Australian Government

Department of Health

Hearing Services Program

Regulator Performance Framework
Self-Assessment Report 2017-18

Contents

Glossary

Acronyms	Description
AA	Audiology Australia limited
ACAud	Australian College of Audiology Incorporated
AHSSQA	Australian Health Services Safety and Quality Accreditation
AHT	Assistive Hearing Technology
HAASA	Hearing Aid Audiology Society of Australia limited
HAMADA	Hearing Aid Manufacturers and Distributors Association
HBA	Hearing Business Alliance
HCIA	Hearing Care Industry Alliance
HoR	House of Representatives
HSO	Hearing Services Online
HSP	Hearing Services Program
IAA	Independent Audiologists Australia
PBS	Portfolio Budget Statements
PPB	Practitioner Professional Bodies
PwC	PricewaterhouseCoopers
KPI	Key Performance Indicator
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NSQHS	National Safety and Quality Health Service Standards
RPF	Regulator Performance Framework
SAT	Self-Assessment Tool
SOP	Standard Operating Procedures
SPCG	Service Provider Consultative Group

Executive Summary

Hearing Health

In 2017-18, a number of reports highlighted contemporary issues relating to hearing health and the hearing sector. These include:

- House of Representatives Standing Committee on Health, Aged Care and Sport - Inquiry into Hearing Health and Wellbeing of Australia (released 13 September 2017)
- Joint Standing Committee on the National Disability Insurance Scheme – Interim report (released 14 September 2017)
- Deloitte Access Economics - The Social and Economic Cost of Hearing Loss and Hearing Health Conditions in Australia, June 2017 (released 16 August 2017)
- Review and Reform of the Hearing Services Program – report prepared by PricewaterhouseCoopers (PwC) – (public consultation from 27 April to 27 June 2017 – report released publicly 22 December 2017)
- Joint Standing Committee on the National Disability Insurance Scheme – Final report (released 21 June 2018)

Minister Wyatt has requested that the hearing sector develop a Hearing Health Roadmap. The Roadmap will provide the basis for the hearing sector, consumers and Governments to progress actions that will lead to improvements in hearing health for all Australians. It will be co-designed and developed with the hearing sector, including consumer groups and set out a suite of short, medium and long-term actions. In May 2018, a Hearing Health Sector Committee was established and will present the Roadmap in early 2019.

Furthermore, in 2017-18 the Department also commenced a thematic review of the legislation and instruments that govern and regulate the Hearing Services Program. Legislative authority is due to sunset in October 2019. This thematic review along with the recommendations included in the recent reports will form the basis of any future program reform activities that are proposed.

Any proposed changes to the program will be conducted in consultation with the hearing sector.

Hearing Service Program Regulation

During 2017-18 the Department of Health continued to actively seek and implement activities that reduce the regulatory burden on the hearing sector and address areas identified for improvement in the 2016-17 self-assessment report, as follows:

- Clear and concise consultation documents made available for review for a sufficient amount of time and enabling a broad range of stakeholders to consider and contribute feedback.
- Implemented a thematic review into the legislation underpinning the program in an effort to streamline and clarify requirements.
- Further updated and streamlined the compliance monitoring processes, including improved data analysis and risk profiling, improved education and support, and introduction of expanded audit methodologies to ensure proportionate responses.
- Improved understanding for stakeholders of the Compliance Monitoring and Support Framework with the publication of the updated Framework on the program website.

- Extended the contracts and agreements in the Hearing Services Voucher Program for 12 months with an option to extend a further twelve months to enable service provision to continue during the thematic review of the legislative framework underpinning the program and the National Disability Insurance Scheme transition period.
- Modified the regulatory impact assessment process to include a larger number of external validators and seek feedback from all Contracted Service Providers in the self-assessment tool relating to regulator performance.
- Continued to monitor the hearing devices listed by registered hearing device manufacturers in the Program.
- Maintained the random audits of hearing devices to ensure they comply with the minimum device standards in the Program.

Regulated entities in regards to the program are contracted hearing services providers and registered device manufacturers.

Introduction

In accordance with the Regulator Performance Framework, regulators are required to conduct an annual self-assessment of performance. This document details the 2017-18 performance of the Department of Health's Hearing Services Program against the Regulator Performance Framework.

