
F Past recommendations

Table F.1 **Recommendations relating to aged care from the National Health and Hospitals Reform Commission, *A Healthier Future For All Australians*, Final Report, 2009**

Rec. No.	Recommendation
42	The Commission recommends that government subsidies for aged care should be more directly linked to people rather than places. As a better reflection of population need, we recommend the planning ratio transition from the current basis of places per 1000 people aged 70 or over to care recipients per 1000 people aged 85 or over.
43	The Commission recommends that consideration be given to permitting accommodation bonds or alternative approaches as options for payment for accommodation for people entering high care, provided that removing the regulated limits on the number of places has resulted in sufficient increase competition in supply and price.
44	The Commission recommends requiring aged care providers to make standardised information on service quality and quality of life publicly available on agedcareaustralia.gov.au , to enable older people and their families to compare aged care providers.
45	The Commission recommends consolidating aged care under the Commonwealth Government by making aged care under the Home and Community (HACC) program a direct Commonwealth program.
46	The Commission recommends development and introduction of streamlined, consistent assessment for eligibility for care across all aged care programs. This should include: <ul style="list-style-type: none">• transferring the Aged Care Assessment Teams to Commonwealth Government responsibility;• developing new assessment tools for assessing people's care needs; and• integrating assessment for Home and Community Services with more rigorous assessment for higher levels of community and residential care.
47	The Commission recommends that there be a flexible range of care subsidies for people receiving community care packages, determined in a way that is compatible with care subsidies for residential care.
48	The Commission recommends that people who contribute to the costs of their own care should contribute the same for care in the community as they would for residential care (not including accommodation costs).
49	The Commission recommends that people supported to receive care in the community should be given the option to determine how the resources allocated for their care and support are used.

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Table F.1 (continued)

Rec. No.	Recommendation
50	<p>The Commission recommends that once assessment processes, care subsidies and user payments are aligned across community care packages and residential care, older people should be given greater scope to choose for themselves between using their care subsidy for community or for residential care.</p> <p>Notwithstanding this, the Commission notes that, given the increase in frailty and complexity of care needs, for many elderly people residential care will remain the best and only viable option for meeting their care needs. The level of care subsidies should be periodically reviewed to ensure they are adequate to meet the care needs of the most frail in residential settings.</p> <p>In the lead up to freeing up choice of care setting, there should be a phased plan over five years to enable aged care providers to convert existing low care residential places to community places.</p>
51	<p>The Commission recommends that all aged care providers (community and residential) should be required to have staff trained in supporting care recipients to complete advance care plans for those who wish to do so.</p>
52	<p>The Commission recommends that funding be provided for use by residential aged care providers to make arrangements with primary health care providers and geriatricians to provide visiting sessional and on-call medical care to residents of aged care homes.</p>
53	<p>The safety, efficiency and effectiveness of care for older people in residential and community settings can be assisted by better and innovative use of technology and communication. The Commission recommends:</p> <ul style="list-style-type: none"> • supporting older people, and their carers, with the person's consent, to activate and access their own person-controlled electronic health record; • improved access to e-health, online and telephonic health advice for older people and their carers and home and personal security technology; • increased use of electronic clinical records and e-health enablers in aged care homes, including capacity for electronic prescribing by attending medical and other credentialed practitioners, and providing a financial incentive for electronic transfer of clinical data between services and settings (general practitioners, hospital and aged care), subject to patient consent; and • the hospital discharge referral incentive scheme must include timely provision of pertinent information on a person's hospital care to the clinical staff of their aged care provider, subject to patient consent.

Source: NHHRC (2009).

Table F.2 Recommendations from the Senate Standing Committee on Finance and Public Administration inquiry, *Residential and Community Aged Care in Australia, 2009*

Rec. No. Recommendation

1	The committee recommends the establishment of a national aged care forum, reporting directly to the Minister for Health and Ageing and coordinated by the Department of Health and Ageing, to consider, on an on-going basis, current and future challenges to the aged care sector.
2	The committee recommends that the national aged care forum establish a taskforce (or equivalent body) representative of all involved aged care stakeholders including clients to action and where possible implement determinations of the national forum.
3	The committee recommends that the Department of Health and Ageing, in cooperation with the suggested taskforce and in partnership with all involved stakeholders including clients, undertake an all-encompassing review of the <i>Aged Care Act 1997</i> and related regulations. The review should: <ul style="list-style-type: none"> • equally examine the provision of residential and community aged care services in Australia with consideration of both current and future challenges in the provision of aged care services; • provide future projections to enable both short and longer-term sectoral planning.
4	The committee recommends that the Department of Health and Ageing in association with the suggested taskforce and in consultation with all aged care stakeholders including clients undertake analysis to establish benchmark of care costs.
5	The committee recommends that the Department of Health and Ageing recommence publication of Audited General Purpose Financial Reports as soon as practicable and continue to publish such reports annually as a matter of course.
6	The committee recommends that the Department of Health and Ageing review the Audited General Purpose Financial Reports with an aim of identifying any necessary reporting changes to ensure that the information available provides a clear and comparative understanding of provider performance.
7	The committee recommends the establishment of a nationally consistent methodological approach to data gathering and research on the financial status of the residential and community aged care sector. Towards this goal, the committee recommends the establishment of a roundtable of key stakeholders engaged in such research and facilitated by the Department of Health and Ageing to discuss and agree upon common indicators and definitions to enable comparative analysis.
8	The committee recommends that the Department of Health and Ageing in association with the suggested taskforce (or equivalent body) and in collaboration with the Australian Institute of Health and Welfare review and address deficiencies in information in the aged care sector.
9	The committee recommends that the Department of Health and Ageing undertake a 'stress test' of the aged care sector in order to measure the sector's financial wellbeing.

