Caring for Older Australians

Productivity Commission's draft report

Preface

This response to the Productivity Commission's *'Caring for Older Australians – Draft report'* is drawn from common responses from the home & community care sector in the Northern Rivers and compiled by Northern Rivers Social Development Council's HACC Development Officer. Comments are provided under each recommendations that are relevant to the HACC sector and in the Northern Rivers demographic and geographic context.

Northern Rivers Context

Region

The Northern Rivers of NSW covers nearly 21,000 square kilometres, stretching from Tweed Heads on the Queensland border, to Corindi Beach in the south. The Region's western boundary stretches from the Toonumbar National Park south to Guy Fawkes National Park in the Clarence Valley.

The North Coast is characterised by its dispersed settlement patterns and number of rural villages. In a region characterised by national parks, mountain ranges and water ways travel times are often disproportionally higher than the distance would indicate.

The Northern Rivers has three regional centres and a number of major towns. The region's major hospital and a number of higher level health and specialist services are located in Lismore.

A range of residential and community care services are located in all regional centres and a large number of towns.

The Northern Rivers region is located within the Aboriginal nations of the Bundjalung, Yaegl and Gumbayggirr peoples.

Demography

It is projected that the Region will increase to 359,720 people over the next 25 years with the median age increasing to 53 in comparison to a State median age of 41 years[1]. The increase in the median age has significant implications for all organisations that support older people (see Table 1).

Also of interest and importance is the steady rise in the Aboriginal population across the State and the Northern Rivers region. This rise can in part been attributed to increased self-

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[1] Department of Planning (2008), *'North Coast Urban Design Guidelines'*, NSW State Government, Sydney

identification through the Census process.

Figure 2: North Coast Aboriginal communities[2]

The population spread and typology has implications for aged care provision now and into the future. The need for health services will increase as the population ages. The ABS has recently released figures that point to a projected annual population growth rate of 2.2% for Indigenous Australians, compared to 1.7% for non-Indigenous Australians. This increase requires additional cultural consideration in the planning, implementation and delivery of programs, technologies and systems that will assist the Aboriginal community accessing both aged care and health services[3].

	Total Pop[6]	Growth[4]	Over 65	Over 80	Indigenous
Ballina	40,932	1.04	7,528	2,382	1,049
Byron	30,866	0.62	3,483	1,039	445
Clarence	50,596	0.71	9,302	2,371	2,307
Kyogle	9,686	-1.76	742	363	540
Lismore	44,668	0.10	5,746	1,696	1,577
Richmond	22,471	1.02	3,809	1,067	1,233
Tweed	84,325	2.01	17,606	4,841	2,334
Total	*571,920*		*104,878*	*29,122*	*19,760*

[2]TAFE NSW North Coast Institute (2008), *'Media Release: North Coast TAFE commits to learning partnership as part of National reconciliation'*, accessed 25/9/2009, <http://www.nci.tafensw.edu.au/newsevents/news/2008/north-coast-tafe-commits-learning-partnership-reconciliaton.htm>

[3] Koori Mail (23/9/2009), *'Our Population is Expected to Boom'*, Lismore, NSW.

[4] Department of Local Government (2009) *'NSW Local Councils Comparative Information 2007/2008'*, < http://www.dlg.nsw.gov.au/dlg/dlghome/documents/Comparatives/Comparatives_2007_08.pdf> accessed 4/11/2009.

Main responses

Across areas and services the major response concerned the issues surrounding the cost of service provision in rural and regional areas.

As a hypothetical example, a client lives outside of Tabulam in the Richmond Valley area and was recently discharged from hospital after a minor specialist procedure. The client was assessed as requiring personal care, domestic assistance, meals and transport to a number of follow up medical appointments in South East Queensland. The organisation providing a number of these services is located in Casino, over 50 kilometres and an hour's drive away. Decisions on how often the client can receive the services also include the total time spent on delivering the service, half an hour of personal care also includes two hours of travel time, for example. Additionally, three return trips to South East Queensland need to be provided within the package. The volunteer driver needs to drive the hour from Casino to pick up the client then travel for almost three hours to the hospital. This one return trip takes approximately 8 hours of driving time and travels approximately 500 kilometres.

Scenarios like this are common in rural and regional areas and the current funding framework for service provision does not reflect the true costs involved. It was strongly stated that the region calls on the Productivity Commission to make recommendations that ensure the true cost of service provision in rural and regional areas is calculated and funded accordingly.

