Overview
The College welcomes the opportunity to comment on the report. Our comments are informed by a number of Fellows, Members and staff of the College who have an in-depth knowledge of the Aged Care sector.

While we have commented on a number of the specific areas raised in the report, there are a number of critical issues that we would bring to your attention in the first instance.

We believe that the majority of the Aged Care sector provides quality care to their residents and clients. However there are issues around the funding instruments and implementation; community mindsets about aged care; and affordable options in aged care across the board.

In order to meet future challenges, there needs to be recognition that acuity of care needs will have a significant impact on the expectation of the consumer and the skill mix of the aged care staff who will be delivering the care. Without significant change, the existing infrastructure and current nursing workforce will not be able to meet future demand.

The profile of residents will continue to change particularly as the baby boomers age and enter the system. Their expectations for care and at the same time independence, will impact on the nature of services to be provided. A ‘one size’ fits all system will not be sustainable in the future. From a nursing point of view, residents with low care, frail low care, complex/high care, dementia and palliative care all need very different models of care.

Workforce Issues
Issues around models of care, skill mix, wage parity, education, multi-culturism of both staff and residents and licensing of the workforce will need to be resolved to take the aged care sector into the future.

The role of the Nurse Practitioner (NP) in the Aged Care sector has very exciting potential. Funding models that support the NP role are needed as is funding for nursing staff to deliver intravenous antibiotics and a range of acute nursing interventions that are often the cause of admissions to hospital that could be managed in the aged care facility.

The current disparity of remuneration between the acute health care and aged care nurses strongly supports the community and health professionals’ commonly voiced belief that aged care nursing is inferior. This has created workforce issues around recruitment and retention and severely impacts on aged care sector work force planning and modelling and it is critical that this issue is addressed.

There are many professional nurses who would wish to take up positions in aged care nursing but are precluded from doing so because of the economic realities of the current pay rates.

Compliance, Accreditation and Funding
Regulation of the sector is a major issue. Currently there is a variety of accrediting processes for acute hospitals, aged care facilities, disability services, community based services & primary care services.

The aged care sector is subject to a far greater level of scrutiny in comparison to acute hospital accreditation processes. This is putting an enormous burden on staff particularly at the management level in aged care including the financial implications of a negative outcome. We are concerned to hear reports that suggest that the complaints system is very complicated with:

- Aggressive monitoring
- Presumption of guilt rather than innocence
- Lack of independence between specific compliance agencies e.g Aged Care Standards and Accreditation Agency, ACFI Review Officer (Commonwealth Nursing Officers) and the Office of Aged Care Quality and Compliance.

Some Nurse Managers are saying that it is impossible to survive the scrutiny within the system. Their professionalism is being challenged at times and this is leading to difficulties in recruitment and retention at this senior level.

Funding issues include:

- Does not cover the higher acuity nursing needs when transferring from hospital to aged care residential setting
- Pressure on DONs to maximise funding through resident assessments because of unrealistic funding levels
- Funding for care has not followed the 'ageing in place' philosophy
- Under the current ACFI Review funding needs to match acuity and care needs, care delivery and be realistically aligned to the broad scope of nursing practice.

COMMENTS IN RELATION TO SPECIFIC QUESTIONS

Question 1. Are there findings or recommendations from previous reviews of aged care in Australia that remain relevant? If so, of those that have not been acted on, which ones are most important? The Commission also invites advice on any international reviews and policy approaches that may be relevant to this inquiry?

The recently published Henry Tax Review regarding Superannuation and separating care from accommodation recommended that there was considerable scope to align aged care assistance with the principles of user-directed funding to provide assistance in line with recipients' needs, enable their choice of care and support the fiscal sustainability of the aged care sector.

However, effective user-directed funding is significantly limited by regulations that govern supply and price, reforms to which would have complex sequencing and transition issues. Other reviews have illustrated the reduced viability and pressures on aged care providers.

We would agree that it is important to determine what an adequate level of aged care should be, the necessary pricing and regulatory arrangements to deliver it, and the most sustainable funding arrangement to ensure access by those who cannot afford it. A 'cost of care' study is strongly recommended.

Question 2. The Commission invites comment and evidence on the main strengths and weaknesses of aged care services — community, residential, flexible and respite care — as they are currently configured.