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Table F.2 (continued)

<i>Rec. No.</i>	<i>Recommendation</i>
10	The committee recommends that the Department of Health and Ageing, in association with the suggested taskforce, undertake a review: <ul style="list-style-type: none"> • to identify the costs and resources required to meet new regulation, accreditation and compliance measures with a view to rationalising the administrative processes as required; and • to identify more cost effective means of meeting the requirements of the compliance framework.
11	The committee recommends that the Department of Health and Ageing implement measures, including additional funding, to assist smaller providers to meet the requirements of the compliance framework.
12	The committee recommends that the issue of professional nursing and other aged care staffing requirements be considered in the overarching review of the aged care sector.
13	The committee recommends that the Department of Health and Ageing, in association with the suggested taskforce, review aged care staffing challenges and identify methods of address, with particular focus on staffing requirements in rural and remote areas.
14	The committee recommends that the taskforce undertake a review of the indexation formula used for the aged care sector in order to identify its adequacy in relation to costs faced by the sector and to identify modifications to the formula if required.
15	The committee recommends that the all-encompassing review specifically consider the provision of aged care services in rural and remote areas and the effectiveness of the current viability supplement to support service provision.
16	The committee recommends that the Commonwealth and Norfolk Island Government initiate discussions in relation to a proposal to develop homecare services on Norfolk Island.
17	The committee recommends that the all-encompassing review specifically consider and address the expectations and needs of persons from non-English speaking backgrounds.
18	The committee recommends that the Department of Health and Ageing conduct a review into the implications of 'elderly homeless' incorporated as a special needs category under the <i>Aged Care Act 1997</i> .
19	The committee recommends that the suggested all-encompassing aged care review specifically consider and address the expectations and needs of the homeless and other socio-economically disadvantaged persons.
20	The committee recommends that the suggested all-encompassing aged care review specifically consider and address the expectations and needs of elderly Indigenous Australians and their communities.
21	The committee recommends that the Department of Health and Ageing consider further initiatives to attract culturally-appropriate staff in consultation with involved stakeholders including Indigenous clients.

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Table F.2 (continued)

Rec. No. Recommendation

22	The committee recommends that the Australian Government implement the recommendation of the 2007 National Review of Aged Care Assessment Teams and review the legislative requirement for re-assessment of those residents: <ul style="list-style-type: none">• moving from low to high care within an aged care complex where the low and high care facilities have separate provider numbers;• entering an aged care facility with a low care approval but who require high care.
23	In light of disparities in information regarding the Aged Care Assessment team (ACAT) assessments and re-assessment between the Department of Health and Ageing and involved providers, the committee recommends that the department launch an information campaign on recent reforms to the ACAT.
24	The committee recommends that the Department of Health and Ageing review methods directed to affirming the ACAT as a single nationally consistent program which genuinely services as a single entry point to aged care services. The review should entail dialogue with aged care clients and providers as well as liaison with state and territory health departments.
25	The committee recommends that the Department of Health and Ageing conduct a national education campaign directed at new and potential aged care clients to raise awareness of the aged care services available to them including the role of ACAT and of their rights and entitlements in relation to services.
26	The committee recommends that the Department of Health and Ageing analyse decoupling of residential care and accommodation. Such a review should consider and assess the views, concerns and recommendations of involved stakeholders including the Productivity Commission.
27	The committee recommends that the Australian Government expand community aged care funding and services to meet growing demand and expected quality service provision outcomes.
28	The committee recommends that the all-encompassing review of the residential and community aged care sector take a client-based approach in order to ensure that its findings are client focused.
29	The committee recommends that the all-encompassing review of the aged care sector consider options to enable greater flexibility in relation to payments and services directed at providing a client-centred aged care system for Australia.
30	The committee recommends that the suggested taskforce undertake a review of the current planning ratio for community, high- and low-care places. Drawing on all available demographic and social information, the review is an opportunity to assess the planning ratio in light of growing and diverse demand on aged care services.
31	The committee recommends that the suggested taskforce review continuity of care as a potential long term solution for the aged care sector.

