

Older Persons Consultative Committee



Inquiry into Caring for Older Australians
Productivity Commission
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Dear Commissioners

Re: Submission to the Productivity Commission's Inquiry into Caring for Older Australian.

The City of Port Phillip's Older Persons Consultative Committee appreciates the opportunity to have input into this inquiry.

Introduction

Firstly, we would like to introduce who we are. The City of Port Phillip's Older Persons Consultative Committee is a committee including eleven older persons from the Port Phillip community in Melbourne, Victoria. Along with a Councillor, we make up the Council-appointed committee with responsibility for both advising Council on issues that impact on older persons as well as raising matters for Council's attention that relate to older persons.

Port Phillip Older Community

The population percentages of older persons in the Port Phillip community are generally smaller than for the Melbourne Statistical Division. However this is somewhat deceptive in rating the importance of aged care to the community. Two factors in particular influence this:

- There has been significant redevelopment of industrial areas of the municipality. This has led to new areas of residential area. However, unlike new residential area of the city fringe which can be expected to house young families, these newly developed areas are, due to their compact nature and high cost, housing middle-aged to older persons. This is likely to lead to the municipality's percentages of older persons growing significantly in the near future.
- Port Phillip has the second largest amount of public housing in the Melbourne metropolitan area, as a percentage of population. Many of the residents of public or community housing in the area are older persons. Residents of public housing generally have poor levels of health and high health needs.

The result is that the City of Port Phillip can expect to develop an increasingly aged population that will be characterised by both an affluent and demanding

cohort as well as a poorer and vulnerable component. This is possibly a microcosm of the major challenge aged care faces across urban Australia.

The Committee's Concerns

The Committee meets monthly. Discussions around many aspects of the Commission's inquiry form significant content of those meetings. Aged care is never far from the minds of older people. It is significant that with advances in health and life-style, people approaching or in their seventies often find that aged care is a significant matter for them because of concerns they have with the care of their own parents, as well as their own in light of their increased longevity.

Response

The Committee approached its discussion on the Commission's review based on its Terms of Reference and the *Productivity Commission Issues Paper*. From these discussions the main issues identified were:

- Adequate funding and provision of the services
- Resilient and well resourced workforce
- Access to the services through a transparent process
- Coordination of the range of health services
- Fair and equitable contribution/charges for the services
- Responsiveness of the system to changing needs and wants
- Regulation of aged care facilities

Adequate funding and provision of the services

The Victorian State Government has established the 'Land Bank' scheme in response to the on-going demand for residential aged care in inner urban areas. The scheme in essence subsidises the cost of inner urban land such that it can be used to site residential aged care. Currently two local aged care providers, South Port Community Residential Homes and Claremont Homes, are being supported by Council in their bid for a 'Land Bank' project in South Melbourne. This project stands as an example of how stressed the system is for adequate funding. The State Government's subsidy for the use of the site will be extensive and the funding available for the ongoing management of residential care is very tight. The limited nature of the available funding has necessitated the City of Port Philip making a multi-million dollar commitment to the project.

Resilient and well resourced workforce

It seems ironic in our society that the workers who care for our most vulnerable, our young and our elderly, are paid at the minimum rate. Not only are they poorly paid they are highly and publicly scrutinised.

Comment from Committee Member.

Aged care is an increasingly complex field in terms of the type of work force it will require. There will be the extremes of more active, highly educated and

demanding clients at one end with significantly larger numbers of people with a range of age-related dementia at the other. A workforce that is currently chronically underpaid, under educated and under-resourced will not cope. As an example, there are discrepancies in wage rates between community care workers and residential care workers. This is despite the fact that they perform the same type of work. In fact the work load in residential care is heavier, yet workers are paid at a lesser rate. Without recognition of the value of aged care workers, through an adequate system of remuneration, aged care cannot hope to be successful.

Access to appropriate services through a transparent process

The aged care system is complex. For this reason alone, it is difficult for people seeking access to it to navigate towards good outcomes. This is compounded by the fact that the times that people find they need to access the system, are often times of great stress eg after a sudden and debilitating emergency stay in hospital. However quite apart from these factors, access to information can be very difficult. While the primary contact around health care that people have is generally their doctor, doctors themselves often find the aged health care maze too difficult to negotiate.

From the point of view of the aged consumer and/or their carer there is inadequate interface between primary (GP), acute and continuing care either in the community or residential care.

