# Warrigal Care Submission to the Productivity Commission inquiry into Caring for Older Australians

**Preamble:**

Warrigal Care is an Australian, not-for-profit aged care and retirement services provider, committed to excellence in service to older people.

We provide every type of care an older person may need, assisting older people to transition through the stages of ageing.

Warrigal Care operates eight aged care homes (including high and low care), seven independent living villages, two day respite programs and three community aged care services across NSW.

We provide aged care services to communities in the south east of NSW, from coastal Illawarra, the Southern Highlands, Goulburn and Queanbeyan. Warrigal Care employs 650 staff and benefits from the contribution of over 400 volunteers.

Founded over 40 years ago, Warrigal Care has a proud history and enjoys strong links to the local communities we serve. Warrigal Care was initiated in 1964 by local resident volunteers and community groups, who recognised a need in the community for quality services to older people. The Shellharbour Lions Club, Kiama Soroptimists, Shellharbour Rotary Club, Shellharbour Apex Club, local residents and the Shellharbour Municipal Council worked together to establish a residential service in January 1968 at Mt Warrigal in Shellharbour.

**Recommendations:**

## 1. POLICY/FINANCIAL

1.1 There is a desperate need for government subsidies to be increased regularly to match the real cost increases of providing aged care or at least be matched to CPI increases or some other industry cost measure. The current COPO of 1.7% is very inadequate and does not rationally address funding shortfalls, especially with CPI at 2.9%.

1.2 The Commonwealth's proposal for a one-stop-shop approach to entry to aged care may lead to a slower service response and poor customer service for people already confused by aged care service systems. Standardised streamlined entry to care provisions do need to be applied to the aged care system to enable prompt, fair, needs based entry into aged care services, especially when needs are urgent.

1.3 The funding and services for people needs to be bundled and managed on a case managed basis to meet a person's consumer directed needs without duplication and overlap. This is where individualised portable e-health records may be a valuable enabling part of the system.

1.4 We believe the non-profit sector provides a very valuable contribution to the aged care system and needs to maintain its special protection provisions. In regional and rural areas, non-profit organisations are often the only services available to local residents. Additional essential services support to maintain sustainable viability is needed.

1.5 Given residential aged care is a very small margin business there are often severe financial impacts when infection outbreaks and other health factors add costs to the operation. We propose public health units be allocated funds to make grants to aged care facilities when they are required to comply with public health rules and incur additional staff and other costs.

1.6 Expand the ACFI to include a hospital bed funding level to allow acute aged care residents to transfer to aged care facilities with their health service needs being met at the aged care home and a phased and diminishing level to return to the person's ACFI rate.

1.7 We recommend the approved list of private health fund treatments be expanded to include preventative treatments and services for older people to prevent or minimise hospital or aged care admissions.

## 2. RESIDENTIAL CARE

2.1 Accommodation payments need to be aligned to the real aged care capital costs in each state. We recommend deregulation of user contributions via removal of ESS caps and limits or the introduction of high care refundable bonds for those who can afford to pay.

2.2 Departmental set ratios of supported and provisional residents should be imposed on each aged care provider and not applied to a region or other geographic territory; this will ensure social and community obligations are required of all aged care providers as part of the right to have an approval to operate.

2.3 The accreditation quality review process is onerous, ineffective and universally applied to all aged care homes when a more targeted risk reduction approach should be applied. eg. No support visits are required for providers with repeated outstanding accreditation round results, but more support visit and audits are required for providers with continual complaints or repeated breaches of standards.

2.4 To avoid paternalistic disrespect for the rights of older people, regulations need to be balanced against an older person's rights and choices prior to being imposed eg. Food safety regulations prohibit residents in aged care homes from enjoying certain foods which are freely available in the broader community.

2.5 We recommend the removal of fixed qualified nursing staff supervision criteria so that more flexible innovative remote monitoring and diverse multidisciplinary nursing models can be applied to services in NSW.

## 3. COMMUNITY CARE

3.1 There needs to be more flexibility and variation in funding for community packages so that the funds received are better aligned with the consumers needs. Residential care funding streams such as ACFI could be applied.

3.2 The numbers of different care types and funding sources in community care has created a very complex and inefficient system for operators and consumers. Once the commonwealth is responsible, all the service types need to be funded and described with one service model that allows flexible services and flexible levels of funding but one funder and one reporting stream.

## 4. DEVELOPMENT/CAPITAL

4.1 There needs to be more realistic bed readiness time frames for the construction of ACAR allocations to be transferred from provisional to operational status. Direct assistance needs to be provided to operators who have planning hurdles or local and state government planning authorities who do not see aged care provision as a priority. We recommend providers become exempt from planning controls or given alternative faster arrangements for achieving development consents.

4.2 There are insufficient capital grants and zero real interest loans available in rural and remote communities. The criteria should be loosened so that large viable operators are also eligible for these funds. These operators are often better placed to establish and maintain these services.

4.3 We recommend the removal of, or at least review of the certification instrument standards. Fire safety standards should be based on the BCA instead of a point score system and the certification instrument should be reviewed to minimize its negative impacts on goals for environmental sustainability.

4.4 Federal legislation should impose on local Councils the need to identify suitable land allocations for older people in their strategic plans. We also recommend the World Health Organisations Aged Friendly Cities guide be used to allocate land, approve facilities and upgrade infrastructure.

## 5. SYSTEMS

5.1 The entry points into the aged care system needs to be more responsive and prompt and more equitable and transparent.

5.2 When assessing the value of investments in aged care we recommend a much stronger focus on measures that specify quality of care, quality of life and value added factors, rather than productivity which is often mostly measured in time and money.

## 6. WORKFORCE

6.1 The aged care sector is currently unable to offer wage parity. It is vital if we want to attract the right staff between the aged care and health care sectors that wage parity must be achieved through increased government funding to aged care providers.

6.2 Increased training is required for the Department of Health and Ageing and Accreditation Agency staff in the use of resident software systems when used by providers to eliminate the use of paper audits.