



**Aged & Community
Services • Australia**



ACSA Submission

AGED CARE 2009-2010 FEDERAL BUDGET

JANUARY 2009



About the ACSA Federation

Aged and Community Services Australia (ACSA) is the leading national peak body for aged and community care providers and represents church, charitable and community-based organisations providing housing and supported accommodation, residential and community care services to over 700,000 older people, younger people with a disability and their carers. They provide 50,000 retirement village units across Australia.

ACSA operates within a federated structure of six State Associations which are independently incorporated and to whom aged and community care providers belong as members.

They are:

- ❖ ACS Assoc of NSW & ACT
- ❖ ACS Tasmania
- ❖ ACS Western Australia
- ❖ ACS SA & NT
- ❖ Aged Care Queensland
- ❖ Aged & Community Care Victoria



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Dear Treasurer

AGED CARE 2009 – 2010 BUDGET SUBMISSION

The Rudd Government clearly understands that action is needed to manage the impacts of an ageing population. It has publicly stated a number of commitments to older people and aged and community care service providers including:

- Tackling the challenges of the 21st century and responding to our ageing population;
- Improving safety and quality standards that protect frail aged Australians; and
- Ensuring the long term viability of the aged care sector through record funding.¹

Despite these commitments aged care has not been a priority for the Australian Government in its first year in office. What Government has done during this time is:

- Continue the provision of funding in line with the established population formula used for allocating aged care funds; and
- Introduce a number of interesting, but somewhat marginal, initiatives such as zero interest real loans.

The recent Productivity Commission research paper *Trends in Aged Care Services: some implications* highlights that a significantly larger number of older people will be demanding aged care services in the near future. It goes on to point out that this increased demand will accentuate inequalities and inefficiencies related to the existing design and excessive government regulation of aged care services.

In 2006-07 Australian Government expenditure on aged care was 0.8% of GDP and this is set to grow to 2% by 2046-47. At this point aged care expenditure will be higher than both education and defence. Ensuring that such a major expenditure area is as effective and efficient as possible must be a high priority for Government.

Immediate and decisive action to address a number of underlying structural issues with the existing arrangements is needed if Government is to deliver on its commitment to ensure the long term viability of these essential services. This submission outlines a number of initiatives that will go some way to achieving this aim:

- Supporting Australia's 262,500 dedicated aged care professionals who deserve to be well paid and supported in the essential work they do. This requires a funding system which enables them to be paid equitably, the development of new service models that make the best use of the skills and resources available to deliver aged care and a co-ordinated and forward looking aged care workforce plan.

¹ The Hon Justine Elliot MP, Minister for Ageing Media release *Achievements in Aged Care – First Anniversary Report Card*, 1 December 2008

- Getting the service mix right to enable older people to have a choice of where, when and how (including how they pay) they receive aged care. This requires an adequate supply of affordable and adaptable housing, enough hours of care to support people living in their own home, access to both low and high level residential care when it is needed and to be able to move between different types of support (including acute care) with ease.
- Developing an effective and reasonable regulatory regime which puts people (clients and staff) before paper and enhances, rather than impedes, industry progression and innovation. This requires a new quality improvement approach to accreditation, a funded system of undertaking police checks, streamlined community care reporting and the removal of unnecessary regulation (such as that applied to extra services).

Attachment 1 lists each of the proposed initiatives and the estimated costs. There are 3 Budget Information and Initiatives Sheets attached which provide details of the issues to be addressed and the proposed initiatives. *(This submission should be read in conjunction with that from the Aged Care Industry Council (ACIC) which highlights and proposes action on the funding and capital requirements of industry which are integral to the systems viability.)*

Our submission is focussed on the immediate action required to address structural and viability issues over the next 2 to 3 years. However, ACSA believes that the development of a new and overarching vision for aged care is critical if we are to effectively meet the growing aged care demand and changing needs of older people. The Government has taken a visionary approach in other important areas, such as housing, homelessness and the environment, and aged care is every bit as important as these other areas to the health and wellbeing of Australian society and its economy.