Draft recommendations responses

4. A framework for assessing aged care

Draft Recommendation 4.1

To guide future policy change, the aged care system should aim to:

- *promote independence and wellness of older Australians and their continuing contribution to society*
- *ensure that all older Australians needing care and support have access to person-centred services that can change as their needs change*
- *be consumer-directed, allowing older Australians to have choice and control over their lives*
- *treat older Australians receiving care and support with dignity and respect*
- *be easy to navigate — Australians need to know what care and support is available and how to access those services*
- *assist informal carers to perform their caring role*
- *be affordable for those requiring care and for society more generally*
- *provide incentives to ensure the efficient use of resources devoted to caring for older Australians and broadly equitable contributions between generations.*

Recommendation: *supported*

> **Comment**
>
> It is generally agreed that a person centred or wellbeing approach is one that will have benefits to the individual and the community in general.
>
> Navigation of the aged care system for older people and their carers is a current problem that needs to be resolved under the new structure.

6. Paying for aged care

Draft Recommendation 6.1

The Australian Government should adopt separate policy settings (including for subsidies and co-contributions), for the major cost components of aged care, namely care (personal and health), everyday living expenses and accommodation.

> Recommendation: **supported**

> **Comment**
>
> There is some concern in the sector surrounding an equitable fee structure across aged care programs, such as HACC and packaged aged care – CACPs EACH and EACHD.
>
> Additionally, any recommendation needs to develop a robust policy on fees and contributions from people with low incomes.

Draft Recommendation 6.2

The Australian Government should adopt the following principles to guide the funding of aged care:

- *accommodation and everyday living expenses should be the responsibility of individuals, with a safety net for those of limited means*
- *health services should attract a universal subsidy, consistent with Australia's public health care funding policies*
- *individuals should contribute to the cost of their personal care according to their capacity to pay, but should not be exposed to catastrophic costs of care.*

> Recommendation: **supported**

> **Comment**
>
> There is a need for the subsidy to better match the care needs of the individual including if there are short term acute care needs that could be better managed by remaining in the aged care facility.

Draft Recommendation 6.3

The Australian Government should remove regulatory restrictions on the number of community care packages and residential bed licences over a five-year period. It should also remove the distinction between residential high care and low care places.

Recommendation:	*not supported*

Comment
There was some concern around this recommendation. Steps should be taken to ensure overcrowding was not an unintended outcome and should still require some limits through the Australian Standards for building and ratios for care.   In some areas there are a number of community care packages that remain unfilled. A robust planning process for packages should include data from small locations to ensure equitable access.

Draft Recommendation 6.9

The Australian Government should:

- *prescribe the scale of care recipients' co-contributions for approved care services which would be applied through the proposed Australian Seniors Gateway Agency (draft recommendation 8.1)*
- *set a comprehensive means test for care recipients' co-contributions for approved care services. This test should apply the age pension income test and the non-home owner asset test (including any housing assets, such as the primary residence, accommodation bonds and the proposed Australian Pensioners Bond). The comprehensive aged care means test would apply where the approved care services have a combined value of around $100 or more on average per week (the 'comprehensive aged care means test threshold') and all home modification services*
- *adopt for approved care services below the comprehensive aged care means test threshold, a test for determining car recipients' co-contributions for such services which relies simply on pensioner status*.

To facilitate greater consistency in co-contributions across community and residential care, comprehensive aged care means testing to determine care recipient contributions to care costs in both settings should be undertaken through the proposed Australian Seniors Gateway Agency (draft recommendation 8.1) by Centrelink.

Care recipients' co-contributions should be regularly reviewed by the Australian Government based on transparent recommendations from the proposed Australian Aged Care Regulation Commission (draft recommendation 12.1).

Recommendation:

Draft Recommendation 6.11

The proposed Australian Aged Care Regulation Commission (draft recommendation 12.1) should make transparent recommendations to the Australian Government on the scheduled set of prices for care services and the required level of indexation, the lifetime stop-loss limit, and the price for the approved basic standard of residential care accommodation. The Commission should monitor and report on the cost of care, basic accommodation and the stop-loss limit.

Recommendation: *supported*

Comment

Transparency was seen as an excellent goal to aim for. As it stands many facilities are charging hundreds of thousands of dollars in bonds, testing loopholes– without additional services in comparison to other recipients who pay no bond.

7. Options for broadening the funding base

Draft Recommendation 7.1

The Australian Government should establish a government-backed Aged Care Equity Release scheme which would enable individuals to draw down on the equity in their home to contribute to the costs of their aged care and support.

Recommendation: *supported*

Comment

This process should also be considered for payments that aged people have to make such as rates and other living expenses.

8 Care and support

Draft Recommendation 8.1

The Australian Government should establish an Australian Seniors Gateway Agency to

provide information, assessment, care coordination and carer referral services. The Gateway would deliver services via a regional structure.