Hearing Services Program

The Hearing and Disability Interface Branch, within the Australian Government Department of Health (the Department), is a Commonwealth regulator that administers, monitors, and enforces regulation related to the Hearing Services Program (the program), and is required to implement the Regulator Performance Framework (RPF).

The program regulates and contracts hearing service providers and suppliers of Assistive Hearing Technology (AHT) to achieve Outcome 4.2 in the Health Portfolio Budget Statements (PBS):

Reducing the incidence and consequence of avoidable hearing loss in the Australian community through research and providing access to high quality hearing services and devices.

The Department administers the *Hearing Services Administration Act 1997* (the Act), five other pieces of legislation, and numerous quasi legislative instruments, to ensure hearing services provided and hearing devices fitted under the program meet acceptable standards of quality, safety, and efficacy.

The program supports pensioners, veterans and serving personnel, children and young people, Aboriginal and Torres Strait Islander clients, and those with complex hearing problems to access hearing assessments, rehabilitation, and hearing devices, via a network of private and public service providers.

The Department uses accreditation, complaints management, and risk based compliance monitoring to ensure program clients are receiving appropriate services and that service providers are

complying with program requirements. Any regulatory action is proportionate to the issues identified.

Regulator Performance Framework

As part of the Government's regulatory reform agenda, the Government released its RPF under the 2014 Spring Repeal Day. The Framework is an important element of the Government's commitment to reduce the cost of unnecessary or inefficient regulation imposed on individuals, business and community. As a regulator, the program is required to self-assess its performance against the RPF.

The RPF comprises six outcomes-based key performance indicators (KPIs) and associated measures. The KPIs articulate the Government's overarching expectations of regulator performance, namely that:

1. Regulators do not unnecessarily impede the efficient operation of regulated entities
2. Communication with regulated entities is clear, targeted and effective
3. Actions undertaken by regulators are proportionate to the risk being managed
4. Compliance and monitoring approaches are streamlined and coordinated
5. Regulators are open and transparent in their dealings with regulated entities
6. Regulators actively contribute to the continuous improvement of regulatory frameworks.

About this report

This report addresses the RPF's Hearing Services Program metrics and reporting requirements agreed by the Minister Wyatt in November 2018. It is an assessment of our performance as a regulator for the 2017-18 financial year.

How we assess performance

The agreed metrics used to assess our performance are a direct reflection of the KPI's required to be measured under the RPF and are a mix of qualitative and quantitative measurements. In 2018, to support the self-assessment data, we have introduced a contracted services provider survey that assesses the six activity-based key performance areas.

In assessing the quality of our performance against each metric, we have given regard to:

- Results compared to our performance targets for effective and efficient operation of the program
  o We assess our performance targets annually to determine where existing results are expected to be maintained and where future performance is expected to be improved.

- Trend improvements for evidence against metrics which are still relatively new, such as our survey-based measurements
  o Once mature, we will establish quantitative measurements setting appropriate performance targets.

- If new assessments are established that measure hearing outcomes for clients, review the metrics to focus on outcomes based measurements and quality of service rather than relying on activity based measurements.

2017-18 Rating scale

Self-assessments use a three point rating scale:

Met	Substantially met	Not met
Strong performance against *all* of the measures under the KPI	Strong performance against *most* of the measures under the KPI	Poor performance against *all* of the measures under the KPI

In the 2016-17 Self-Assessment process, a five point rating scale was used. The following table shows the rating methodology and definitions used to assess our performance.

Rating	Definition
Excellent	Strong performance against all the measures under the KPI
Very Good	Strong performance against majority of the measures under the KPI and no evidence of negative/poor performance against any measure
Good	Average performance against the measures under the KPI
Fair	Poor performance against some measures under the KPI
Poor	Poor performance against most of the measures under the KPI

For comparative purposes, these indicative ratings are included in the 2017-18 self-assessment.

Overall Assessment

Using the above performance ratings, we have self-assessed as having <u>Met</u> all measures under the six KPIs.

External Validation Process

As part of the RPF, external validation of the annual self-assessment is required. Previously two industry groups: the Service Provider Consultative Group (SPCG) and the Hearing Care Industry Association (HCIA) were approved external validators for the Program annual self-assessment report.