Work on the vision can commence while the initiatives addressing the fundamental structural issues are implemented. ACSA stands ready to work with Government to develop and deliver a new age for aged care.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Greg Mundy', with a stylized flourish at the end.

GREG MUNDY
Chief Executive Officer



SUMMARY OF AGED CARE 2009-10 FEDERAL BUDGET INITIATIVES

	2009-10 (000,000)	2010-11 (000,000)	2011-12 (000,000)	2012-13 (000,000)
Support for Australia's Aged Care Professionals				
Maintain CAP post 2008 - based on 1.75% pa CAP compounding (no COPO included)	\$105.05	\$106.89	\$108.75	\$110.66
CAP for Community Care Packages - based on 1.75% pa compounding (no COPO included)	\$10.3	\$10.5	\$10.7	\$10.9
Teaching Nursing Home Study & Pilot – ongoing expenditure to be determined following the pilot	\$0.3	\$3.5	tbd	tbd
Annual Technology Grants Program - expenditure for 2012-13 to be determined following review.	\$500.0	\$500.0	\$500.0	tbd
Aged Care Workforce Plan Development – expenditure from 2010-11 to be determined on the Plan.	\$1.0	tbd	tbd	tbd
Innovative Continuum of Care				
National Older Persons Housing Strategy	\$1.0	tbd	tbd	tbd
HACC 20% increase	\$220.78	-	-	-
HACC Growth, indexation and CAP	\$107.63	\$118.12	\$129.64	\$142.28
Increase Community Care Packages by 10%	\$58.89	-	-	-
Ageing in Place Package	tbd	tbd	tbd	tbd
Increase residential care funding to support low care clients	\$250.0	\$250.0	\$250.0	\$250.0
Development of a Sustainable Capital Raising System	\$5.0	tbd	tbd	tbd
Integrated health/aged care approach	tbd	tbd	tbd	tbd
Service Innovation Fund	\$200.0	\$200.0	\$200.0	\$200.0
People Before Paper				
JAS-ANZ framework for Accreditation	- \$21.0	- \$21.0	- \$21.0	- \$21.0
Working in Aged Care Card Feasibility Study	\$0.3	tbd	tbd	tbd
Interim funding of police checks (based on existing workforce excl. volunteers)	\$5.0	\$5.2	\$5.4	\$5.7
Abolish Extra Service Status	- \$0.13	- \$0.13	- \$0.13	- \$0.15
Streamline Community Care reporting	tbd	tbd	tbd	tbd
TOTAL:	\$1444.42	\$1,176.58	\$1,183.36	\$698.41

The “forward estimates” presented in this table are indicative only and have been developed on the basis of publicly available information



AUSTRALIA'S AGED CARE PROFESSIONALS – MILLIONS OF AUSTRALIANS WOULD BE LOST WITHOUT THEM

There are an estimated 262,500 workers providing residential and community aged care services to over a million older people, younger people with disabilities and their carers each year. While the number includes nurses and allied health workers, the majority of them work as personal carers (PC) in residential care facilities or as community care workers (CCW). They work in aged care because they find considerable satisfaction in caring for older people who can't manage without their support.

The nature of the support required by older people and their families is changing. Older people mostly remain living in their own home and require flexible, individually tailored services to enable them to do so. 1.84% of people aged 65 and over enter residential aged care each year with 72% of them requiring high care.

Given the growing demand and the changing needs of older people, a skilled and satisfied workforce is critical to Australia's ability to provide the quality, type and level of care required.

This budget information and initiatives sheet outlines a number of areas and actions to ensure the workforce to do this exists.

Attracting and Retaining an Aged Care Workforce

The industry is experiencing increasing difficulties in attracting and retaining all types of staff required to deliver its critical services. The recent report *Who Cares for Older Australians? A Picture of the Residential and Community Based Aged Care Workforce, 2007* from the National Institute of Labour Studies (NILS) contains data which indicates that a quarter of personal carers and community care workers (the largest group of employees) and one in five nurses have to be replaced each year.

The ability to attract and retain staff is affected by the lower rates of pay provided in aged care. This occurs as a direct result of the current Government funding model which does not recognise or support the need to pay competitive wages or the real costs of delivering quality services.

