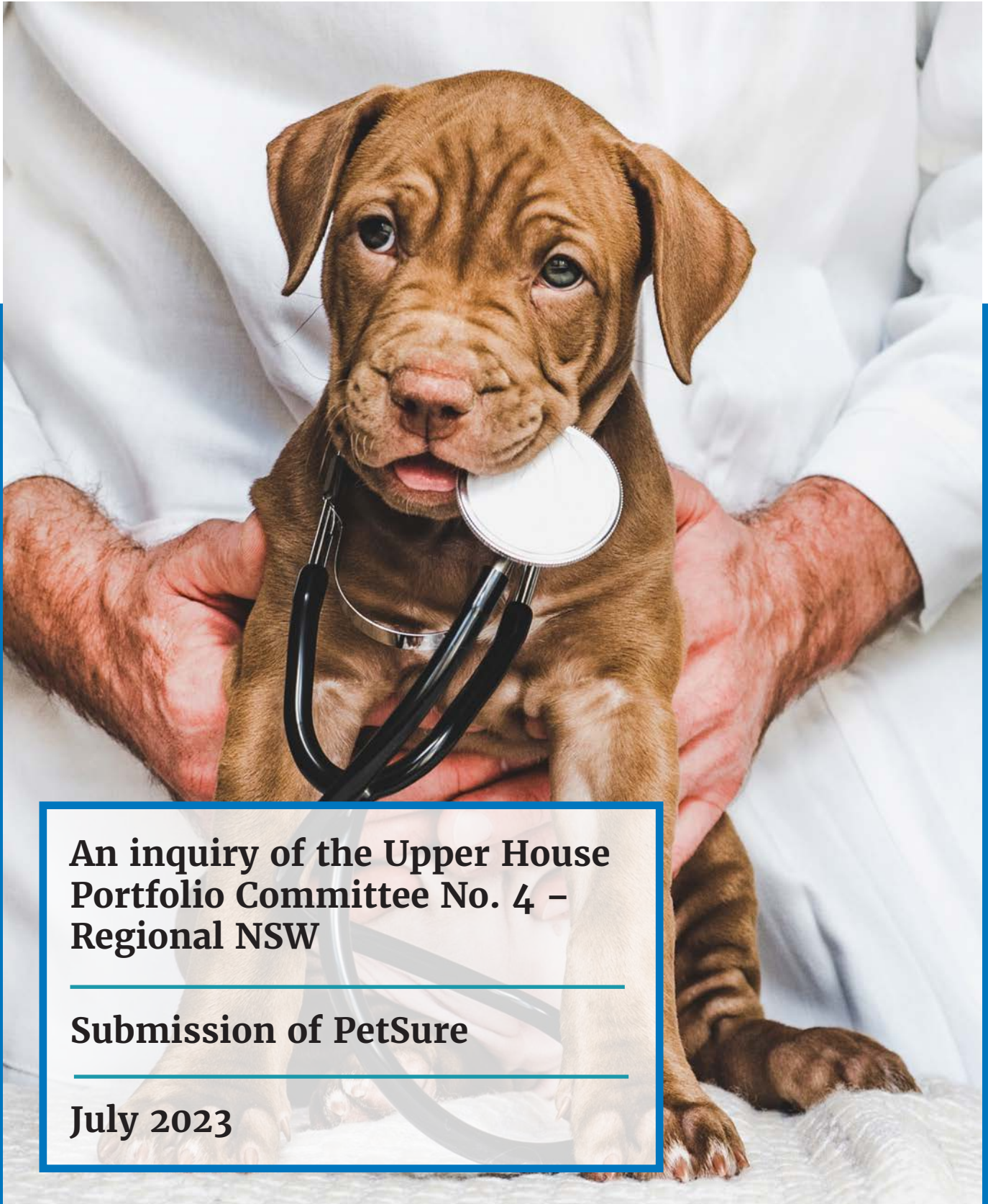


Veterinary workforce shortage in New South Wales



**An inquiry of the Upper House
Portfolio Committee No. 4 –
Regional NSW**

Submission of PetSure

July 2023

Executive Summary

The key terms of reference about which PetSure has a perspective to share are:

- the burn-out and mental health challenges facing the veterinary profession;
- the arrangements and impacts of providing after-hour veterinary services;
- current barriers to accessing veterinary care for members of the public, particularly those with lower incomes or who live in regional, rural and remote locations;
- strategies to support the current veterinary workforce, as well as ways to increase the number of practicing veterinarians particularly in regional, rural and remote New South Wales; and
- strategies to improve access to veterinary care

PetSure (Australia) Pty Ltd (PetSure) is the first general insurer in Australia dedicated to pet insurance, underwriting more than 80% of the Australian market, and helping to cover the veterinary treatment costs of more than 4,000 dogs and cats each day. PetSure and its associated entities employ approximately 80 veterinarian professionals in Australia, around 40% of whom are based in New South Wales.

Australia does not currently have a sustainable veterinary workforce with supply shortages as well as high attrition from the sector. As outlined in this submission, there is a considerable positive impact that insurance has on veterinarians, pets and their owners. PetSure is interested in assisting with the design and delivery of education to raise awareness of the benefits and costs of veterinary care, which could be complemented by early health programs about safety and preventative care for animals. The long-term economic advantages of an early health approach are well evidenced in the human health system.

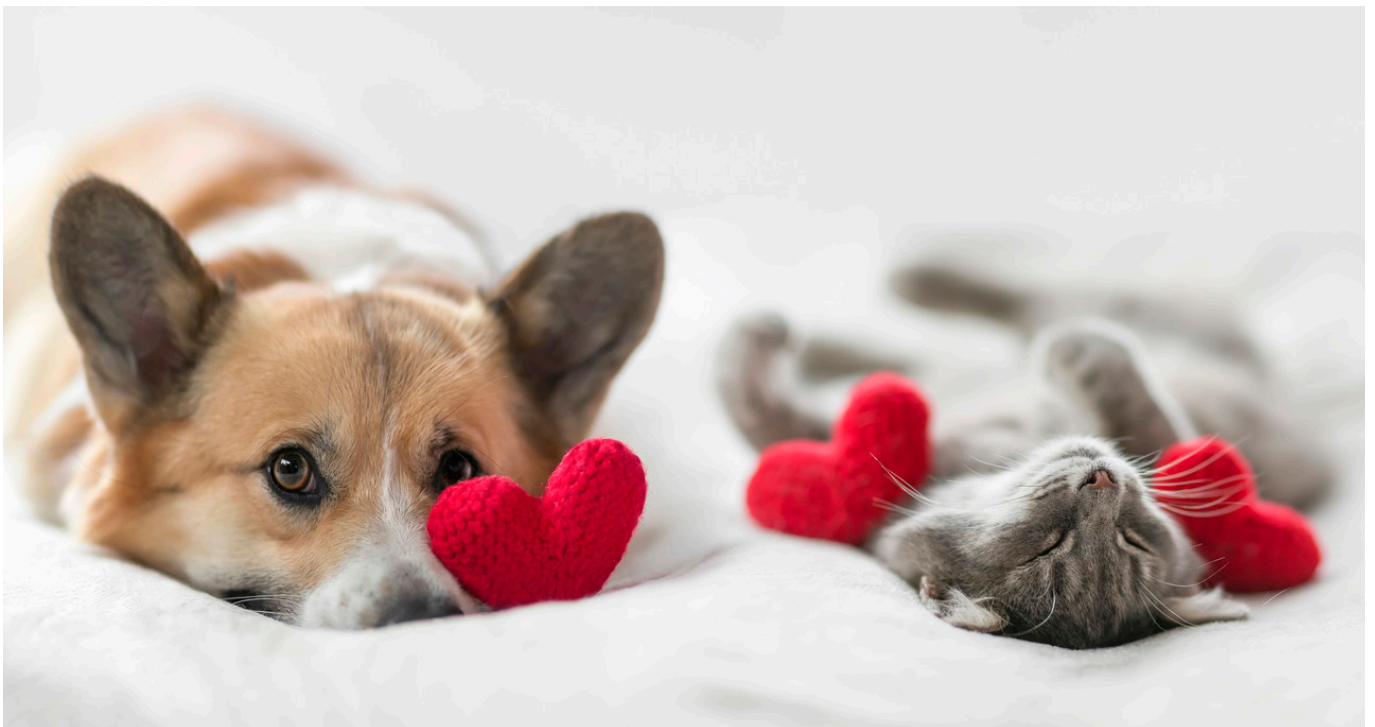
Also demonstrated in the human health system, is that delivery of tele-health services can achieve greater patient reach in regional, rural and remote New South Wales, and also in urban areas outside normal business hours. Used in conjunction with services delivered in person, there are significant benefits to veterinarians. To capture these opportunities while protecting the veterinarian-client-patient relationship, regulatory changes would need to be considered and PetSure would welcome the opportunity to collaborate on these.

