ANNUAL REVIEW OF REGULATORY BURDENS ON BUSINESS: SOCIAL AND ECONOMIC INFRASTRUCTURE SERVICES SECTOR

PRODUCTIVITY COMMISSION – DRAFT REPORT 2009

SUBMISSION BY AGED CARE STANDARDS AND ACCREDITATION AGENCY LTD

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INTRODUCTORY COMMENTS

The Aged Care Standards and Accreditation Agency Ltd welcome the opportunity to comment on the Commissions draft report.

This response from the Aged Care Standards and Accreditation Agency Ltd is limited to those areas that are directly related to the accreditation arrangements and processes.

While the accreditation related processes invariably involve a relationship principally between the accrediting body and the approved provider, public accreditation schemes exist for the benefit of consumers of services provided by the facility. The system is expected to be transparent and accountable in its processes and open to public scrutiny. There are a number of stakeholders with an interest in the assessment and its outcomes. These include relatives of residents, prospective residents, staff, management and owners of aged care facilities, government and the taxpayer generally who seek reassurance that public money allocated to providers, directly or as subsidies is achieving the required level of care.

The processes for managing the accreditation arrangement recognises that accreditation is one part of a broad safety and quality framework directed at safeguarding the quality of care and quality of life of residents and promoting quality improvement in the sector.

Within the sector and community there is often confusion and sometimes misinformation concerning the objectives of accreditation schemes and particularly in relation to the residential aged care accreditation arrangements.

The objectives of the accreditation scheme for aged care residents in Australia should be:

- promote quality of care and quality of life for residents
- contribute to the protection of the health, safety and well being of residents
- promote quality improvement

The objectives of accreditation assessment activity should be:

- measure performance against the Accreditation Standards
- ensure the accreditation body has an accurate view of the status of individual homes and the industry relative to the standards
- identify and act on divergence from the standards in a timely manner
- ensure non compliance is identified early and remedied within a reasonable timeframe
- minimise the prospects of non-compliance through timely assessment activity
- promote continuing improvement in quality of care and life for residents

It is in this context that the Agency notes the Commission's apparent acceptance of seemingly untested assertions made by approved providers and their representative bodies. There is a dearth of consideration of issues of interest to residents or their representatives. The report does not make clear the extent of research that was undertaken to establish the potential impact on the quality of services to residents nor the cost to residents if the recommendations were adopted as proposed by the Commission. Adoption of the recommendations might reduce the cost and effort to approved providers; but the Commission has neither reported the cost or benefit to residents, nor is there any assertion concerning benefits to residents.

In making this response the Agency recognises that the Department of Health and Ageing has initiated the review of the accreditation arrangements and accreditation standards that was announced by the Minister for Ageing in 2008.

Responses to Specific Recommendations

Draft recommendation 2.4
The Aged Care Standards and Accreditation Agency should redesign the unannounced visit program using a risk management approach that focuses on under-performing aged care homes. The current performance target of at least one unannounced visit per home per year should be abolished and the overall number of visits (including announced and unannounced visits) should be reduced.

The number of visits is not a regulatory requirement. Consequently this recommendation may be outside the scope of the Commission's reference. The Report does not make clear the extent to which the Commission believes the visits 'should be reduced'.

The Agency uses a risk management approach based on the information available to it as the accreditation body.

The first level of this risk management approach involves site visits, in the form of announced support contacts and unannounced support contacts are designed to assess a home's performance against the standards. In doing so, such site visits ascertain whether a home's performance has changed since earlier visits. Site visits are part of the strategy that serves to identify those providers that are the industry's poorest performers (as described in the Commissions draft report).

The second level of the risk management based approach is to review the information the Agency has obtained about the home including the performance of the home prior to the visit and determine which areas of its activities will be the focus of the visit.

An accreditation scheme that has a targeted visit program based on a combination of assessed risk (based on information including that provided by approved provider) coupled with random visits, will give better assurance that the accreditation body has an accurate view of the status of the home.

The figures used in the report to describe the level of non compliance have a potential to mislead the reader. It is clear from the Agency's Annual Report 2008/09 that the figure of 98.4% homes fully compliant is a point in time figure (as at 30 June 2008). It does not reveal that in any year, around 10% of homes will have identified non compliance.

There is no empirical evidence as to what extent the possibility of an unannounced visit contributes to promoting compliance with the standards. Anecdotally, approved providers and their staff report there is a deterrent effect.

The Agency recognises that an unannounced visit disrupts the home's management for the time of the visit. The feedback statistics suggest the level of disruption is not as extensive as some commentators have suggested. In fact, the Agency feedback program reveals that in 2008/09, when asked to comment on the question "Please rate the performance of the team in terms of allowing care staff to continue their duties during the visit", 86% responded 'excellent' or 'very good'.

To give the recommendation some context, it is relevant to know that under the current arrangements most homes receive one unannounced visit each year and the duration is variable based on the purpose of the visit. Most two team member visits are concluded in a day. It would be extremely rare for an unannounced visit to extend beyond two days.

