirms life and regards dying as a normal process
- Intends neither to hasten or postpone death
- Integrates the psychosocial and spiritual aspects of patient care.
- Offers a support system to help patients live as actively as possible until death
- Offers a support system to help the family cope during the patient's illness and their own bereavement
- Uses a team approach to address the needs of patients and their families, including bereavement and counselling, if indicated
- Will enhance quality of life, and may also positively influence the course of illness
- Is applicable early in the course of illness in conjunction with other therapies that are intended to prolong life, such as chemotherapy or radiation therapy, and includes

those investigations needed to better understand and manage distressing clinical complications.[1]

In Australia, Palliative care is provided at all levels within the health system, from primary care to specialist palliative care units in hospitals, to cancer wards and intensive care units. Palliative care is also provided in aged care and other community services.

Palliative care is delivered by a wide range of health professionals including allied health, nurses and medical doctors and specialists. Specialist palliative medicine physicians provide care when an individual's medical conditions are complex.

3 Palliative care in Australia

3.1 Costs and efficiency

The Australian Institute of Health and Welfare (AIHW) reports that hospital costs for individuals in their last year are on average 26 times higher than for those not in their last year. Similarly, emergency department admissions in the last year of life are, on average, 7 times higher than for those not in their last year. [2]

Australian studies have shown that palliative care services provided by multidisciplinary specialists can result in fewer hospitalisations, fewer emergency department and intensive care unit visits, and reduced length of hospital stays for people living in residential aged care.[3] The evidence shows that this reduced use of acute care is of benefit both to patients and to their families and/or carers.[4]

Most Australians would like to die at home.[5] However over half of all deaths occur in a hospital or other medical service area.[6] Analysis by KPMG has estimated that the costs of death were

[1] Australian Government, National Palliative Care Strategy 2018
[2] AIHW Australian Institute of Health and Welfare (2022) *The last year of life: patterns in health service use and expenditure*, AIHW, Australian Government, accessed 05 September 2025.
[3] KPMG (2020), Investing to Save: The economics of increased investment in palliative care in Australia. https://palliativecare.org.au/kpmg-palliativecare-economic-report

[4] Gomes et al. 2013 "effectiveness and cost effectiveness of home palliative care services for adults with advanced illness and their caregivers', The Cochrane Library, Issue 6.
[5] Swerissen, H and Duckett S, (1914) Dying Well, Grattan Institute, Melbourne

[6] Australian Bureau of Statistics, April 2021: Classifying Place of Death in Australian Mortality Statistics | Australian Bureau of Statistics (abs.gov.au)

highest in hospitals, followed by Residential Aged Care settings. Deaths were least costly when death occurs at home.[7]

The KPMG analysis of investing in palliative care in Australia, found that there would be a return on investment to governments through:

- Reducing end-of-life emergency department visits and its transport costs;
- Reducing hospital stays and intensive care admissions; and
- Savings to individuals and employers from reduced bereavement costs and increased productivity of families and carers.

3.2 Palliative care outcomes and quality

The Palliative Care Outcomes Collaborative (PCOC) is funded by the Australian Government and is voluntary for all services providing palliative care. Since its establishment in 2005, PCOC has served as a platform for standardised clinical data collection, national benchmarking, and ongoing quality improvement.

A more recent program targeting aged care facilities, the Palliative Aged Care Outcomes Collaborative (PACOP), has also been supported to provide a clinical framework, education and service reports to participating residential aged care providers.[8] Both these programs report back to the service for quality improvement, and PCOC provide reports at the state and publicly on benchmarks and outcomes achieved.

Another key Australian Government-funded initiative to support quality improvement are the End of Life Directions in Aged Care (ELDAC) initiative.

Drawing on these three programs, Australia continues to demonstrate the quality of palliative care provided and meet national benchmarks in outcomes.[9] It is critical to show that care outcomes are of high quality when seeking investment to increase the capacity of the system to provide palliative care to give overall economic benefits to the health system and the community.

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[7] KPMG (2020), Investing to Save: The economics of increased investment in palliative care in Australia. https://palliativecare.org.au/kpmg-palliativecare-economic-report

[8] Accessed 7 September 2025 https://www.uow.edu.au/australasian-health-outcomes-consortium/pacop/

[9] *Rand J, Futcher T, Redwood L, Draper K, Hartati A, Kaltner M, Mastroianni F, Beric E, McPherson A, Pidgeon T, Auret K, Clark C, Yates P and Clapham S (2025), June 2024. National Overview of Patient Outcomes in Australia. Palliative Care Outcomes Collaboration, Faculty of Science, Medicine and Health, University of Wollongong*

3.3 Demand for palliative care services

The demand for palliative care is growing with Australia's increasingly aged population. The number of people aged 85 and over is estimated to triple between 2025 and 2045. [10] Australia will need to increase its capacity to provide quality palliative care. This older cohort is likely to have co morbidities and many will have complex clinical needs in their last years of life.