Aged care workers, whatever their role, are generally dissatisfied with their level of pay. "It is understandable that nurses should feel underpaid and undervalued when their colleagues in acute settings earn significantly more. And PCs and CCWs who legitimately view their work as of great social value feel slighted when they see their children earning similar wages to themselves in check-outs at the local supermarket."²

The more generous funding increases made available to the public and private hospital systems have supported higher wage outcomes in these sectors and increased the difficulty for aged care providers to compete.

² *Who Cares for Older Australians? A Picture of the Residential and Community Based Aged Care Workforce, 2007* National Institute of Labour Studies, Flinders University, Adelaide, Australia, October 2008: 148-149

The introduction of the Conditional Adjustment Payment (CAP) for residential care providers enabled some improvement to be made to rates of pay in residential care and the NLS report bears this out showing residential care staff, have a slightly higher level of satisfaction than in 2003 as a result. However, wages for hospital based staff will continue to escalate and aged care will risk losing valued staff if it is unable to match the pay offered. The cost of achieving wage parity has been estimated at around \$450M in 2008 (Productivity Commission 2008).

Government has undertaken a review of the CAP with no decision made as yet about its continuation. The CAP must be maintained, and indexed, for the 2009-10 financial year as well as being extended to community care services. This measure will provide time for a longer term strategy (such as a specific aged care index that meets the costs of care) which recognises the true value of aged care professionals and the work they do to be developed and introduced. It is imperative that work on developing a sustainable indexation approach for aged care commence in 2009.

Developing New Models of Quality Services

The current service models, particularly in residential aged care, have been in place for many years.

Residential care is heavily premised on the availability of nurses at a time of international shortage. The staffing mix in residential aged care is changing with 64% of employees being personal carers (up from 59% in 2003) and 29% (down from 36%) being nurses³.

The current model requires nurses to undertake many and varied roles, including management and keeping up with the excessive government paperwork regime, which do not always make the best use of their clinical skills. New models which utilise nurses, and all staff, skills more effectively are required. One such model is the Teaching Nursing Home which links aged care homes and staff into clinical training programs for student nurses to increase their skill level and to encourage and support them in a career in aged care. A scoping study and national pilot trial should occur over a two year period commencing in 2009-10. It is believed that this will enhance recruitment and retention strategies overall as well as building staff capacity to meet the increasingly complex needs of residents.

In community care Government program constructs and industrial demarcation create rigidities that work against flexible service delivery. Redesigning and reducing the number of current program and funding arrangements would enable new models, which make better use of existing resources, to be developed.

A key issue in both residential and community care is the current over-regulation of nursing work, particularly in relation to medication administration and management. COAG has committed to the creation of an efficient national nursing regime and this should be executed quickly to get the best workforce outcomes possible.

The Technology Potential

The potential technology has to support clients/residents independence and to create greater workforce productivity is widely acknowledged. Individual aged care organisations are trialling and utilising various information and assistive technologies in their quest for quality, flexible and efficient service delivery. This is largely done in isolation without an overall framework which supports purchase and ongoing use of often expensive technologies.

A limited program to support assistive technology in community care was introduced by the Howard Government in 2007. This has yet to be implemented. Residential care providers received two one off payments that were able to be used for investment in information technology. These initiatives represent a

³ *Who Cares for Older Australians? A Picture of the Residential and Community Based Aged Care Workforce, 2007* National Institute of Labour Studies, Flinders University, Adelaide, Australia, October 2008: 8

piecemeal approach to an important area which could deliver better outcomes for older people and for aged care staff. This approach should be replaced in 2009-10 by a three year grant program which invests in information and assistive technologies in residential and community care. The program should be reviewed after this time to determine future directions and supports required.

Conclusion & Recommendations

The issues facing the aged care workforce are many and varied including attraction and retention, being a competitive and attractive career option for all workers and ensuring training provided equips workers to meet the changing needs and demands of older people.

The NILS report recognises that the industry has been “reasonably successful in finding strategies that adjust pay and all the conditions of work to maintain an adequate workforce even as labour market conditions become more challenging”⁴. This has largely been achieved through the efforts of individual aged care providers and it is unlikely that this will be able to be sustained without an overall industry plan and effort.