- *A platform within the Gateway would provide information on healthy ageing, social inclusion and participation, age-friendly accommodation, and also information on the availability, quality and costs of care services from approved providers, and how to access those services.*
- *Assessments of the needs of older people would be undertaken for their potential entitlement to approved care services, with the level of assessment resourcing varying according to anticipated need.*
- *An aged care needs assessment instrument would be used to conduct assessments and an individual's entitlement to basic support, personal care and specialised care, and carer support. Assessments of financial capacity to make care co-contributions toward the cost of the services would also be arranged.*
- *Initial care coordination services would be provided, where appropriate, as part of the Gateway. If required, case management would be provided in the community or in residential aged care facilities by an individual's provider of choice.*

The Gateway would be established as a separate agency under the Financial Management and Accountability Act 1997.

Recommendation: *supported*
Comment   This concept was supported but with reservations. The Commonwealth has existing infrastructure in the form of the Commonwealth Carers Respite Centres that provide information and respite services and it was generally agreed that the development of a an additional system was unnecessary.   It was also seen as important for this agency to have a broad governance membership that included clinical expertise. Strong accountability measures was also seen as an important part of the development of this agency.

Draft Recommendation 8.2

The Australian Government should replace the current system of discrete care packages with a single integrated, and flexible, system of care provision. This would deliver care services currently provided under Home and Community Care, Commonwealth funded care packages and the care component of residential aged care services.

The Australian Government should approve a range of care services to individuals on an entitlement basis, based on assessed need. Individuals should be given an option to choose an approved provider or providers.

The Australian Government would set the scheduled price of each service.

To support these revised arrangements, Australian governments should fund an expanded system of aged care consumer advocacy services.

Recommendation: *supported*
Comment   There was strong support for this recommendation.   However, for rural and regional areas the cost of provision of services is increased due to the distances and geography. For example a person receiving a package will have some services reduced, such as personal care or meals, to ensure they can access medical appointments. The cost of transport has an disproportionate burden on packages in rural areas. Additionally, the cost to services is far greater for those clients that live in rural areas. For example half an hour of personal care can also include two hours of travel time for the support worker. This has implications for the level of service a client will receive.

Draft Recommendation 8.3

The Australian Government should ensure that, through the Independent Hospital Pricing Authority, residential and community care providers receive appropriate case mix payments for delivering palliative and end-of-life care.

Recommendation: *supported*
Comment   This recommendation was strongly supported and needs to be funded at a reasonable level. There is also a need for aged care facilities to be able to provide and fund short term acute care: " hospital in the nursing home model".

Draft Recommendation 8.4

The Australian, state and territory governments should only continue to directly block fund programs where there is a demonstrated need to do so based on a detailed consideration of scale economies, generic service need and community involvement.

Recommendation: *supported*
Comment

9. Catering for diversity — caring for special needs groups

Draft Recommendation 9.1

The proposed Australian Seniors Gateway Agency (draft recommendation 8.1) should cater for diversity by:

- *ensuring all older people have access to information and assessment services*
- *providing interpreter services to convey information to older people and their carers, to enable them to make informed choices*
- *ensuring that diagnostic tools are culturally appropriate for the assessment of care needs.*

Recommendation: *supported*
Comment Assessment tools need to be competency based and based on the best available clinical evidence and that staff are trained and competent in their delivery.

Draft Recommendation 9.2

The proposed Australian Aged Care Regulation Commission (draft recommendation 12.1), in transparently recommending the scheduled set of prices for care services, should take into account costs associated with catering for diversity, including:

- *providing ongoing and comprehensive interpreter services (either within facilities or through telephone translators) for clients from non-English speaking backgrounds*
- *ensuring staff can undertake professional development activities which increase their cultural awareness.*

Recommendation: *supported*
Comment Staff also need to receive training in sensitively responding to the needs of Gay, Lesbian, Bi-sexual, Transgender, Queer & Intersex clients.

Draft Recommendation 9.3

The Australian Government should ensure that remote and Indigenous aged care services be actively supported before remedial intervention is required. This support would include but not be limited to:

- *the construction, replacement and maintenance of appropriate building stock*
- *meeting quality standards for service delivery*

- *clinical and managerial staff development, including locally delivered programs and enhanced use of technology assisted training*
- *funding models that are aimed at ensuring service sustainability and that recognise the need for the building of local capacity to staff and manage such services over time.*

Recommendation: *supported*
Comment

10. Age-friendly housing and retirement villages

Draft Recommendation 10.1

The Australian, state and territory governments should develop a coordinated and integrated national policy approach to the provision of home maintenance and modification services, with a nominated lead agency in each jurisdiction.