The AIHW have estimated that the number of people that could benefit from palliative care is at least 80 % of all deaths per year.[11] The number of people who will die this year that have an illness or condition that could benefit from palliative care is estimated at around 145,000 people.[12]

PCA has recently undertaken a palliative care workforce survey which found those currently working in palliative care, both in specialist palliative care services and in other health and aged care settings, perceive an increasing gap between what they can provide and the need for palliative care in their communities.[13]

3.4 Access to specialist palliative care

The AIHW released the first linked data report on the use of specialist palliative care services (defined below[14]) in May 2024.[15] This report provides the most comprehensive data available on access to specialist palliative care for those in their last year of life. The report includes Australians over 40 years who died in 2019-2020. Data includes inpatient hospitalisations, outpatient services, medical services provided through the Medicare Benefits Scheme, the Pharmaceutical Benefits Scheme, and data from Residential Aged care.

This report showed the first SPC service was provided a median of 15 days before death for those in their last year of life. Research demonstrates that the benefits of specialist palliative

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[10] Estimate derived from Australian Bureau of Statistics Population Projections and Data Explorer (note this assumes *high projections)*r

[11] [11] AIHW**,** Australian Institute of Health and Welfare (2024) *Palliative care and health service use for people with life-limiting conditions*, AIHW, Australian Government, accessed 05 September 2025

[12] Australian Bureau of Statistics (Jan---May-2025), Provisional Mortality Statistics, ABS Website, accessed 6 September 2025.

[13]Palliative Care Australia 2025, accessed 11 September 2025 https://palliativecare.org.au/statement/australias-palliative-care-workforce-challenges-and-opportunities/

[14] Multidisciplinary teams with specialized skills, competencies experience and training to deliver care to people where the palliative care needs are complex and persistent. These services are provided in a variety of settings, including specialist impatient consulting services, specialist inpatient care, hospices, and community-based specialist services. These services are provided by public hospitals both inpatient and outpatient services and Medicare subsidized services provided by a palliative medicine physician.

[15] AIHW**,** Australian Institute of Health and Welfare (2024) *Palliative care and health service use for people with life-limiting conditions*, AIHW, Australian Government, accessed 05 September 2025.

care are maximized if provided at least three to four months before death. These benefits include improved quality of life for the patients; improved satisfaction for carers and families reduced aggressive care at end of life; reduced hospitalisations and reduced length of stays.[16] This report demonstrates the need to improve timely access to specialist palliative care, for both the patients and to gain the efficiencies earlier care can bring.

3.5 Palliative care workforce

Most health professional and carers across the health and aged care sectors may be familiar with a palliative approach. Whilst some professions have received some undergraduate knowledge of palliative care not all are confident of their capability to provide it.[17] In addition, Australia has a highly trained clinical workforce who specialise in complex palliative care (palliative medicine physicians and post graduate trained nurses) to treat complex patients.

The Australian Government has established programs for undergraduate and postgraduate training in palliative care for health and caring professionals, which are available nationally. It has also supported programs to train and educate workers and carers to understand end of life care in service settings. [18]

The information on the palliative care workforce in Australia shows scope to extend existing training to those working in the non-specialist palliative care sector of the health and aged care systems. This would not require a large investment given the current training and educational infrastructure available in Australia.

There is also a need to increase the specialist trained workforce to meet the increasing demand for complex palliative care over the coming decades.

PCA has recommended in other submissions to Government that an incentive payment be introduced for primary care (General Practices) that have staff undertake training in palliative care. This would be a quick and an efficient incentive to expand the capacity to provide palliative care in Australia which is then likely to flow onto reduced unnecessary use of the acute care sector. Similarly, PCA has advocated for more specialist palliative care practitioners to be trained.

PCA has welcomed the Government's inclusion of an End-of-Life pathway with specific funding, in the new Support at Home program, as part of the reforms to Aged Care. This will

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[16] Davis MP, Temel JS, Balboni T, Glare P. A review of the trials which examine early integration of outpatient and home palliative care for patients with serious illnesses. Ann Palliat Med. 2015 Jul;4(3):99-121. doi: 10.3978/j.issn.2224-5820.2015.04.04. PMID: 26231807.

[17] Herrmann, A., Carey, M.L., Zucca, A.C. *et al.* Australian GPs' perceptions of barriers and enablers to best practice palliative care: a qualitative study. *BMC Palliat Care* **18**, 90 (2019). https://doi.org/10.1186/s12904-019-0478-6

[18] Accessed on 7 September 2025 https://www.health.gov.au/topics/palliative-care/about-palliative-care/what-were-doing-about-palliative-care

allow more people to choose to die at home and will reduce hospital and emergency department admissions. The workforce to provide this program will most likely need training in palliative care. Future investment to support this training will be critical to continued quality of palliative care.

4. Summary and Conclusion

In conclusion there is convincing evidence that palliative care, when provided in a timely way, reduces unnecessary hospital and emergency department visits with better outcomes for the individuals involved and hence greater efficiency in the system.

Further investment via in a preventative fund to provide quality palliative care across the health and aged care service systems is likely to provide better outcomes for people facing a life-limiting illness and provide a return on investment to Governments and the community through efficiencies gained across the health system.

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