- Strength
  - Each of the sectors individually provide a quality system where the well being of our elderly is the paramount focus
- Weakness
  - The transition of the individual from one service sector to another
  - The potential for each of the non residential sectors to 'hold on' to the client too long increasing 'length of stay' and where a client may then become a resident in the residential sector they enter in a frailer state.
  - This could be interpreted that each sector takes advantage of an increased length of stay but it may also be equally interpreted as reducing the quality of life of the client where they may receive care inconsistent with the sector and capabilities including the skills and expertise of the staff working in each sector.

The College believes that we need an assessment model that follows the individual across the trajectory of community, flexible, respite and residential service delivery and that is accompanied by a funding model that supports the delivery of care regardless of location.

Question 3. Are the aged care services that older Australians require available and accessible? Are there gaps that result in a loss of continuity of care? Is there sufficient emphasis within the current system on maintaining a person's independence and on health promotion and rehabilitation? How might any inadequacies in the system be addressed?

Services are not always available and accessible and where they are they do not always meet the individual's needs. Sometimes the individual is kept at home for too long because of competition between the sectors. There is a service provision gap for carers of people with dementia who are living at home.

A review of the current structure that assigns funding to places would enable consumers greater access to and choice of, day care service options because it would open the market for day care provision to many more providers.

A funding model that directly links the funding to people rather than service location would allow the consumer to make a choice based on personal preference for service, rather than just the availability of the service.

Older Australians and their representatives find the current Aged Care System complicated and confusing often obtaining conflicting information. Many people in retirement will remain well and have adequate resources to enable them to function independently of professional support and to participate in private and social activities which contribute to their quality of life. There should be more of an emphasis on the factors which influence the quality of life for those who are disadvantaged by physical or mental illness, frailty, disability or by social, economic and environmental conditions. Governments, consumer advocacy groups, service agencies and activity groups are offering a wide range of needs for older people but older people in many instances do not know how to tap into these services. There needs to be a "one stop shop" to facilitate better co-ordination of services.

<u>Young people requiring high level care</u> are inappropriately placed in RACFs this includes but is not limited to:

a. People with young onset dementia
b. People with degenerative neurological disorders e.g. Multiple Sclerosis (MS) and Huntington's Chorea
c. People with a brain or spinal injury
d. Young people with a disability.

Question 4. How well does the aged care system interface with the wider health and social services sectors? To what extent should the aged care system be treated as a separate arm of government policy to other social policies?

There appears to have been little interface where there are limited opportunities to share resources across sectors. As a consequence equitable access to resources is limited for the individual requiring the service. Continuity of care and cross transfer of health information can impact on treatment options, timeliness of treatment delivery and hence care outcomes.

In some instances the residential arm of the aged care sector can be seen to be the 'catch all' where other resources are not available e.g. the homeless and those people suffering from a mental illness.

Separating accommodation from care would go a long way to addressing many of the issues facing the residential aged care sector. RACFs could act as a campus from which services can be distributed to the Aged in the Community. The Residential Aged Care campus could incorporate a research centre and hospital (to manage acute and palliative care).

Most advanced trends and methodologies in Aged Care planning and service delivery could be provided in an efficient but cost effective manner and at the same time meet the ongoing and changing needs of the aged. The range of services provided from these bases would include:

- Community Nursing
- Medical and Allied Health Services
- Pastoral Services
- High Quality Day Therapy Services
- Specific Respite Care
- Dementia Care
- Palliative Care and Rehabilitation

Everything that is realistically possible should be done to establish a capacity to assist and encourage residents to maintain maximum independence in the community home or whichever form of accommodation they have chosen.

Provision of services from a campus that allows continuing care of residents should be a key feature of any further developments. Key goals should include valuing and empowering seniors, improving health and wellbeing and promoting community and/or workforce participation. Better health promotion throughout life improves health and wellbeing and can reduce demand for residential care.

Question 5. Is the current system equipped, or can it adapt to meet future challenges?

From a nursing care perspective in order to meet future challenges, we need to recognise that acuity of care needs will have a significant impact on the expectation of the consumer for care, and the skill mix of the individuals who will be delivering the care. Without significant change, the existing infrastructure and current nursing workforce will not be able to meet future demand. However some providers with the current funding mechanisms can not pay for appropriate skill mix – so they employ a less expensive staff category.