To support this national approach, all governments should develop benchmarks for the levels of services to be provided, terms of eligibility and co-contributions, and the development of professional and technical expertise.

Recommendation: *supported*
Comment   This recommendation was supported, but must be easy to navigate for older people and their carers.

Draft Recommendation 10.2

For older people with functional limitations who want to adapt their housing, the Australian Government should develop building design standards for residential housing that meet their access needs. Those standards should be informed by an evidence base of the dimensions and capabilities of people aged 65 and older and of the dimensions and capabilities of contemporary disability aids.

Recommendation: *supported*
Comment

Draft Recommendation 10.3

The Council of Australian Governments should develop a strategic policy framework for ensuring that sufficient housing is available that would cost effectively meet the demands of an ageing population.

Recommendation: *supported*

Comment

11. Delivering care to the aged — workforce issues

Draft Recommendation 11.1

The proposed Australian Seniors Gateway Agency (draft recommendation 8.1), when assessing the care needs of older people, should also assess the capacity of informal carers to provide ongoing support. Where appropriate, this may lead to approving entitlements to services and/or assisted referral for:

- *carer education and training*
- *planned and emergency respite*
- *carer counselling and peer group support*
- *advocacy services.*

Carer Support Centres should be developed from the existing National Carelink and Respite Centres to provide a broad range of carer support services.

Recommendation: *supported*

Comment
This would require an increase in existing ACAT staff numbers and their role if they were to take on the role of carer assessment

Draft Recommendation 11.2

The proposed Australian Aged Care Regulation Commission (draft recommendation 12.1), when assessing and recommending scheduled care prices, should take into account the need to pay competitive wages to nursing and other care staff delivering aged care services.

Recommendation: *supported*

> **Comment**
> This recommendation was strongly supported. The recruitment and retention of staff will be improved through reasonable remuneration.

Draft Recommendation 11.3

The Australian Government should promote skill development through an expansion of courses to provide aged care workers at all levels with the skills they need, including:

- *advanced clinical courses for nurses to become nurse practitioners*
- *management courses for health and care workers entering management roles.*

> Recommendation: *supported*
>
> **Comment**
> NRSDC views training for workers entering management roles is important for both the workers and the organisations. Other forms of support and training should be considered such as mentoring and peers support programs. In the community care sector training also needs to be available for non-government organisations that have community based management committees.
>
> This comment came from a nurse practitioner:
>
> > *"I would highly support this recommendation, I am a Nurse Practitioner in Acute care of the older person and I could definitely make a difference if I was to work in the aged care sector to treat and manage client care. It would be necessary to provide access to MBS and PBS."*

Draft Recommendation 11.4

The Australian Government, in conjunction with universities and providers, should fund the expansion of 'teaching aged care services' to promote the sector among medical, nursing and allied health students.

> Recommendation: *supported*
>
> **Comment**

Draft Recommendation 11.5

The proposed Australian Aged Care Regulation Commission (draft recommendation 12.1), in assessing and recommending scheduled care prices, should take into account the costs associated with:

- *volunteer administration and regulatory costs*
- *appropriate training and support for volunteers*

- *reimbursement of out-of-pocket expenses for those volunteers who are at risk of not participating because of these expenses.*

Recommendation: *supported*

Comment Volunteers have a large role to play in supporting aged care services and facilities and so must be recognised and reimbursed for out of pocket expenses. A large number of non-government services rely on volunteers and often struggle to provide training due to the high cost to the organisation. This recommendation is strongly supported.

12. Regulation — the future direction

Draft Recommendation 12.1

The Australian Government should establish a new regulatory agency — the Australian Aged Care Regulation Commission (AACRC) — under the Financial Management and Accountability Act 1997. This would involve:

- *the Department of Health and Ageing ceasing its regulatory activities (except for regulation policy development — including quality standards — and advice)*
- *establishing the Aged Care Standards and Accreditation Agency as a statutory office within the AACRC*
- *establishing a statutory office for complaints handling and reviews within the AACRC.*

The AACRC would have three full time, statutorily appointed Commissioners:

- *a Chairperson*
- *a Commissioner for Standards and Accreditation*
- *a Commissioner for Complaints and Reviews.*

The Chairperson would have responsibility for pricing and all other regulatory matters.