Aged care is a growth industry and development of a co-ordinated, forward looking workforce strategy needs to commence in 2009-10 if the industry’s potential, particularly during an economic downturn, is to be fully realised. The existing Government strategy focuses on nurses and therefore only considers a part of the diverse workforce. The new strategy should bring together training, education, models of care, use of technology, pay and conditions, and recruitment and retention considerations.

Initiatives & Action Required:

- **Undertake immediate action to make aged care a competitive and attractive employment option by:**
 - **Continuing the additional CAP indexation beyond 2008/09;**
 - **Extending similar top up indexation to community care programs from 2009 onwards; and**
 - **Commencing the development of a long term, sustainable indexation approach for aged care during 2009.**
- **Undertake a scoping study and national pilot trial of Teaching Nursing Homes over a two year period commencing in 2009-10 at an estimated cost of \$3.8m. (ACSA can provide further information on this proposal on request.)**
- **Introduce a \$500m annual Technology (information and assistive) Grants program which is available to both community and residential care service providers. The program should be made available for three years from 2009-10 and be reviewed to determine future direction and support requirements for industry use of technology.**
- **Develop an aged care (community and residential) workforce plan in 2009 which considers all types of workers and incorporates a timetable and funding for implementation at an estimated cost of \$1m. Specific elements of the plan would include:**
 - **a national training strategy incorporating ongoing training needs of existing staff, vocational and tertiary education pathways, traineeships and scholarships;**
 - **ways to support new models of care which make the most effective use of the skills mix to deliver quality care;**
 - **attracting and retaining staff, including overseas, CALD and indigenous workers; and other initiatives to support workforce development including special assistance for rural and remote services (e.g. housing provision, relocation expenses, bonded scholarships) and to attract younger workers into the industry (e.g. a mentoring program, exemption from HECS**

⁴ *Who Cares for Older Australians? A Picture of the Residential and Community Based Aged Care Workforce, 2007* National Institute of Labour Studies, Flinders University, Adelaide, Australia, October 2008: Executive Summary v



AGED CARE : AN INNOVATIVE CONTINUUM OF CARE

Older people need access to a range of services to meet their support needs. Older people need:

- *Secure, affordable, accessible and adaptable housing;*
- *Access to community care services when they need support to remain living in their own home;*
- *To be able to enter residential aged care when they can no longer manage to live at home;*
- *To be able to move between different types of support services (community, residential, acute care) as needed.*

Government policy and planning settings focus separately on these individual aspects without considering a system approach to meeting these needs. This approach limits flexibility and people's choice of how to be supported. This means that Government does not get the maximum value and outcome for its investment.

This budget information and initiatives sheet considers each of the supports older people need, their connections in an overall system and how action in one area impacts on outcomes in another. A range of initiatives are recommended which will increase the overall amount and quality of the services delivered in a service system framework.

Housing

The overwhelming majority of older people choose to live independently in general purpose housing that they own or rent in the community. Housing affordability directly affects healthy ageing and access to local services is a key determinant of health outcomes for older people.

The number of older households in housing stress has increased to 112,000 compared with 56,000 households in 2004. This represents an increase of 100% in the four year period. The growing number of older people will see this worsen and will demand a proactive approach to housing issues for this age group.

Older people need affordable, accessible and adaptable housing that supports them to age healthily. A national Older Persons Housing Strategy should be developed by Federal, State and local governments. The strategy should focus on ensuring existing housing stock is maintained and enhanced to support ageing in place and increasing the supply of affordable and appropriate housing for older people. Such a strategy would support older people to live at home for as long as possible and decrease the demand for low level residential care as a result of inappropriate housing.

Community Care

Community care services – such as home gardening and modifications, assistance with showering, and nursing - not only enable older people to retain their independence at home, but they also help to prevent the need for more expensive services (such as hospital or residential aged care), and help people return home more quickly after a stay in hospital.