PetSure has a unique set of assets that, in partnership with government and non-government organisations, could be deployed to create more inclusive and equitable access to veterinary services to those Australians who need them most. Within a new model, pet owners could access a dedicated tele-health service, be verified as eligible and receive immediate access to high quality virtual pet healthcare. Where necessary, the client could be referred to the nearest participating veterinarian in their town. If pet access on public transport were possible, even partially, then pet parents (including those with service dogs) would be able to better access those veterinary services.

There is well demonstrated benefit from considering animal health alongside the human health and environment health systems. Globally, there is increasing appetite for interdisciplinary collaboration, recognising that the health and wellbeing of people, animals, and the environment are inextricably linked. PetSure supports a 'One Health' approach to better understand how to develop a sustainable veterinarian workforce and drive long-term success in keeping companion animals and their owners healthy and happy together.

Contents

Executive Summary	2
Contents	3
1. Introducing PetSure	4
2. Veterinarian health and wellbeing – our perspective	5
3. Impact of insurance on veterinarians	6
4. Public education	7
5. Tele-health services	7
6. Equitable access to veterinary services	8
7. Recommendations	9
References	10
Contact	11



1. Introducing PetSure

PetSure's vision is to create a better world for pets and their people.

Headquartered in New South Wales for over 20 years, PetSure has provided support in over 2.5 million pet health moments and reimbursed over \$1.5 billion in veterinary costs to date. PetSure is the first general insurer in Australia dedicated to pet insurance, underwriting more than 80% of the Australian market, and helping to cover the veterinary treatment costs of more than 4,000 dogs and cats each day.

We have deep knowledge, long-held industry relationships and make positive contributions to the sector. We collaborate closely with veterinarian professionals and other stakeholders to contribute to sector sustainability. PetSure helps educate and nurture the next generation of veterinarians via our scholarship program together with Future Vets Kids Camp. We have also helped more than 10,000 vulnerable customers through hardship support, and we have an appetite to do more.

PetSure and its associated entities directly employ approximately 80 veterinarian professionals in Australia, around 40% of whom are based in New South Wales. In 2022, we established a Vet Advisory Board to bring to PetSure industry-wide experience and knowledge which guides our decision making.

PetSure also supports insight into breed and other disease trends by providing health-based data on cats and dogs to the veterinary community.

2. Veterinarian health and wellbeing – our perspective

Australia does not currently have a sustainable veterinary workforce. With only enough supply to meet an estimated [60% of Australia's demands](#) (Schuster, 2023), veterinary professionals are subject to excessive unpaid hours. There are widespread reports of burnout and high attrition from the sector. Research indicates that [66% of veterinarians](#) (Australian Veterinary Association, 2021) say they have a work-related mental health issue. Veterinarian suicide risk is revealed to be [up to four times greater](#) (Australian Veterinary Association, 2023) than the general population. Access to lethal means is considered an increased risk, with [80 per cent of cases](#) in Australia involving self-poisoning with a drug used to euthanise animals (Monash University, 2020).

The mental health challenges experienced by veterinarians are exacerbated by difficult conversations with customers about the cost of their services, especially those in financial hardship. [Global studies from MDPI](#) (2022) (Becker et al., 2022) show how difficult financial conversations are a source of stress for veterinarians. This stress is often driven by the financial constraints of the owner and the misconception that veterinarians are motivated by making a profit.

