LUCAN CARE

RESPONSE TO:

NURSING HOME SUBSIDIES POSITION PAPER November 1998

In the position paper summary the Commission argues that "equity of access to QUALITY AGED CARE must be the main criterion for assessing alternative subsidy regimes"

I agree entirely with this statement.

The commission though does not attempt to define what it means by Quality care.!!! I would suggest that it means different things to different people at different times, but there are a number of common ingredients which are important to recognise. We can care for a person in the gutter after they have stumbled out of a pub or who has just been hit by a car!!. The personal care provided and its impact can be as profound and rewarding as providing the personal care in a 5 star Hotel.

So what is my point? It is this!

To ignore the environment in which one provides the aged care in the total cost equation is to ignore a substantial part of the quality of care provided, as well as a substantial part of the cost of providing the care.

To ignore size is also another serious flaw in the equation.

To ignore costs imposed by State or Federal Governments through legislation is also of concern.

To ignore the fact that most concessional residents are not only financially disadvantaged but are also Socially disadvantaged is also of concern

It is important to understand that whilst hostels now have many more High care residents the residents have generally enter the hostel as Low Care residents. Most hostel residents are able to plan and organise their own affairs when moving into a hostel, so the process of information gathering and assimilation of the resident is much easier in a calm and planned environment.
The situation re the average nursing home entrant is often an emergency move with the resident ill and unable to deal with the information needs of the provider. Furthermore a great deal of emotion/guilt for the resident and their family members is often generated at the time of entry.
It should therefore be understood that the condition of the resident on introduction into high care is very different to that of resident on entry to low care, and this impacts on a number of procedural requirements.

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I have previously submitted a paper which indicated that costs of actual personal care per resident; maintenance, utility services & cleaning costs all rise as one moves from a 4 to 6 bed ward to a single bed ward with private facilities. Furthermore there is a considerable increase in the capital cost of such facilities.

What is the starting point of the RCS ???
How many nursing homes with single room ensuites were included in the data base to establish the subsidies???

No one is denying that Nursing Homes have to improve the environment in which they provide care but this must be recognised within the recurrent funding of CARE.

Writing as an Industrial Engineer, I would suggest that the RCS is currently seriously flawed and will get worse as the Aged Care Industry improves its facilities.

Capital is normally injected into a business to **REDUCE** operating costs, in Nursing homes it is injected to improve the quality of CARE but in so doing, it is submitted that it actually **INCREASES** operating costs; You cannot therefore ignore the environment in which care is being provided in when establishing recurrent funding. Incentives, not disincentives are needed to improve building stock.

Writing again as an Industrial Engineer I have some awful problems with your proposal 4 which talks in terms of "less a productivity Discount. !!!!

A niche aged care market which is growing at a very fast rate is the drug/alcohol brain damaged market!!!!. Those with serious behavioural problems; they are not adequately covered or catered for by the RCS. Many organisations are refusing to take this category of resident because of their behavioural problems and the lack of funding; again there is a need for incentives not disincentives to cope with these type of unfortunate people.

I support the general thrust of proposals 2,3,5,7,8,11, In terms of your proposal 4
I simply do not understand it?.

I consider that your proposal 13 is, or is likely to be at odds with your proposal 2.

I believe that you have to move away from a single RCS structure.

Attempting to average Capital costs per bed /resident without recognising the major variations that do exist is unsound & unfair. Organisations who rebuild in costly areas to suit the client /residents should be able to stake a claim and be heard. (e.g. cost to buy land and build in the inner City of Sydney compared to say Adelaide or Hobart)

I believe that you must accept the fact that the environment that we provide care in, has an important impact on the quality of care provided and the costs of the care provided. Thus you should introduce incentives (Capital & Recurrent funding) for those of us who wish to build new facilities that will enhance the quality of life for those whom we care for in the twilight of their life's.

I do congratulate you on the paper that your committee produced. It was much easier to read than most documents currently being churned out by "like" Committees and whilst I think that you have not started the "story" at the beginning and have a number of things wrong, there is much to commend you for in the document.

It is to be hoped that the issues that I have raised and those of others will be listened to, understood and action taken to heed the warnings that have been given. I would be happy at any time to provide additional information on the matters that I have raised.

Yours Sincerely

Stan R Beevor
(Chief Executive Officer)