In December 2017, the SPCG was closed. A review of the sector peak bodies and industry representatives resulted in seven industry groups being identified as suitable bodies to be an external validator for the program, covering perspectives of small, medium and large businesses along with representatives of professionals in the sector.

The draft 2017-18 Annual RPF assessment report was sent to the external validators in December 2018 and their feedback was incorporated into the final report provided to Minister Wyatt in February 2019.

Names	Organisations Represented	Organisation Type
Hearing Care Industry Alliance (HCIA)	Large National Hearing service provider representatives: National Hearing Care; HearingLife; Connect Hearing; Audioclinic; Bay Audio and Neurosensory	Larger businesses
Hearing Business Alliance (HBA)	Industry Group: Representing independent audiological business.	Micro, small and medium businesses
Independent Audiologists Australia (IAA)	Industry Group: The mission of IAA is to promote and support clinical practices owned by audiologists.	Small, medium businesses Clinicians- Audiologists
Hearing Aid Manufacturers and Distributors Assoc. (HAMADA)	Industry Group: Represents the majority of hearing aid manufacturers in Australia	Small, medium and Large Businesses
Hearing Aid Audiology Society of Australia Limited (HAASA)	Professional Practitioner Body: Representing Audiometrists in Australia	Clinicians- Audiometrists
Audiology Australia Limited (AA)	Professional Practitioner Body: Audiology Australia is the peak body representing audiologists.	Clinicians- Audiologists
ACAud (Australian College of Audiology Inc.)	Professional Practitioner Body: Representing both Audiologists and Audiometrists	Members clinicians (audiologists or audiometrists)

2017-18 Performance Reporting

KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities	
Measures/Metrics	**Evidence (Performance in 2017-18)**
1.1. Regulators demonstrate an understanding of the operating environment of the industry or organisation, or the circumstances of individuals and the current and emerging issues that affect the sector. a. We lead and participate in stakeholder meeting, events, industry conferences and working groups. b. We employ audiologists who maintain industry involvement, to inform understanding of the operating environment, the circumstances of individuals and current and emerging sector issues. c. We undertake environmental scanning, including reviews of relevant literature reports. 1.2. Regulators take actions to minimise the potential for unintended negative impacts of regulatory activities on regulated entities or affected supplier industries and supply chains. a. Feedback mechanisms are in place to provide opportunities for stakeholders to comment on proposed program changes, to minimise potential for unintended impacts. b. Risk based compliance monitoring is undertaken whereby providers who demonstrate compliance have earned autonomy.	During 2017-18, the program undertook various activities that engaged with or collaborated with the hearing sector to gain an understanding of the operating environment and emerging issues, including: • Working with the National Disability Insurance Agency assisted Health to understand the boundaries between the Hearing Services Program and the National Disability Insurance Scheme (NDIS). Specifically how the NDIS access guidance for hearing impairment will identify Australians aged under 65 years who are eligible to join the NDIS. • Establishing a consumer forum to enable Minister Wyatt to meet with representatives of consumer organisations to gather insights into the challenges facing individuals with a hearing impairment. • In July 2017, as part of the Review of Fees and Services and the supply of assistive technology in the program, PricewaterhouseCoopers (PwC) released a discussion paper seeking input from the hearing industry on potential areas of reform. The final report of the Review was subsequently released in December 2017. • Initiating work on a thematic review of the Hearing Service Program (HSP) legislation. The Department consulted with organisations that worked or represented people in the hearing industry, to seek their views on whether the HSP legislation remains fit for purpose, given the current technology, client requirements and provider environment. • Consultation on changes to the Compliance Monitoring and Support Framework with registered Hearing Service Providers. This was followed by further communications being sent out on the types of audits to be conducted in the Compliance Monitoring Program for 2017-18. The Department continued to fund the National Acoustic Laboratories (NAL) to develop and progress contemporary research into assessment, prevention, device development and rehabilitation processes. This has resulted in work on 47 separate research projects and builds further evidence to support informed policy and practice. The Department has also maintained employment of two audiologists who have actively contributed to industry seminars, maintained their professional qualifications and participated in educational activities. The Department undertook activities to minimise the potential for unintended negative impacts caused by regulatory activities. These included: • The provision of up to date guidance information distributed through industry professional magazines.

KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities	
Measures/Metrics	**Evidence (Performance in 2017-18)**
1.3. Regulators implement continuous improvement strategies to reduce the costs of compliance for those they regulate. a. Within legislative constraints, we implement continuous business improvements to reduce compliance costs for industry.	• Targeted communications and consultations such as the Hearing Health Roadmap and the Thematic Review of Program legislation. • Feedback mechanisms through the service provider annual audit self-assessment process. These activities enable the sector to understand regulatory requirements, reduce unintended non-compliance and reduce the regulatory costs associated with higher levels of monitoring and compliance obligations. In 2017-18 feedback was predominantly related to how service providers could improve their business processes to reduce the risk of non-compliance with the contract with the Department. Feedback is considered as part of the program's annual review of its compliance activities and approaches. Continuous improvement was underpinned by responding to feedback from the sector, and updating regulatory approaches to better align with national best practice for the Program's audit and compliance activities. In 2017-18, the Hearing Services Program underwent major updating of its compliance approach and implemented a range of new compliance activities. Major achievements include the release of the updated Compliance Monitoring and Support Framework, increased compliance support being made available to providers and expanded risk based approaches to compliance monitoring. In addition to the expanded compliance support, a total of 32 provider audits and 693 claims audits were completed in 2017-18.
Five point rating assessment	Very Good
Self-assessed rating:	**Met**

Improvements from 2016-17
- During 2017-18, the Department increased the level of engagement with consumer groups, industry and research partners.
- NDIS/DSS engagement regarding the transition of NDIS eligible clients.
- Consultations with consumers and the hearing industry leading to a commitment from the Minister to bring stakeholders together to develop a Hearing Health Roadmap.
- Publication of the PwC report, Parliamentary inquires reports and preparations for a thematic review of Program legislation has resulted an opportunity to engage with the hearing sector stakeholders on program changes. Coordinated and inclusive engagement has been a key priority for the Department to maintain relationships with stakeholders when considering program changes.

KPI 2 - Communication with regulated entities is clear, targeted and effective	
Measures/Metrics	**Evidence (Performance in 2017-18)**

2.1. Regulators provide guidance and information that is up to date, clear, accessible and concise through media appropriate to the target audience.
 	
  a. Guidance and information is:
    i. available on the hearing services website.
    ii. provided directly to stakeholder groups via input to their newsletters.
    iii. provided by seminar to interested groups.
 	
  b. The program operates a number of channels to support regulated entities obtaining information including an 1800 call centre and hearing@health.gov.au.
 	
2.2. Regulators consider the impact on regulated entities and engage with industry groups and representatives of the affected stakeholders before changing policies, practices or service standards.
 	
  a. Consultation with affected stakeholders is undertaken before processes are changed.
 	
2.3. Regulators' decisions and advice are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions.
 	
  a. Audit outcomes and reports are processed in accordance with the Compliance Monitoring and Support Framework (Compliance Framework).
 	
  b. Accreditation and contracting information, including expectations, is available on the program website
 	
  c. Compliance activities and reporting occur in accordance with the Compliance Monitoring and Support Framework, including publication of annual compliance priority areas and outcomes of annual audit activities and lessons learnt.
 	
  d. Complaints are investigated and managed in accordance with the published complaints policy and complaints handling manual.
	The Hearing Services Program website hosts policies, frameworks, and legislation, including the Compliance Framework; Regulator Performance Framework; Service Delivery Framework; Service Provider Contract; Deed of Standing Offer; and legislative instruments.
	
	During 2017-18, we have enabled consultations with a range of external stakeholders through the Review of Service Items and Fees, and Supply of AHT. The approach included individual and small group meetings and surveys with both hearing service providers and manufacturers with the opportunity to respond to a Public Discussion Paper. This was independently facilitated by PricewaterhouseCoopers, with all findings being de-identified in reports to the Department.
	
	The Department continues to engage with the Department of Social Services, Department of Human Services and the National Disability Insurance Agency (NDIA) to provide information on NDIS transition arrangements. This includes the provision of factsheets for participants and NDIS service providers, and updates published on the Hearing Services Program website.
	