Veterinary costs are the second highest cost of pet ownership, yet PetSure's own research indicates that 40% of pet owners say they would consider economic euthanasia of their pet if veterinarian care costs were \$3,000. Taking dogs as an example, the average treatment costs for the top 10 conditions during 2022 ranged considerably, as shown in PetSure's [Pet Health Monitor](#) report:

Cost of top 10 conditions in dogs (all ages), 2022

Rank	Condition	Average cost for treatment*	Highest cost for treatment*
1	Skin Allergies	\$ 520	\$ 17,460
2	Ear Infection	\$ 315	\$ 16,670
3	Osteoarthritis	\$ 423	\$ 12,255
4	Gastritis	\$ 523	\$ 28,232
5	Diarrhoea	\$ 416	\$ 20,663
6	Lameness	\$ 441	\$ 13,634
7	Mass Lesion - Skin (Cutaneous)	\$ 698	\$ 12,012
8	Vomiting	\$ 565	\$ 26,661
9	Anal Sac Disorder	\$ 260	\$ 11,021
10	Dental Disease	\$ 706	\$ 11,923

Recent media reports show that animals are [being surrendered at an alarming rate](#) (Travers & French, 2023), with the RSPCA stating that affordability, cost of living and rental challenges are cited among the top reasons for surrender. This can put additional pressure on animal shelters and hospitals that are already under resourced, and further contribute to poor working conditions and mental health challenges among employees. In a study of rehomed companion animals, [40% of participants](#) identified that free or low-cost veterinary care could have prevented relinquishment (Park et al., 2021).

An important aspect of understanding and tracking progress of interventions would be to improve data collection and analysis of animal euthanasia trends, particularly related to client financial hardship and other social issues to better understand contributors to poor mental health of veterinarian professionals and the situations of their clients. Such insights could better inform sustainability strategies for the sector and as such PetSure would be pleased to support a national or state coordinated approach to data collection and analysis, either as part of the census or as a targeted initiative.

3. Impact of insurance on veterinarians

Pet insurance is designed to help cover the costs of unexpected veterinary expenses arising from illness or injury to cats and dogs. Unfortunately, Australia's pet owners are currently largely unprotected by insurance. According to the latest [Animal Medicines Australia report](#), just 17% of dog owners and 12% of cat owners have pet insurance. By comparison, in Sweden, dog owners are required to [maintain liability coverage](#), and as a result, pet insurance rates are much higher, up to **90%**. The resulting increased funding pool available for care across Sweden's veterinary sector has led to good working conditions, work-life balance, and pay is at least comparable to that in other European countries (Kelly, 2019).

Insurance can also lead to better animal health outcomes. A study by the [Melbourne Veterinary School in 2020](#) states that euthanasia of companion animals in veterinary emergency medicine is a common cause of death. The study looked at the impact of pet insurance on pre-surgical euthanasia of dogs with gastric dilatation-volvulus (GDV) (Boller et al., 2020). The pre-surgical euthanasia rate was found to be 10% for insured dogs and 37% for non-insured dogs. Overall, 80% of insured dogs and 53% of non-insured dogs survived to hospital discharge. The results infer that the biggest opportunity in saving lives of dogs with GDV is not medical but economic in nature. Economic euthanasia can be attenuated by financial interventions, such as pet insurance.

PetSure is on a mission to remove the worries that come with being a pet owner. GapOnly® is PetSure's innovative claiming solution already available in over 1000 vet clinics across Australia, enabling the pet insurance claim benefit to be paid directly to clinics at the point of care, reducing out of pocket costs for their customers, helping make veterinary services more accessible. For every GapOnly® claim, we donate \$1 towards mental health and wellbeing initiatives in support of the veterinarian profession.

Considering the positive impact that insurance has on veterinarians, pets and their owners, the government could play a role in reducing the protection gap by exploring models of risk sharing to enhance the financial resilience and stability of the sector. Pet insurance not only provides risk protection, it also inculcates pet health and safety behaviours that reduce risk. PetSure would welcome the opportunity to support the New South Wales government in adopting policies that enhance awareness of the positive impact of insurance to the animal health sector, social structures and economy.