Key functions of AACRC would include:

- *responsibility for compliance checking and the enforcement of regulations covering the quality of community and residential aged care*
- *approving community and residential aged care providers for the provision of government subsidised aged care services*
- *administering prudential regulation and all other aged care regulation, such as quotas for supported residential care*
- *monitoring and assessing costs and transparently recommending a scheduled set of prices, subsidies and a rate of indexation for subsidised aged care services*
- *assisting and educating providers with compliance and continuous improvement*
- *handling consumer and provider complaints and reviews*
- *providing information to stakeholders, including disseminating and collecting data*

and information.

Recommendation: *supported*
Comment This recommendation is supported provided it does not divert resources and finances from the coal face through an expensive and burdensome bureaucracy

Draft Recommendation 12.2

The Australian Aged Care Regulation Commission's (AACRC) Commissioner for Complaints and Review should determine complaints by consumers and providers in the first instance. Complaints handling and reviews should be structured into the three areas: assessment, early resolution and conciliation; investigations and referral; and communication, stakeholder management and outreach. The Australian Government should abolish the Office of the Aged Care Commissioner.

All appeals in respect of decisions of the AACRC and the Australian Seniors Gateway Agency (draft recommendation 8.1) should be heard by the Administrative Appeals Tribunal (AAT). Consideration should be given to the establishment of an Aged Care Division within the AAT.

Recommendation: *supported*
Comment

Draft Recommendation 12.3

The Council of Australian Governments should agree to publish the results of quality assessments using the Community Care Common Standards, consistent with the current publication of quality of care assessments of residential aged care.

Recommendation: *supported*
Comment

Draft Recommendation 12.4

The Australian Government should provide a broad range of enforcement tools to the Australian Aged Care Regulation Commission to ensure that penalties are proportional to the severity of non-compliance.

Recommendation: *supported*
Comment

Draft Recommendation 12.5

In the period prior to the implementation of the Commission's new integrated model of aged care, all governments should agree to reforms to aged care services delivered under the Home and Community Care (HACC) program that allows for the Australian Government to be the principal funder and regulator. However, in the event that they do not agree, the Victorian and Western Australian governments should agree to harmonise (from 1 July 2012) the range of enforcement tools in HACC delivered aged care services.

Recommendation: *supported*
Comment

Draft Recommendation 12.6

The Australian Government should introduce a streamlined reporting mechanism for all aged care service providers (across both community and residential aged care) based on the model used to develop Standard Business Reporting (SBR).

The Australian Aged Care Regulation Commission (AACRC) should explore the case for embracing technological advances in receiving and transmitting information from and to providers in line with SBR. This could be facilitated by imposing a requirement that all providers submit key reports electronically to AACRC.

Recommendation: *supported*

Draft Recommendation 12.9

The Council of Australian Governments should identify and remove, as far as possible, onerous duplicate and inconsistent regulations, including in relation to infectious disease outbreaks, occupational health and safety, food safety, nursing scope of practice, power of attorney, guardianship and advanced care plans.

Recommendation: *supported*

Comment

13. Aged care policy research and evaluation

Draft Recommendation 13.1

To encourage transparency and independence in aged care policy research and evaluation, the proposed Australian Aged Care Regulation Commission (draft recommendation 12.1) should perform the role of a national 'clearinghouse' for aged care data. This will involve:

- *being the central repository for aged care data and coordinating its collection from various agencies and departments*
- *making these data sets publicly available in a timely manner for research, evaluation and analysis, subject to conditions that manage confidentiality risks and other concerns about potential data misuse.*

To maximise the usefulness of aged care data sets, reform in the collection and reporting of data should be implemented through:

- *adopting common definitions, measures and collection protocols*
- *linking databases and investing in de-identification of new data sets*
- *developing, where practicable, outcomes based data standards as a better measure of service effectiveness.*

Research findings on aged care and trial and pilot program evaluations, including those undertaken by the Department of Health and Ageing, should be made public and released

in a timely manner.

Recommendation: *supported*
Comment

14. Reform implementation

Draft Recommendation 14.1

In implementing reform, the Australian Government should:

- *announce a timetable for changes and how they are expected to affect the sector*
- *consult with providers, consumers, carers and government agencies on issues expected to arise from the implementation of the new system*
- *embed feedback processes and enable fine-tuning of the new system*
- *grandfather current users of care services, including those in residential aged care facilities, and relevant financial arrangements of some of the providers of aged care services*
- *sequence reforms carefully to facilitate adjustment to the new system*
- *establish an Aged Care Implementation Taskforce to oversee the implementation of the reforms and to liaise with stakeholders.*

Recommendation: *supported*
Comment Concerns were raised around the membership of the task force. It was put forward that a broad mix of representatives should include clinically experienced aged care staff, consumers and carers. There was some concern that if the taskforce consisted of financiers, politicians and public servants a range of expertise and experiences would not be considered within the implementation processes.