The aged care sector is operating under extreme pressure. Many providers achieve good results in very difficult circumstances including:

- Employment and retention of staff
  - The reduced number of qualified nurses in the industry
  - Retention of staff when they can be more highly paid in similar work environments in other sectors
  - The high level of compliance in a regulated environment
  - The level of commitment and compliance that reduces the key aspect of why they came to aged care, to work and provide the support and comfort to residents and their families
  - FBT Exemptions between charitable and private sector

- Employer of choice in local communities.
  - Irrespective of whether the aged care facilities are in a remote or rural area or in the urban area, they often seek and provide employment, services and spirit to the surrounding areas of the community
  - This community spirit often creates its own small economy and provides the support and strength for many communities
  - There is no real recognition or encouragement for communities and aged care facilities to continue with this practice and a trend to move away from this is often taken on the grounds of costs.

Question 6. Should there be greater emphasis on consumer-directed care in the delivery of services, and would this enable older Australians to exercise their preference to live independently in their own homes for longer with appropriate care and support?

Comments are also invited on the current system (and possible alternative arrangements) for providing services to people with special needs, including those living in rural and remote locations, those with culturally and linguistically diverse backgrounds, Indigenous Australians, veterans, the older homeless, older people with a mental illness, those with a disability, and other special needs groups, such as gays and lesbians.

There can be no better way for an individual to direct their own care than by having access to an over arching Advanced Care Planning Process (ACP) that includes Advanced Care Directives (ACD) as part of the process.

Consumer and community acceptance and uptake of ACP will benefit the individual and the Australian health sector. For the aged care resident this will mean a reduction in unnecessary and unwanted interventions and for the aged care sector it will mean a reduction in unnecessary transfers to hospital from residential aged care facilities (RACF).

We are disappointed that there was no detailed discussion in the issues paper about ACD's and related legislation. We acknowledge that this is a particularly sensitive issue but also believe that it must be recognised as contributing to end of life (EOL) conflict.

Question 12. Should Australia have an 'aged care system' as currently conceived, or could a broader conception of care and disability policy be more appropriate, with the needs of the aged being one part of this continuum?
Question 13. Who should pay for aged care services? Are the current government subsidies and user charges for aged care appropriate? Are there components of aged care costs — accommodation, living expenses, personal and health care — that warrant government subsidies and/or should they be the personal responsibility of older Australians? To what extent should means testing be applied?

To allow equity and choice there needs to be delineation between care and accommodation.

Extracting care needs from the funding model will allow care needs to be funded through the current arrangements i.e. Medicare, and private health insurance. A simple funding model for providers, tied to individual care needs and not care places is required. Accommodation can be at a level of which the individual can afford, however there needs to be means testing to provide equitable access to levels of accommodation for all.The provision of aged care services will continue to be a costly exercise and slowly take more out of the budgets of the Federal and state budgets as well as the personal budgets of Australians.

The ongoing challenges on the health care system will all impact on the aged care sector in future years. A user pay model has been canvassed in the past and this may be one way forward.There are elements of the community that can afford their own aged care services and they are prepared to seek out and pay for these services.

However for the majority of the community, this is not a real option as they are living longer with a reduced capacity to provide the level of required funding.

The current Government subsidies and user charges are less than appropriate as they do not factor into the current expectations of residents and families. When this is combined with the employment considerations, the costs of providing care are escalating.

Question 16. How important is the provision of choice for older people requiring care? Are there components of aged care which older people value choice more highly than others? Is there any evidence which suggests that the provision of greater choice may have resource implications? Should subsidies that 'follow' approved clients be paid to providers directly or should care consumers be given the choice of receiving such payments first to promote a greater capacity to exercise choice?

A long term strategic approach to increasing consumer health literacy will positively impact on community knowledge and therefore expectations and demands for care and services.
Older people are starting to choose what they want in terms of care. They are aware of what they want or don't want, however, they are unable to predict what they may require, particularly in a high care scenario.

Question 17. What are the critical funding implications and concerns arising at the interface of the aged care system with the disability and hospitals systems?

Funding has not followed the clients needs rather it has followed service provision and there is no real interface between the sectors.

Question 18. Are current subsidies sufficient to provide adequate levels of care? What are the minimum benchmark levels of care in each of the service areas and how should they be adjusted over time to meet changing expectations?

Current subsidy levels are not adequate across all levels of care as much of the ACFI funding is geared towards high care. However as there has not been a 'cost of care' study this is difficult to quantify. A comprehensive cost of care study is urgently required.

The level of care delivery is being influenced by the financial constraints of current subsidies. ACFI has created an environment where some facilities selectively choose residents who attract the maximum level of subsidy which can lead to an access problem for some people such as those referred to earlier eg the homeless.