	Audit exit calls are held and audit reports are processed in accordance with current standard operating procedures (SOPs) that support consistent implementation of the Compliance Framework.
	
	• In 2017-18 SOPs were reviewed and streamlined as required following an internal restructure, and subsequently communicated to staff to maintain effective internal processes.
	
	• In 2017-18, 32 provider audits and 693 claims audits were completed in accordance with the Compliance Monitoring and Support Framework, equating to 100% of audits completed within the 90 days' timeframe.
	
	• 9 contracted service provider notifications were issued in 2017-18 relating to changes to the Compliance Framework, NDIS operational guidelines, use of the cloud and other off-site approaches to digital storage and the Thematic Review of Commonwealth Hearing Services Legislation.

KPI 2 - Communication with regulated entities is clear, targeted and effective	
Measures/Metrics	**Evidence (Performance in 2017-18)**

2.4. Regulators' advice is consistent and supports predictable outcomes.
 	
    a.   Policies and frameworks are available on the program website.
 	
    b. Standard Operating Procedures are documented for internal program processes.	

Five point rating assessment	Good
Self-assessed rating:	**Met**

Improvements from 2016-17:
-   Updated the provider Compliance Framework.
-   Commencement of the development of the Hearing Health Roadmap and engaging with key stakeholders through the Hearing Sector Committee.
-   Release of new program Factsheets to support provider compliance.

KPI 3 - Actions undertaken by regulators are proportionate to the regulatory risk being managed	
Measures/Metrics	**Evidence (Performance in 2017-18)**

3.1. Regulators apply a risk-based, proportionate approach to compliance obligations, engagement and regulatory enforcement actions.
 	
  a. The Compliance Framework provides a proportionate approach to regulation compliance.
 	
3.2. Regulators' preferred approach to regulatory risk is regularly reassessed. Strategies, activities and enforcement actions are amended to reflect changing priorities that result from new and evolving regulatory threats, without diminishing regulatory certainty or impact.
 	
  a. Risk and compliance procedures support governance of the program and are reviewed regularly.
 	
  b. Mechanisms and opportunities are available for stakeholders on an ongoing basis to provide feedback about regulatory compliance activities.
 	
3.3. Regulators recognise the compliance record of regulated entities, including using earned autonomy where this is appropriate. All available and relevant data on compliance, including evidence of relevant external verification is considered.
 	
  a. Multiple indicators (claiming data, complaints, referrals etc.) are used to assess risk on an ongoing basis.
 	
  b. There is earned autonomy where compliance is demonstrated.
 	
  c. Compliance action taken for non-compliance are proportionate to the issues identified, and are tailored to the providers' capacity and willingness to comply.
 	
  d. Introduced audits of device listings by manufacturers to ensure compliance with the minimum specifications.
	• Compliance activities, including audits are completed in accordance with the Compliance Framework, which describes the risk-based approach to audit and compliance, including proportionate responses to regulatory non-compliance.
	
	• The severity of the non-compliance and the attitude of the regulated entity towards compliance are taken into account in determining an appropriate response to non-compliance. This response can range from provision of support and education through to taking legal action.
	
	• The risk based audit and compliance processes, documented in the Compliance Monitoring & Support Framework, align with program requirements.
	
	• The risk register and audit processes were reviewed in 2016-17 and a range of new compliance activities were implemented in 2017-18 to align with national best practice regulation principles and the best practice standards.
	
	• Stakeholders are able to use a range of mechanisms to provide feedback on regulatory compliance including:
	   o surveys following closure of the audit process
	   o consultations page on the program website;
	   o in their audit report responses; and/or
	   o via the hearing@health.gov.au mail box;
	
	• Meetings and communications with targeted stakeholders on specific issues, including contracted service provider notices (CSPNs), which invite comment and feedback; and the feedback link on the program website.
	
	• A compliance risk register, reviewed in 2016-17, is maintained. The register is used to track risk indicators that identify service providers that present the greatest risk of non-compliance with program requirements.
	
	• Through the register, risks are analysed to prioritise those service providers that will be scheduled for audit.

