



NATIONAL RURAL
HEALTH
ALLIANCE INC.



Older People and Aged Care in Rural, Regional and Remote Australia

National Policy Position

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This Paper represents the agreed views of Aged & Community Services Australia and the National Rural Health Alliance, but not necessarily the full or particular views of all of their Members.

Contents

Introduction	3
Planning and Funding in Rural & Remote Australia	4
Planning	4
Residential care – capital and funding	4
Funding	5
<i>Agenda for Urgent Action</i>	5
<i>Agenda for Medium to Longer Term Action</i>	5
Workforce Issues	6
Workforce shortages and geographic maldistribution	6
Education and Training	6
Governance	6
<i>Agenda for Urgent Action</i>	7
<i>Agenda for Medium to Longer Term Action</i>	7
Transport	8
Access for services by older people	8
Government support	8
Community transport	8
<i>Agenda for Urgent Action</i>	9
<i>Agenda for Medium to Longer Term Action</i>	9

INTRODUCTION

Australia is getting older. The ageing of the population is more marked in country areas than in cities – a differential compounded by the effects of internal migration. Young people leave the country to pursue work, study and other experiences while older people move to country and coastal areas to benefit from the positive aspects of country life.

As a consequence a higher proportion of the population is elderly in rural and remote areas than in the cities, and their health is generally poorer than that of older people living in metropolitan areas. Australians living outside major cities have shorter life expectancy, higher death rates, and are more likely to have a disability compared to city dwellers, even when taking into account the effects of the known poorer health of Indigenous Australians, who make up a greater proportion of the population in more remote areas.

Rural and remote communities have also suffered over recent times from the reduction and loss of local services, including aged and community services, and community infrastructure as a result of local and global economic forces.

Aged and Community Services Australia (ACSA) and the National Rural Health Alliance (NRHA) have come together to promote greater national effort in the provision of appropriate care and support for older people living in rural, regional and remote Australia. In July 2004 ACSA and the NRHA released a discussion paper for consultation entitled *Older People and Aged Care in Rural, Regional and Remote Australia* which identified key challenges to the provision of both residential and community services in rural and remote areas.

ACSA and the NRHA respect the fact that most people prefer to age in their own place – whether this is in their own home or in some form of supported accommodation within their own community. We believe that:

- aged care services should be available locally for all Australians; and
- governments should recognise the real costs of providing rural and remote aged care services, and that these services cannot benefit from economies of scale.

ACSA and the NRHA have identified a range of actions and strategies in three priority areas to improve aged and community care services in rural and remote Australia:

- planning and funding;
- workforce; and
- transport.

These areas are fundamental to enacting our key beliefs that quality, viable services should be available locally.

The actions and strategies are presented in two parts. Importantly, there is ***an agenda for urgent action*** as well as a medium to long term agenda. ACSA and the NRHA commend these actions to Governments for their attention.

PLANNING AND FUNDING IN RURAL & REMOTE AUSTRALIA

In the last few years the Australian Government has undertaken a number of reviews in the aged care field. These included the *Review of Pricing Arrangements in Residential Aged Care* (the Hogan Review); a community care review; and, a review of the Resident Classification System which is used for residential care payments.

The Hogan Review confirmed many of the sector's concerns with residential care funding, finding that:

- the subsidies paid for residential care were not adequate;
- providing care to people living in rural and remote locations costs more than the standard subsidy arrangements acknowledge; and
- existing policies for capital raising are inadequate.

The Review also suggests that the planning arrangements should be more flexible to better take account of the circumstances of special needs groups, including people in rural and remote Australia, and that the Government's planning system should be reviewed after 2008.

The recent Australian Government document, *A New Strategy for Community Care: The Way Forward*, proposes strategies for streamlining the administration and delivery of community care services. Once implemented these proposals should assist many small regional and rural providers as they will aim to reduce the number of different accountability and financial reports required. However, it is likely that these changes will only make marginal improvements.

The reform of planning and funding for rural and remote services will be critical to ensure older people receive quality service provision that meets their needs. Small communities require flexible and community responsive solutions. Rigid policies and rules can be detrimental to outcomes for older people.

Services in rural and remote areas face higher costs than their metropolitan counterparts and other specific difficulties by virtue of their location, including:

Planning

- the regional allocation process generally allocates beds/packages in small, unviable numbers; and
- the regions used in planning and service provision do not always reflect local communities of interest.

Residential care – capital and funding

- lower real estate prices which translates to lower bond payments with which the facilities can undertake capital works;
- inadequate recognition in funding regimes of the higher costs of construction;
- less consistent occupancy rates due to smaller catchment areas and less capacity to reduce costs if occupancy fluctuates; and
- a resident mix determined by the realities of the local community which limits their capacity to balance low/high care residents.

Funding

- viability dilemmas created by the small size of both residential and community services;
- higher costs in goods and services due to limited retail competition and cartage costs;
- particular difficulties in attracting and retaining staff and upgrading their skills;
- a lack of alternative providers to care for people with specialist needs so small rural providers are forced to support people to a higher level without additional funding; and
- the need to provide outreach services and the additional cost of travel.

