

# ECONOMIC VALUE OF PHYSIOTHERAPY



## Physiotherapy plays a crucial role in Australia's healthcare system

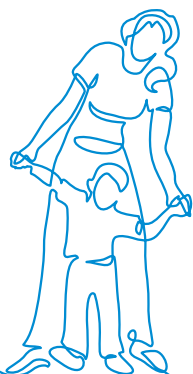
Physiotherapists help Australians to recover from injury, manage disease and improve their wellbeing every day, either as the primary care provider or as important contributors to multi disciplinary healthcare teams.

Physiotherapists provide healthcare across a range of conditions and throughout all life stages. Their work includes mitigating the risk of birth trauma, reducing the impacts of disability on community participation, contributing to the management of chronic diseases and emergency healthcare, preventing and rehabilitating workplace injuries and reducing the risks and ramifications of falls in older Australians.

The benefits provided by physiotherapists is being expanded through the use of telehealth services for regional, rural and remote communities.

The importance of high-quality healthcare, and of physiotherapy specifically, has been highlighted during the COVID-19 pandemic. Throughout the course of the pandemic, physiotherapy has been considered an essential service, underlining how critical physiotherapy treatment can be to people's wellbeing and quality of life.

Physiotherapy has the power to enhance quality of life, improve health outcomes and offer best value for money in the allocation of scarce resources.



## Economic Benefits of Physiotherapy

**It is estimated that around 11.9 million physiotherapy services were provided under private health insurance in 2019-20, plus 2.9 million through the MBS in addition to services paid for out-of-pocket by patients.**

Since 2013, physiotherapy has grown from being a \$1.5 billion industry made up of around 4,200 businesses to a nearly \$2.2 billion industry made up of more than 7,000 businesses.

The physiotherapy profession supports a burgeoning workforce. In 2020 there were 35,392 physiotherapists registered with the Physiotherapy Board of Australia, with many more workers in supporting employment. A strong pipeline of students studying physiotherapy will ensure the sector continues to meet future demand.

Treatments by physiotherapists deliver both health and economic benefits. Interventions are clinically effective and deliver net economic benefits, with quality of life improvements exceeding treatment costs.

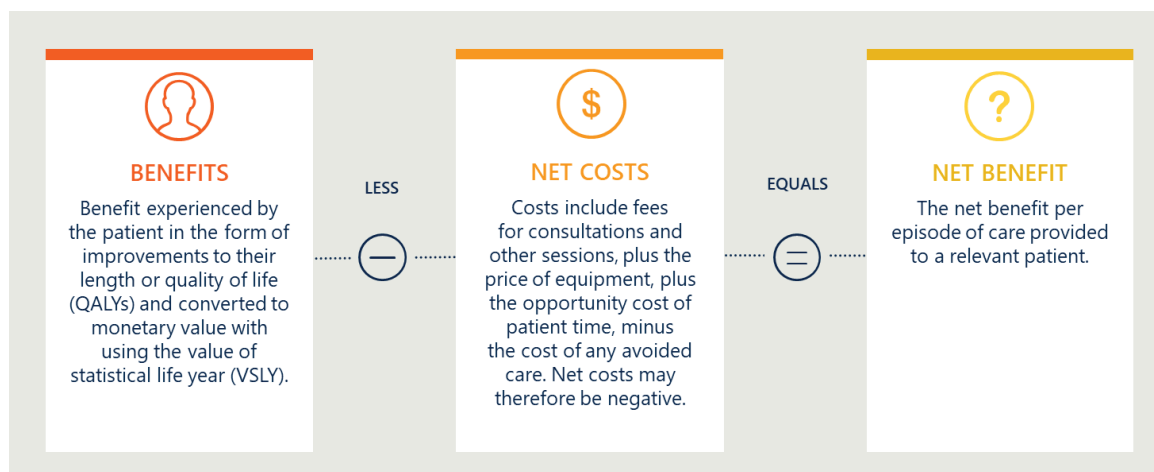
Physiotherapy treatment results in enhanced quality of life, such as reduced pain, increased mobility, reduced burden of disease and longer life expectancy, and avoided future costs of healthcare. Avoided costs attributable to physiotherapy result in savings to multiple funding sources including private insurers, state and federal compensable schemes and state and federal healthcare systems.

Physiotherapy is also a valuable and cost-effective alternative to other more costly interventions, such as surgery for osteoarthritis, and as a complementary therapy for pre- and post-surgery interventions.

In a recent cost-benefit analysis of 11 common conditions, Nous Group estimated the average total cost of delivering physiotherapy services and balanced this against the average total benefits of treatment, to provide an estimate of the average net economic benefit that arises each time the service is delivered to a patient in need, offering a robust estimate of the economic value physiotherapy delivers to Australians.

Net benefits were calculated taking into account quality of life improvements, the cost of service delivery, patient-time opportunity costs, and the avoided costs of alternative or usual treatment.

Figure 1: High-level approach for determining the net benefit of each physiotherapy treatment



This net benefit of treatment was calculated for the following 11 focus areas and the calculation was made per course of treatment (i.e. per person) over the course of 12 months.

Figure 2: Physiotherapy delivers an average net-benefit for a range of life events and stages