Five point rating assessment	Very Good
Self-assessed rating:	**Met**

Improvements from 2016-17:

- Compliance Monitoring and Support Framework - an updated framework was released to bring the program's compliance approach into alignment with national best practice regulation principles and Australian National Audit Office best practice standards.
- Compliance Support Webpages - a number of webpages have been published on the program website to provide information about the program's compliance activities.
- Evidence Guide - a new evidence guide has been developed to outline the evidence reviewed during compliance activities.
- Provider Factsheets – new downloadable factsheets on documentation and record keeping, partially subsidised device quotes, relocations, and ambient noise levels and equipment calibration have been added to the program website.
- Minimum Hearing Loss Threshold (MHLT) Guidelines – the guidelines have been streamlined and republished.
- CSPNs – formal program notices have been released about key updates including cloud and digital storage, and compliance monitoring program updates.

KPI 4 - Compliance and monitoring approaches are streamlined and co-ordinated	
Measures/Metrics	**Evidence (Performance in 2017-18)**

4.1. Regulators' information requests are tailored and only made when necessary to secure regulatory objectives, and only then in a way that minimises impact.
 	
  a. Stakeholder engagement aligns with the Department's Stakeholder Engagement Framework.
 	
  b. The program's compliance activities are undertaken in accordance with the Compliance Framework, including ongoing risk analysis, an annual audit schedule, annual reporting and reviews.
 	
  c. Information requests are typically in line with standard processes of which regulated entities are well advised.
 	
4.2. Regulators' frequency of information collection is minimised and coordinated with similar processes including those of other regulators so that, as far as possible, information is only requested once.
 	
4.3. Regulators utilise existing information to limit the reliance on requests from regulated entities and share the information among other regulators, where possible.
 	
  a. Existing information sources will be considered prior to any requests of stakeholders.
 	
4.4. Regulators base monitoring and inspection approaches on risk and, where possible, take into account the circumstance and operational needs of the regulated entity.
 	
  a. A risk-based approach, taking into account the circumstance and operational needs of stakeholders, is used when scheduling and prioritising compliance actions, including audits.
	• We continued to use information and data from existing information technology sources including the HSO portal and the Department of Human Services (e-claiming).
	
	• Information and advice is also obtained through targeted committees, groups, and organisations with an agreed relationship with us, including:
	
	   o Industry and practitioner professional bodies; and
	
	   o National Disability Insurance Agency (NDIA) and other relevant Australian Government agencies.
	
	• A compliance risk register, reviewed in 2017-18, is maintained. The register is used to track risk indicators that identify hearing service providers that present the greatest risk of non-compliance with program requirements.
	
	• The risk register is used to prioritise those hearing service providers that will be scheduled for audit.
	
	• Auditors work with hearing service providers to complete audits with minimal disruption to their operational requirements.

Five point rating assessment	Very Good
Self-assessed rating:	**Met**

Improvements from 2016-17:

-   Compliance Monitoring and Support Framework - an updated framework was released to bring the program's compliance approach into alignment with national best practice regulation principles and best practice standards.

KPI 5 - Regulators are open and transparent in their dealings with regulated entities	
Measures/Metrics	**Evidence (Performance in 2017-18)**

5.1. Regulators' risk-based frameworks are publicly available in a format which is clear, understandable and accessible.
 	
  a. The hearing services risk based Compliance Monitoring and Support Framework is published on the Hearing Services Program website, and updated as necessary.
 	
  b. Annual compliance action priorities are published at the commencement of each financial year and compliance outcome reports are published following the end of each financial year.
 	
5.2. Regulators are open and responsive to requests from regulated entities regarding the operation of the regulatory framework, and approaches implemented by regulators.
 	
  a. Requests from regulated entities are carefully considered and responses are made within benchmark timeframes.
 	
5.3. Regulators' performance measurement results are published in a timely manner to ensure accountability to the public.
 	
  a. Performance information is published on the hearing services website in a timely way.
	• The Compliance Framework is available on our website for easy access and was reviewed and updated in July 2017. All related material on the website was also updated to ensure consistency with the Framework.
	
	• We endeavour to respond to all enquiries within 7 business days and, where possible, aim to resolve most enquiries within 28 days, which was consistently achieved in 2017-18.
	