Source: SCFPA (2009).

Table F.3 Government response to recommendations from the Productivity Commission's *Annual Review of Regulatory Burdens on Business: Social and Economic Infrastructure Services*, Research Report, 2009

<i>Rec. No.</i>	<i>Recommendation</i>	<i>Status</i>
2.1	<p>To enable the Australian Government to reduce the burden associated with regulations and price controls, and to improve the quality and diversity of aged care services, it should explore options:</p> <ul style="list-style-type: none"> • for relaxing supply constraints in the provision of aged care services • for allowing consumers' needs and preferences to be better understood and addressed • for providing better information to older people and their familiar so they can make more meaningful comparisons in choosing an aged care service. 	Noted. The Government has commenced consultations on the related recommendations of the National Health and Hospitals Reform Commission. From 1 July 2009, the Government commenced the publication of non-compliance information on individual residential aged care services to better inform older people.
2.2 and 2.3	<p>The Australian Government should explore options for removing the regulatory restriction on bonds as a source of funding.</p> <p>Contingent upon the freeing up of supply constraints in the provision of aged care services outlined above in Recommendation 2.1, the Australian Government should abolish the 'extra service' residential care category. In the interim, where there appears to be unmet demand for such 'extra service' places in a particular region, the Department should consider freeing up the regional cap and adopting a lighter-handed monitoring approach, only intervening where extra service provision is resulting in an unreasonable reduction of access for supported, concessional or assisted care recipients.</p>	Noted. The Government has commenced consultations on the related recommendations of the National Health and Hospitals Reform Commission. The Productivity Commission's inquiry into aged care will further address this issue.
2.4	The Department of Health and Ageing should conduct a publicly available evaluation of the current safeguards that protect elderly people receiving care, including the police check requirements, to explore whether the benefits of the existing safety framework could be achieved in a less costly manner.	Accepted
2.5	The Australian Government should amend the missing resident reporting requirements in the Accountability Principles 1998. It should allow a longer time period for providers to report missing residents to the Department. It should also adopt a more risk managed or tiered approach, by allowing different reporting time periods based on a provider's record on missing residents. This recommendation would not impact on the reporting of missing residents to police services by providers.	Rejected. The Accountability Principles 1998 only require providers to advise DoHA when they have reported a resident missing to the police. The benchmark for reporting is therefore set at a high point, based on a risk management approach to such incidents. DoHA will, however, assess scope to streamline its administrative arrangements for the reporting of missing residents as a part of the ongoing process improvement program.

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Table F.3 (continued)

Rec. No.	Recommendation	Status
2.6	The Australian Government should review the Aged Care Standards and Accreditation Agency visits program to residential aged care facilities including the associated visit performance targets. The review should consider whether the visits program would benefit from a risk management approach designed with a greater focus on under-performing homes, that could achieve the same objectives (of ensuring compliance with accreditation standards) with less visits imposed on residential aged care providers overall.	Accepted
2.7	<p>The Accommodation Bond Guarantee Scheme ensures the refund of accommodation bonds to aged care residents in the event that a provider becomes insolvent. Given this government guarantee to residents, the Australian Government should amend the prudential standards to remove the requirement on aged care providers to disclose to care recipients or prospective care recipients:</p> <ul style="list-style-type: none"> • a statement about whether the provider complied with the prudential standards in the financial year • an audit opinion on whether the provider has complied with the prudential standards in the relevant financial years • the most recent statement of the aged care service's audited accounts. 	<p>Rejected. The Accommodation Bond Guarantee Scheme is intended as a safety net and does not replace the need for approved providers to manage residents' accommodation bonds in a responsible manner, or for residents to have information enabling them to make informed decisions.</p> <p>DoHA is proposing to conduct an evaluation of the operation of the Disclosure Standard.</p>
2.8	The Australian Government should amend the Residential Care Subsidy Principles 1997 to remove requirements on aged care providers to lodge separate written notices with the Secretary of the Department of Health and Ageing demonstrating compliance with Conditional Adjustment Payment reporting.	Accepted
2.9	The Department of Health and Ageing should review the efficacy of audited general purpose financial reports and consider whether other reporting mechanisms would deliver better outcomes for providers both in terms of comparative financial performance and compliance cost.	Accepted in principle. DoHA continually reviews the full range of financial reporting by approved providers to determine if there is scope for streamlining requirements. The Government considers that General Purpose Financial Reports are the most appropriate statements for aged care providers to prepare.