The introduction of having approved providers reporting data to the Agency has the potential to reshape the current visit-centric processes that are set out in the regulations. Such reporting could include corporate information and clinical and lifestyle indicators that would inform the Agency's case management. It is understood that most approved providers already collect such information for their own purposes.

Draft recommendation 2.8
The Australian Government should introduce amendments to the Age Care Act 1997, and Aged Care Principles as necessary, to provide a clearer delineation of responsibilities between the Department of Health and Ageing and the Aged Care Standards and Accreditation Agency regarding monitoring of provider compliance with the accreditation standards.

The legislation already provides a clear delineation between the responsibilities of the accreditation body and the Department of Health and Ageing. The Agency is of the view that the delineation is not well understood by the community and (some) approved providers. The Agency and Department should develop a strategy to correct this.

The Department does refer information to the Agency. The information provided is used to inform the Agency's case management processes. Very few referrals lead to an immediate visit. In assessing the information received, the case management committee takes into account what is know about the home, the date of the last visit and the date of the next scheduled visit.

The other consideration is that the regulatory framework is concerned with (among other things) the protection of the health, safety and well being of residents. The accreditation related review processes undertaken by the accreditation body go well beyond the Complaint Investigation Schemes investigation of the single complaint. The accreditation process seeks to understand whether the incident reported reflects inadequate systems with the potential to have a negative effect flow through to other residents.

Draft recommendation 2.13
The Australian Government should allow residential aged care providers choice of accreditation agencies to introduce competition and to streamline processes for providers who are engaged in multiple aged care activities.

The arguments put forward to support this recommendation include:

- "The Taskforce argued that increased competition among accreditation providers could reduce the costs of accreditation to the residential aged care industry and the government and at the same time reduce the burden of having to deal with several accreditation bodies for those aged care providers whose services straddle residential care, community care and retirement villages."

- "The Regulation Taskforce considered that increased competition may achieve the government's quality assurance objectives at lower cost to industry and government. While the cost savings to industry (in the form of fees) and government (in the form of grants) may not be that large, the greatest benefit to industry could potentially be in ensuring that providers do not have to deal with multiple accreditation bodies to cover all of their aged care activities".

The Agency notes the use of the speculative 'could' and 'may' in the Task Force report.

The underlying premise for this recommendation concerning regulation is based on the premise that providers of Australia Government subsidised residential aged care services are required to participate in a range of government instigated accreditation schemes if they are involved in other 'aged care activities'.

While there is no accurate data available, the Agency estimates that most approved providers of Australian Government subsidised residential aged care services have residential aged care as their sole business activity. A few approved providers include Australian Government funded community care in their services. There is currently no accreditation scheme for community care.

There are no other government accreditation schemes in aged care. While some non government accreditation schemes exist, participation is voluntary.

A decreasing number of providers have said that it would be more appropriate for approved providers to be able to select their accrediting body rather than the current arrangement of a single accreditation body appointed by government.

Some groups such as Catholic Health Australia (CHA) did not support the proposition of having multiple accrediting bodies. CHA said: "Allowing a number of accredited certifying organisations to compete to provide accreditation of an approved service and have responsibility to the Government for compliance would result in even less consistency of assessments and decisions. CHA considers that neither consumers nor the community would accept this approach" (Senate Report)

The Agency believes that a single accreditation body appointed by government is appropriate. It should be a policy position of government that any such accreditation body should have formal accreditation as an accrediting body from an internationally recognised organisation in the health/aged care sphere such as ISQua (Paterson). Given the importance attached to the role of the accreditation body it is essential that the accreditation body is also subject to scrutiny by the Parliament and Australian National Audit Office.

Some sections of the industry have previously argued that there is 'inconsistency' within the current sole accrediting body. A single accrediting body optimises the prospects of consistency in decision making, enhances public confidence in the scheme, and removes the opportunity for providers to shop around for their accreditor.

As such the Agency agrees with the Senate Community Affairs Reference Committee which stated "The Committee does not support the suggestion proposed by several providers of allowing a range of agencies to provide accreditation services. It believes that such an approach has the potential to lead to greater inconsistency in assessment outcomes by involving a greater number of organisations in providing accreditation services. The Committee also considers that it may encourage providers to 'shop around' for a 'soft' auditor….."

References

ISQua. 2004, *Toolkit for Accreditation Programs*, The International Society for Quality in Health Care, Melbourne. www.isqua.org

Paterson R, et al. 2005, *National Arrangements for Safety and Quality of Health Care in Australia: The Report of the Review of Future Governance Arrangements for Safety and Quality in Health Care* http://www.health.gov.au/internet/main/publishing.nsf/Content/F2B23F8A694975B8CA256F180050357A/$File/Safety_and_Quality.pdf, Commonwealth of Australia, Canberra

Senate Report - *Report of Senate Community Affairs Reference Committee - Quality and Equity in aged care - June 2005).*