Comment from Committee Member

When one takes into account:

- the possible complexity of health problems that the client may face;
- the complexity of treatment and medication;
- the changes that may be required for their care and accommodation;
- the resources and support that will be required and how to access them (and particularly the cost and how to finance it) and
- who will need to be involved (three levels of government and the myriad of services they offer, the faith sector and other not-for-profit agencies that contribute to health care to name a few)

accessing aged health care is very difficult and presents a maze, even to those with the energy to pursue it.

Coordination of the range of health care services

With acute care provision by tertiary teaching hospital and acute major private hospitals, the aged are often perceived as 'bed blockers' and receive less than optimal care. This applies to both public and private providers who are case mix funded.

Comment from Committee Member.

As the above comment indicates, there are pressures within the health system that detract from older clients receiving the best health outcomes. It is often the case that older and more vulnerable people (eg residents of low-cost private multiple-occupancy accommodation, of which Port Phillip has a significant number of places) who enter hospital find their accommodation gone when they get out. This happens every week in Port Phillip. The status of people's health (and thus their ability to lead an independent life) can change over-night from a visit to hospital.

Focus of federal and state government funding is acute care, where waiting times and waiting lists seem to have become a political imperative. This detracts from optimal care for the aged in the acute care setting as the focus is short stay. Older persons generally require a longer time to recover from an illness or a surgical procedure and may have no carer at home who can assist with convalescence. While a service like Alfred health's Hospital in the Home has advantages to organisations and the public, it may not be a safe alternative for the aged whose health needs can compound and rapidly become complex. There is a fragmented approach to defining health care priorities and funding and the aged do not appear to be a priority unless they make the front page of the local paper.

Comment from Committee Member

The above comment sums up just one aspect of need for aged care to be coordinated if it is not to result in deleterious outcomes for older persons.

Fair and equitable contribution/charges for aged care services

Payment for service is of concern to many aged persons and their families. In our community, (Port Phillip) a majority of the aged population would be considered to be working class and their major asset is their home. These properties are now worth considerable more than what was paid for them and the regeneration of the inner city has made them valuable and desirable. However for their owners the value is in their ambience and their proximity to long term neighbours, friends and community.

Comment from Committee Member

The above comment reflects on just one of the fears relating to the cost of aged care. Who should incur the tremendous costs that modern health care generates is a very difficult question. Cost alone for a family whose ailing family member may require both complex and extended treatment can be a tremendous burden, an addition to the mental trauma felt by the family.

There is confusion in the community as to:

Accommodation Bonds – How do these apply and what happens when I may have to move to higher needs care?

Extra services – What are these? Why does the person in the next room seem to receive exactly the same care and I have to pay more?

Who does pay? Is there not already a co payment through the Centrelink benefit?

Comment from Committee Member

Responsiveness of the system to changing needs and wants

It is not just the changes to medicine and life-style and the resulting extended length of life that challenges the aged care system. The generation that is heading into older age, the Baby Boomers, has a record of having very different expectations from society and government from those who preceded them. And this is expected to continue as they get older and require aged care.

Regulation of aged care facilities

There is currently a fragmented approach to quality assurance across the perspective of all sectors caring for the aged. While there is auditing against principles enshrined in legislation as per the Aged Care Act, there is minimal incentive for continuous improvement and innovation.

Prudential regulation should be strengthened, particularly if there is to be a greater contribution by the individual.

Comments from Committee Members

Facilities that accommodated people living with mental illness were closed in Australia decades ago. While this may have come about as a result of the horrendous conditions the inmates suffered, it was not a solution for those living with mental health difficulties. It will not take too many reports of older persons being bathed in kerosene or left to develop bed sores, for aged care facilities too to be closed. The fear that accommodation will be denied if people complain can lead to bad conditions going un-reported. Regulation is therefore a very important aspect of the administration of aged care. And it too requires both resources to administer as well as to respond to.

Conclusion

The City of Port Phillip's Older Persons Consultative Committee believes that both the current and future demands for adequate aged care will require significant resourcing, well in excess of those currently being applied. The will of the community to supply adequate resource is and will be significantly tested. While there has been a significant focus on supporting older persons to stay in their home rather than enter residential aged care, it too will need more funding. It is sustainable only up to a point. With older age comes significantly increased incidence of dementia and other incapacity that will require residential care.

There isn't an easy, simple or cheap fix to the requirements for aged care in the Australian community.

The Older Persons Consultative Committee encourages the Productivity Committee to grapple with the complexities of these issues and believes that aged care is one of the largest challenges the country faces both now and in the future.

Again, the City of Port Phillip's Older Persons Consultative Committee thanks the Commission for the opportunity to contribute to its review.

Yours faithfully

Liz Robson
Chair OPCC