	• We also meet with hearing service providers to provide support and education in relation to their capacity to comply. These meetings may be initiated by the provider or by the Department and can be face-to-face or via teleconferencing.
	
	• The program website publishes annual performance information related to regulatory performance, program utilisation, complaints, research outcomes, and audit and compliance.
	
	  o Our Regulator Performance Framework 2016-17 self-assessment report was published on the Department's website in September 2018.
	
	  o Program utilisation statistics are also published monthly to enable businesses to track their performance compared to total program.
	
	  o Complaints have declined from 125 received in 2014-15 to 84 received in 2017-18.
	
	• The Department's Annual Report provides a description of the activities and reporting against planned outcomes and performance targets identified in the Health Portfolio Budget Statements and Additional Estimates Statements.
	
	• The current thematic review of the program's legislation has been undertaken with consultation with industry.
	
	• Extensions of existing contractual arrangements with providers was undertaken in consultation with providers.

Five point rating assessment	Very Good
Self-assessed rating:	**Met**

Improvements from 2016-17:

- The Department has released a number of documents about the new Compliance Monitoring and Support Framework including the legislative authority for compliance monitoring, evidence guide for compliance monitoring, provider self-assessment and information on provider audits. We also provide compliance support for hearing service providers.

KPI 6 - Regulators actively contribute to the continuous improvement of regulatory frameworks	
Measures/Metrics	**Evidence (Performance in 2017-18)**

6.1. Regulators establish cooperative and collaborative relationships with stakeholders to promote trust and improve the efficiency and effectiveness of the regulatory framework.
 	
a. We collaborate with stakeholders to improve program efficiency and effectiveness.
 	
b. Feedback mechanisms are available for regulated entities.
 	
6.2. Regulators engage stakeholders in the development of options to reduce compliance costs. This could include industry self-regulation, changes to the overarching regulatory framework, or other strategies to streamline monitoring and compliance approaches.
 	
a. Annual self-assessment processes are maintained.
 	
b. Feedback mechanisms are available for regulated entities.
 	
6.3. Regulators regularly share feedback from stakeholders and performance information (including from inspections) with policy departments to improve the operation of the regulatory framework and administrative processes.
 	
a. Stakeholder feedback is disseminated and considered throughout the Hearing Services Program, the Department and Government as necessary.
	• The annual Self-Assessment Tool (SAT) process closed 31 October 2017, with only five hearing service providers (2%) failing to submit a SAT. Twenty four service providers reported breaches of program requirements and submitted rectification plans.
	
	• We sought to expand the list of external validators to ensure the Department can obtain feedback from a wider range of stakeholders about the program's regulatory performance.
	
	• We facilitated the opportunity for feedback through targeted consultation groups, a public discussion paper regarding:
	
	   o The review of Service Items and Fees, and Supply of AHT;
	
	   o Streamlining the legislative framework underpinning the program, via the thematic review.
	
	• Stakeholder feedback was considered and made available on the Consultations page.

Five point rating assessment	Very Good
Self-assessed rating:	**Met**

Improvements from 2016-17:

- The Department has negotiated with stakeholders to increase the number of external validators from two to seven organisations.

Concluding remarks

Summary

In 2017-18, the Department released the Compliance Monitoring and Support Framework, expanded the range of supports available, and continued to engage with and seek feedback from regulated entities.

PricewaterhouseCoopers (PwC) completed the Review of Service Items and Fees and the supply of assistive hearing technology and their report was published. The Minister established the Hearing Health Sector Committee to develop a Hearing Health Roadmap.

The program continued to fund research and development activities into hearing health, prevention and rehabilitation. The program website and online portal continue to improve access and reduce regulatory burden for hearing service providers and suppliers of hearing technology.

Material continues to be developed to inform program client and industry of any program changes including the NDIS transition arrangements.

Overall across the six KPIs, our self-assessed performance rating is Very Good.

External Validation

The Department sent a stakeholder validation tool to the nominated external validators in December 2018 to undertake validation of the Hearing Services Program's self-assessment report of their regulatory performance in 2017-18. Six of the seven external validators provided feedback. With some exceptions, the overall feedback was positive, some of the validators suggested that the Department could improve the frequency of communication on Reviews and major projects affecting the Hearing Services Program.