Government has attempted to respond to some of the issues faced by rural and remote communities by providing, and recently increasing, the viability supplement for residential services, and by introducing some service models with greater flexibility such as Multipurpose Services, Regional Health Services and the Innovative Pool. While these measures are a welcome start, further reform is required to develop appropriate models of care and funding formulae that address the realities of rural and remote Australia.

We believe that a network of high quality, appropriate and viable services can be a reality in rural and remote areas if the following action is undertaken.

Agenda for Urgent Action

- Develop alternative models of aged care delivery that are tailored to the specific needs of people in rural and remote areas, including those from indigenous and culturally diverse backgrounds, by:
 - providing targeted research and development grants;
 - trialing and evaluating local models; and
 - tailoring funding and quality regimes to individual circumstances.
- Introduce a viability supplement for community care services, similar to that received by residential services, in recognition of the additional costs faced by country providers.
- Provide short term and tied funding to enable local communities and providers to:
 - explore long term organisational arrangements such as mergers, alliances and partnerships that would enhance viability and/or the responsiveness of service delivery;
 - develop concrete business strategies and plans to guide implementation of locally developed solutions;
 - better utilise information technology initiatives and appropriate telecommunications; and
 - develop and/or support networks of rural and remote providers to meet and share information.

Agenda for Medium to Longer Term Action

- Review the planning regions to ensure that they reflect actual communities of interest and over time bring the planning of all aged care services, including HACC, together under one system; and
- Consider further flexibility in using planning ratios and allocations to assist in establishing services of a viable size and to facilitate the restructuring of services, if so desired by local communities. However we believe that preserving locally available services is more important than arbitrary considerations of industry consolidation; a balanced approach, tailored to specific circumstances is required.

WORKFORCE ISSUES

Health and community care workers in rural and remote areas often need special or advanced skills for effective practice, including in aged care. Older people generally have more complex and time consuming care needs, which can be very demanding. We need a workforce of sufficient size that is attuned to the needs of older people and appropriately skilled to provide the services they require.

Workforce shortages and geographic maldistribution

There is a wide ranging shortage of health professionals in general across Australia. These shortages are more acute in rural and remote areas than in the capital cities and impact on the quantity and quality of care available for older people. Shortages jeopardise the continuity and quality of care in aged care homes, affect older people's capacity to continue to live at home and their access to timely assessment by Aged Care Assessment Teams. Specific issues include the following:

- A critical shortage of nurses, particularly in aged care where nurses play a vital role in caring for older people in residential and community care. There are not enough nurses available to continue indefinitely with the current models of care. The nursing workforce is ageing and the average age in 2003 was 43.1 years. A wage disparity, conservatively estimated at 12% on average, between acute and aged care nurses is a disincentive for nurses to join the aged care sector. Recent increases in residential care funding have not been sufficient to bridge this gap.
- An inadequate focus on preventative allied health services aimed at maintaining healthy functioning for older people and managing chronic diseases, including, dental, physiotherapy, podiatry and nutrition advice.
- A general shortage of specialists (including geriatricians, orthopaedic surgeons and oncologists) and general practitioners. Waiting times and waiting lists are escalating for older people, and many rural and remote residents need to travel for specialist care. Funding for Divisions of General Practice to set up panels of GPs to act as visiting doctors at aged care homes in their areas, and provide advice on strategies to improve the quality of health services for all residents, is noted and welcomed.
- Difficulty in recruiting and retaining personal care workers, who are the bulk of the aged care workforce, due to poor pay and conditions.

Education and training

Education and training for workers is essential to providing high quality care to those using aged care services in either their own home or in a residential care setting. The Australian Government announced a number of welcome education and training initiatives in the 2004-2005 budget. Despite the range of scholarships provided by the Government for aged care workers, lifelong learning opportunities including formal and informal education and training are not readily available to all staff in rural and remote areas.

Governance

The loss of local businesses and services has exacerbated the governance strain for the services that remain. Accountants, auditors, managers and other service providers are increasingly difficult to attract to Boards of Management. Health and aged care managers in rural areas, particularly those in small residential facilities, need support and professional training; support and training to

assist with governance and community management models plus the complexities of funding, reporting and accountability requirements. The recent injection of \$1,000 per bed was welcome recognition of the issue but it is not sufficient to make systemic change, particularly in rural areas.

Agenda for Urgent Action

The aged care workforce is predominantly nurses and personal care workers. Therefore the urgent areas for action relate to their availability and education:

- The wage differential between aged care and acute nurses should be reduced. Current funding for aged care does not enable this to occur.
- The Australian Government should develop a comprehensive national aged care workforce strategy that includes the needs of community care as well as residential care services and builds on the initiatives in the current "*National Aged Care Workforce Strategy*." Particular emphasis will need to be given to recruitment and retention in rural and remote areas.
- The Australian government should continue the funding of nursing scholarships targeting rural and remote Australia and make provision for flexible distance learning.