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Table F.3 (continued)

<i>Rec. No.</i>	<i>Recommendation</i>	<i>Status</i>
2.10	The Department of Health and Ageing and the Aged Care Standards and Accreditation Agency must clarify their respective roles to the industry regarding the monitoring of provider compliance with the accreditation standards. To achieve this, an effective communication strategy should be implemented in conjunction with the immediate release of the protocol between the two organisations (which explains the actions each organisation takes when non-compliance is identified or suspected). Legislative amendments should also be considered, if required.	Accepted
2.11	The Department of Health and Ageing, in consultation with relevant state and territory government departments, should use current reviews of the accreditation process and standards to identify and remove, as far as possible, onerous duplicate and inconsistent regulations.	Accepted
2.12	The Australian Government should abolish the annual fire safety declaration for those aged care homes that have met state, territory and local government fire safety standards.	Accepted
2.13	The Department of Health and Ageing should submit a Proposal for Change to the Australian Building Codes Board requesting the privacy and space requirements contained in the current building certification standards be incorporated into the Building Code of Australia. Newly constructed aged care facilities would then only be required to meet the requirements of the Building Code of Australia. Once all existing residential aged care facilities have met the current building certification standards those standards should be abolished.	Accepted
2.14	The Australian Government should allow residential aged care providers choice of accreditation agencies to introduce competition and to streamline processes for providers who are engaged in multiple aged care activities.	Rejected. The Government supports the continuation of a single accreditation provider on the basis that the residential aged care sector is small and a single accreditation provider is better placed to ensure consistency of assessment of aged care homes against the Accreditation Standards.

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Table F.3 (continued)

<i>Rec. No.</i>	<i>Recommendation</i>	<i>Status</i>
2.15	The Commonwealth, state and territory governments should resolve any outstanding issues with the proposed community standards and reporting processes and implement the National Quality Reporting Framework as soon as possible, consistent with the methodology and principles supporting Standard Business Reporting.	Accepted

Sources: PC (2009); Australian Government (2009).

Table F.4 Government response to recommendations from the Australian National Audit Office (ANAO) Audit Report, *Protection of Residential Aged Care Accommodation Bonds*, 2009

<i>Rec. No.</i>	<i>Recommendation</i>	<i>Status</i>
1	In order to improve its regulatory effectiveness, the ANAO recommends that DoHA adopts a structured and systematic risk management methodology for its prudential regulation of residential aged care accommodation bonds to: routinely identify, analyse, document, evaluate and monitor regulatory risk; rank risks, based on assessments of likelihood and consequences; and plan and conduct activities to treat risk.	Agreed
2	To improve DoHA's internal management and external accountability for its prudential function, the ANAO recommends that the department establishes an integrated and balanced set of performance measures and targets for key regulatory activities, against which the achievement of prudential regulation objectives can be assessed and reported to internal and external stakeholders.	Agreed
3	The ANAO recommends that DoHA enhances its regulatory approach to include reviews of whether aged care providers are using bonds and bond income for the purpose of providing aged care to recipients as required in the <i>Aged Care Act 1997</i> .	Agreed
4	In order to better inform stakeholder expectations regarding the service levels to be achieved and the code of conduct to be observed, the ANAO recommends that DoHA: (a) developed, in consultation with stakeholders, a client service charter and regulatory code of conduct in relation to the prudential regulation of residential aged care accommodation bonds; and (b) reports annually on performance against the charter.	Agreed
5	The ANAO recommends that, in order to ensure nationally consistent implementation of prudential arrangements, DoHA establishes policy and procedural documentation for key aspects of its prudential regulation of residential aged care accommodation bonds.	Agreed
6	In order to plan and coordinate its prudential regulation compliance activities and facilitate the monitoring of compliance trends over time, the ANAO recommends that DoHA documents its compliance strategy, promulgates the strategy to internal and external stakeholders, and routinely reviews the strategy.	Agreed
7	The ANAO recommends that DoHA established a process or system to capture, collate and share regulatory intelligence from internal and external sources to build a risk profile of regulated entities.	Agreed

Source: ANAO (2009).

References

- Australian Government 2009, *Australian Government Response to the Productivity Commission Annual Review of Regulatory Burdens on Business: Social and Economic Infrastructure Services*, December, Canberra.
- ANAO (Australian National Audit Office) 2009, *2009/2010 Audit Report No. 5 – Protection of Residential Aged Care Accommodation Bonds*, Canberra.
- NHHRC (National Health and Hospitals Reform Commission) 2009, *A Healthier Future For All Australians*, Final Report, June, Canberra.
- Productivity Commission 2009, *Annual Review of Regulatory Burdens on Business: Social and Economic Infrastructure*, Research Report, Canberra.
- SCFPA (Senate Standing committee on Finance and Public Administration) 2009, *Residential and Community Aged Care in Australia*, April, Canberra.