4. Public education

In 2022, pet ownership soared in Australia, so it's never been more important to educate Australians about pet health and the associated costs of veterinary care. With over two decades of pet claims data, PetSure is well positioned to advise, co-design and support delivery of an education campaign to raise awareness of the benefits and costs of veterinary care and in being financially prepared.

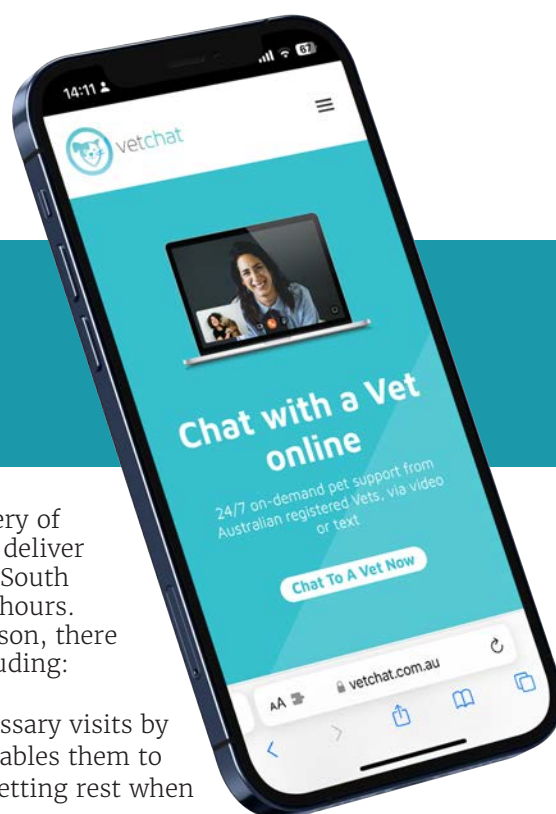
This education could be complemented by early health programs about safety and preventative care for animals, resulting in better animal and human health outcomes, improved veterinarian mental health and wellbeing, and reduced treatment costs. PetSure's survey research of 1,000 pet owners shows just 10% of Australian pet parents practice regular at-home pet health routines like brushing their dog's teeth, applying flea and tick preventatives or staying up to date with vaccinations. The long-term economic advantages of an early health approach are demonstrated in the human health system and PetSure would support undertaking research to calculate the potential return on such an investment as it relates to animal health.

5. Tele-health services

As demonstrated in the human health system, the delivery of basic consultations via tele-health type technology, can deliver greater patient reach in regional, rural and remote New South Wales, and also in urban areas outside normal business hours. When used in conjunction with services delivered in person, there are significant benefits to veterinarians themselves including:

- Reduced interruptions, after-hours calls and unnecessary visits by veterinarians due to effective tele-triaging which enables them to focus on delivering patient care when needed, and getting rest when not;
- Reduced travel, expense and time away from home for veterinarians servicing regional, rural and remote areas due to effective tele-triaging which drives more efficient planning of visits;
- Improved work life balance of veterinarians by triaging true emergencies and care needs and in managing noncomplex cases and chronic cases where diagnostics are not required;
- Improved allocation of clinic space and support staff where limited availability exists;
- Real-time professional assistance for veterinarians who are treating difficult cases and operating in emergency situations with access limitations, forecasted to become more frequent with extreme weather events; and
- Availability of meaningful careers for veterinarians unable to work full time in clinics, resulting in continued economic participation and professional engagement, for what is largely a female dominated profession, with job opportunities for veterinarians to work remotely from regional, rural and remote New South Wales.

PetSure is uniquely positioned, through its associated entities VetChat and PetScripts, to collaborate and help escalate digital transformation. To fully capture the opportunity of digital innovation in the animal health sector while protecting the veterinarian-client-patient relationship, some regulatory change would need to be considered. Reliable internet and mobile data is also a barrier to adoption in some locations. PetSure acknowledges the complexity of these challenges and would welcome the opportunity to participate in collaborative problem solving with other stakeholders.