Agenda for Medium to Longer Term Action

- Governments, health and aged care employers and professional bodies should work together to ensure that all health professionals in rural and remote areas have competencies in geriatrics and the care of older people, including dementia and palliative care.
- Australian and State/Territory Governments should continue to work together to expand existing measures to attract and retain sufficient health and aged care staff in rural and remote areas, including nurses, dentists and allied health professionals.
- Australian and State/Territory Government should ensure the optimal use of the existing workforce by implementing research and strategies which realign workforce roles or create new roles to better match patient needs in health and aged care, then support these roles by:
 - ensuring the incorporation of inter-professional education, both theoretical and practice-based, as part of the undergraduate core curriculum for all medical, nursing and health science students, to better prepare health and aged care students for rural work; and
 - examining and amending existing health legislation (where appropriate) to support and enhance the development of new professional roles.
- Health and aged care employers, professional bodies and education providers should ensure that resources are available for senior managers and Board members in rural and remote areas to access appropriate management learning, support and mentoring programs to improve their management capability. The development of a network of integrated providers to offer workshops in designated geographic areas, and the use of technology, including video-conferencing, web-streaming and satellite broadcasts, is recommended.

TRANSPORT

Population ageing in rural and remote areas will increase demand for specialised transport services to assist older people who live in the community, particularly the frail aged.

Access to services by older people

Older people need safe transport options that preserve dignity, maximise independence, and provide access to the full range of activities that contribute to quality of life, including:

- work or volunteering;
- access to education, aged and health services such as visiting a specialist, GP or dentist;
- daily living including shopping, banking, library visits and other recreation;
- maintaining family and community networks; and
- countering social isolation.

Limited transport choices can lead to isolation of older persons and a consequent deterioration in both physical and mental health.

The public transport infrastructure is minimal in most rural areas of Australia. Public transport is often not available to required destinations, especially regional centres or, where it is available, may not meet the needs of older people due to timetabling and route constraints, or expense. Instead residents rely on family, friends and volunteers to transport them to services in their local town or more distant centres such as the nearest regional centre or capital city for health or medical appointments. Alternatively, overworked health and aged care staff take on this role, volunteering to transport clients in their own time, creating a reliance which is unsustainable.

Government support

State Health Departments provide varying degrees of financial assistance for rural and remote older people who must travel large distances to access specialised medical and hospital services, through the Isolated Patients' Travel and Accommodation Assistance Scheme (or its equivalent). Modes of transport range from taxis to planes. These schemes:

- have limited funding which varies between States and Territories;
- focus on specialised health services rather than primary health care; and
- have complex administrative arrangements, so that many of those who desperately need assistance do not seek it.

As the population ages, more people from rural and remote areas will require assessment and/or treatment at distant health and specialist facilities (especially given the loss of many local health services). These travel assistance schemes will become even more important in reducing access barriers. However, there is considerable concern that these financial schemes are already inadequate. Also they do not always have the flexibility to service people who need to cross State/Territory borders for medical treatment.

Community transport

Community transport provides free or subsidised transport from the home to shops and services. It can be provided in a variety of ways – using organisational or private cars, community buses or vehicles located in the community primarily for other purposes, such as a school bus. Demand for community transport is likely to increase with the regular testing of older drivers by State Governments.

Furthermore, early discharge from hospitals, attendance as outpatients and day treatment at doctors' surgeries mean that older people must travel more frequently for health care, often under circumstances where they require support while travelling. Same day procedures require consumers to attend hospital early in the morning which creates enormous difficulties for those travelling long distances, and similar problems are caused by discharge late in the day and/or at short notice.

Barriers to the successful implementation of community transport in rural and remote communities include:

- services are more expensive to operate than in metropolitan areas;
- complex funding arrangements and an overall lack of funds (e.g. for vehicle replacements);
- a lack of coordination between different government agencies, each of which provides transport in some form. Community transport is coordinated in some States by the Transport Departments and in others by Health;
- program funding arrangements which mean that some members of the community who do not meet the criteria for access remain isolated from community activities if no other form of transport is available; and
- lack of appropriate supports for volunteers (usually older people).

ACSA and NRHA support a strategic approach to providing accessible, convenient and affordable transport for rural and remote communities. Planning for the increasing numbers of older people who will depend on public and community transport is a matter of priority.

Agenda for Urgent Action

- All State and Territory Governments should commit to a consistent approach to an improved and well resourced Isolated Patients' Travel and Accommodation Assistance Scheme with:
 - sufficient funds to guarantee access to the program for those who qualify;
 - uniform reimbursement rates for travel and accommodation for the patient and their escort; and
 - the flexibility at the local level to provide support on an individual basis.
- The schemes should be widely publicised and promoted in a range of user friendly formats.

Agenda for Medium to Longer Term Action

- State and Territory Health Departments should identify older people's transport needs and integrate transport issues into the planning of health services in rural and remote communities. This should consider such issues as location of services, admission and discharge practices, and arrangements for appointments.
- Older people are the greatest users of ambulances yet not all have cover as concession card holders or through insurance schemes. The Australian Government should include ambulance travel in Medicare to ensure that all patients are covered.