Given the acute / Palliative care now required in High Care facilities and the requirement for highly skilled professional staff, increased turnover of residents, impacted by increased regulatory compliance, subsidy levels are now stretched to the limit. Unless these funding issues are addressed there is the potential for care to be undermined.

Question 20. Is the current level and scope of regulation and its enforcement appropriate? What impact does the regulation and its enforcement have on older people, their carers (including access to, and quality of, care) and providers (including their business models and size of their operations)?

Currently there is a variety of accrediting processes for acute hospitals, residential aged care facilities, disability services, community based services & primary care services. Commonwealth and State regulated services are different in their expectation for standards of service delivery. The aged care sector is subject to a far greater level of scrutiny embedded in the Aged Care Act in comparison to the remainder of the health care sector.

There is a potential for regulation and enforcement to be politicised rather than to be of benefit to the consumer and the community. If the resources currently directed towards compliance were applied back to the aged care sector there would be a marked improvement in the quality of care, the relationship between the consumer and their families and the morale of staff in performing their duties.

Question 21. Are the rights of aged care consumers adequately protected and understood? Are complaint and redress mechanisms accessible, sufficient and appropriate for all parties?

Aged care consumer rights are well articulated in the Aged Care Act but may not be well understood by the consumer. There is also no apparent process for filtering through vexatious complaints.

The 2009 Review of the Aged Care Complaints Investigation Scheme (CIS) did not redress the inequities as none of the recommendations that Professor Walton made have been implemented.

Question 31. What are the key issues concerning the current formal aged care workforce, including remuneration and retention, and the attractiveness of the aged care environment relative to the broader health and community care sector?

Issues facing the nursing workforce are similar across all sectors. They incude but are not limited to:

- An ageing workorce;
- Access to ongoing education;
- Recruitment;
- Retention;
- Worload and increasing patient acuity;
- Skill mix; and
- Remuneration across the board which is exacerbated in the aged care sector because of the inequitable wage rates.

The current disparity of remuneration between the acute health care and aged care nurses strongly supports the community and health professionals' belief that aged care nursing is inferior; this creates workforce issues around recruitment and retention and overarching work force planning. We believe that there are many professional nurses who would wish to take up positions in aged care nursing but are precluded from doing so because of the economic realities of the current pay rates. Career structures are being offered by some aged care providers to attract and retain nurses, but are limited in their success.

Stringent accreditation by the nursing profession of courses leading to a 'care' qualification will ensure a level of education and competence of unregulated care workers. Licensing of unregulated health care workers would standardise the minimum requirements for the role and positively impact on the care they deliver.

Consumers and health professionals need to accept that aged care nursing is a specialty in itself and that it provides significant support to the acute care services through the provision of long term care support to the same consumers of care. This would be positively influenced by funded Graduate Nurse Programs and Endorsed Enrolled Nurse training.

Undergraduate university degree courses do not favour aged care nursing subjects and aged care is not actively promoted as a career option to the newly graduating nurse. There is no consistency of curriculum and clinical placements in aged care facilities.

With the Government's constant scrutiny of the aged care industry as a whole, many nurses question why nurses would want to work in an environment that fails to recognise their contribution and where paperwork takes supremacy over care delivery. Nurses want to work where they will be involved and challenged and they do understand the benefits of creating their own career path. Many see a variety of experiences as being critical to their long term goals. They expect employers to offer them opportunities for professional development and they seek a competitive level of remuneration.

Question 34. Are there unexploited productivity and efficiency gains in the aged care sector? Where such unexploited gains are seen to exist, what policy changes are needed to support their realisation? How might technology be used to enhance the care of older Australians? Are there any impediments to technological developments that could ease workforce demand or enable higher levels of support?

All of the recent health reviews in health identify that the resolution of many of the issues in the health sector hinge on the introduction of electronic health records. The National Health and Hospitals Reform Commission Final Report[1] states that

> *"the introduction of a person-controlled electronic health record for each Australian is one of the most important systemic opportunities to improve the quality and safety of health care, reduce waste and inefficiency, and improve contiunity and health outcomes"*

From a nursing care perspective we agree and would strongly support the introduction (and appropriate funding) of this technolgy across all sectors.

[1] National Health and Hospital Reform Commission 2009. *A Healthier Future For All Australian:Final Report,* Commonwealth of Australia p8**.**