6. Equitable access to veterinary services

85% of pet owners say that pets positively impact their lives and research shows that pet ownership actually [improves human health](#) and contributes to reduced human healthcare costs (The Human Animal Bond Research Institute, 2023). [The Foodbank Hunger Report](#) highlighted that over half a million people in Australia are struggling with the cost of food with 67% of those people having pets (Foodbank, 2022). More Australians can enjoy proven health and wellbeing benefits, particularly those who are disadvantaged or vulnerable, by making veterinary services more inclusive and equitably accessible to these underserved populations. Pets owned by vulnerable and disadvantaged people can be left untreated, surrendered and in some cases, euthanised, due to affordability and accessibility concerns. [Studies](#) (McDowall et al, 2023) show that when affordable veterinary care is provided to low-socioeconomic companion animal owners, the number of veterinary visits increase for both disease/injury and wellness, including preventative interventions, such as heartworm and vaccinations.

PetSure has a unique set of assets that, in partnership with government and non-government organisations, could be deployed to create more inclusive and equitable access to veterinary services to those Australians who need them most.



Within a new model, that could be co-designed and co-funded by PetSure, government and industry partners, pet owners could access a dedicated tele-health service, be verified as eligible (for example as a Centrelink or NDIS client) and receive immediate access to high quality virtual pet healthcare. Where necessary, the client would be referred, based on their postcode, to the nearest participating veterinarian in their town to receive essential or emergency pet healthcare under an arrangement like bulk-billing, on a pre-agreed fee schedule.

Veterinarian clinics are critical partners in providing equitable access. Anecdotally, we know that many veterinarian clinics provide their services at no charge to those in need. By participating in this model, veterinarians would be empowered to provide their services at a pre-agreed rate to eligible clients, in some cases avoiding the trauma of economic euthanasia. Becoming a participating clinic, veterinarians would enjoy local reputational and branding benefits as well as improved wellbeing and retention of their employees.

Services, delivered digitally or in clinic, could be pre-defined by PetSure's existing team of expert veterinarians. Services would be discounted and subsidised by a pool of funds, initially contributed to by PetSure. In the longer term, other funding sources would enable the development of a financially self-sustaining model.

If pet access on public transport were possible, even partially, then pet parents (including those with service dogs) would have greater access to veterinary services, as well as food and essential supplies. However currently in New South Wales, the ability of animals to travel on buses, light rail, ferries, and taxis, is up to the discretion of the driver and crew members. Animals are prohibited completely from travelling on trains and coaches. There is increasing public discourse about the impact of these restrictions on the human rights of so many Australians who rely on public transport.

Some regional and rural communities may already have access to established tele-health facilities that are currently used only in provision of human healthcare. Clients could potentially access these facilities for both human healthcare and animal healthcare. For example, veterinarians advise that some bacterial infections are prevalent in both animals and humans and could be treated concurrently. Furthermore, humans may be more likely to seek treatment if they can be simultaneously treated with their companion animal.

There is demonstrated benefit from considering animal health alongside the human health and environment health systems. Globally, there is increasing appetite for interdisciplinary collaboration toward [One Health](#), recognising that the health and wellbeing of people, animals, and the environment are inextricably linked (British Veterinary Association, 2019). Understanding the influence of factors such as vulnerability and disadvantage, access to veterinary care, education, community involvement and equity, enables interventions aimed at enhancing the outcomes of animals and humans. PetSure supports a One Health approach to better understand how to develop a sustainable veterinarian workforce and drive long-term success in keeping companion animals and their owners healthy and happy together.

7. Recommendations

Based on the perspectives shared in this submission, PetSure recommends that a collaborative approach be taken with industry to deliver the following initiatives:

- Public education to raise awareness of the benefits and costs of veterinary care, which could be complemented by programs on safety and preventative care for animals. Potential outcomes include improved sustainability of the veterinary workforce and improved health outcomes for veterinarians and their patients; and
- Equitable access to veterinary services in regional, rural and remote New South Wales, in particular to those people who are vulnerable and disadvantaged, within a new model of tele-health services and by referral, clinical emergency care. PetSure supports a One Health approach to better understand how to develop a financially sustainable model, keeping companion animals and their owners healthy and happy together under the care of their veterinarian.



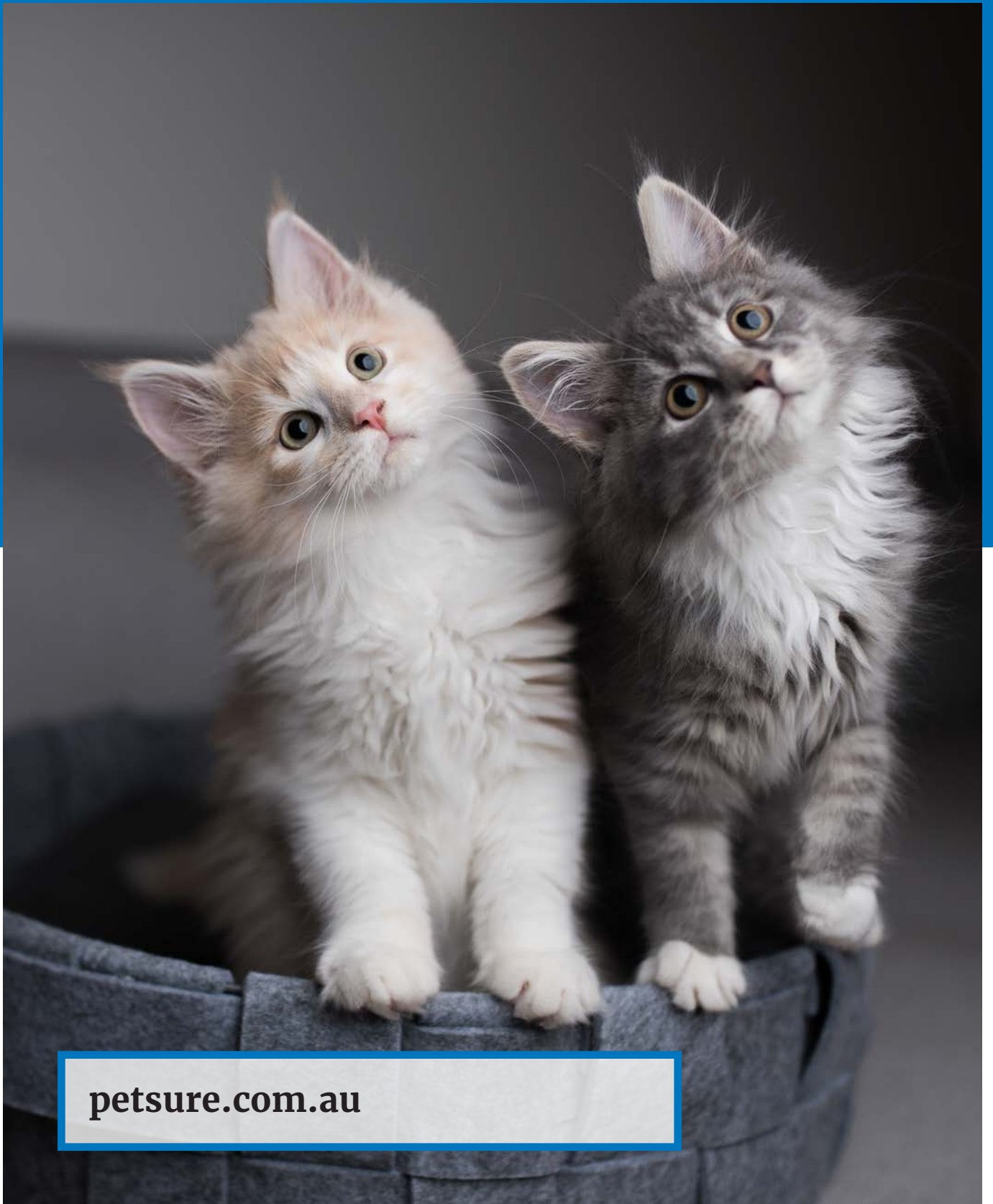
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