In 2007, the Australian Institute of Health and Welfare (AIHW) reported that 1,004,400 Australians aged 65 years and over need some form of assistance to help them stay in their own homes. More than 330,000 of these people indicated their care needs were being met only partially, and over 50,000 indicated that their

needs were *not being met at all*.⁵ In attempts to meet this demand, community care services are being rationed and spread thinly:

- In 2006-07 250,793 Home and Community Care (HACC) program clients aged 65 years and over received an average of just 31 hours of domestic assistance per year (or 35.7 minutes per week)
- 80,028 very frail HACC clients aged 65 and over received an average of around 54 hours of personal care (showering and shaving) per year (or 62 minutes per week).⁶
- Community Aged Care Packages (CACPs) were intended to provide 7 to 10 hours of care per week but now, anecdotally, deliver only 5 to 7 hours per week on average. Extended Aged Care at Home (EACH) packages have experienced a similar decline in hours.

This means that older people who need high levels of care are either receiving no, or inadequate, support. In addition people with lower care needs miss out on services and the safety of high care clients and staff is compromised.

Essentially there needs to be more community care available overall as well as greater flexibility for services to meet the increasing needs of clients with the introduction of an ageing in place package. The Ageing in Place (AIP) package would replace the current 3 step packaged care program of CACPs, EACH and EACHD. Increasing client needs would be able to be met within 1 package minimising waiting times and the need to change providers as is often the case now. The package would also reduce community care paperwork requirements releasing more funds for direct care to clients. The system's capacity to support people at home more effectively for longer would be enhanced.

Residential Care

There are almost 160,000 people living in residential care facilities at any one time. 72% of all new residents require high level care. The remaining proportion of older people require low level residential care as they can not be safely or cost effectively cared for at home.

The introduction of the Aged Care Funding Instrument (ACFI) has created a stronger focus on high care residents. While this recognises the overall trend towards high care it is creating access issues for those people with legitimate low care needs. The resources available to support low care clients are inadequate. Indications (it is too early to have definitive statistics) are that 1 in 5 prospective residents and their families are missing out on a much needed residential care place as a result.

The trend towards high care creates another issue for residential aged care. High care places do not generate any upfront capital income which providers need for service delivery to remain viable. The Grant Thornton *Aged Care Survey 2008* highlights that "the current funding model is discouraging the construction and operation of modern nursing homes ("high care facilities")." The application for high care bed licenses are in decline with all types of organisations, including charitable and not-for-profit providers, stating that they will not be applying for these beds because of the unsustainable financial arrangements.

Continuing the current arrangements will mean that older people will not be able to access high care, which is where the majority of demand is, because the beds will not be built. There is not enough high level community care to substitute for the lack of high care beds (and there comes a point where residential care is required as it is safer and provides a more cost effective service). This will leave many older people inadequately supported placing more pressure on families and other carers which will not be a socially acceptable outcome.

While the effects of more limited access to low and high level residential care services will be felt by all communities it will hit hardest in rural and remote Australia where there is less capacity to manage the resident mix and higher community care delivery costs.

⁵ AIHW *Older Australians at a Glance* (November 2007): 102-104.

⁶ HACC MDS Statistical Bulletin 2006-07: 13-14 http://www.health.gov.au/internet/main/publishing.nsf/Content/hacc-pub_mds_sb_2006-07.htm-hacc-pub_mds_sb_2006-07-3.htm

Action on ongoing funding to support low care residents and a sustainable capital raising system is required to ensure that residential care remains available to all people who are eligible and require it. ACSA recognises that redesigning the capital raising system is a major undertaking. It is suggested that a sensible first step would be for Government to convene a national roundtable during 2009-10 for aged care providers, consumer representatives, senior Government officials and financial experts to scope the issues and identify solutions.

Moving Between Services – Linking Aged Care & Health

Caring effectively for older people involves good services in both the health and aged care sectors and requires good links between them. Aged care services are already involved, and could play a larger part, in the recovery and rehabilitation of older people following episodes of illness involving hospitalisation, in palliative care and other shorter term interventions. Notably aged care organisations run Day Therapy Centres (DTCs) which offer a range of therapies and other preventive and restorative services to help older people maintain or recover a level of independence and daily living skills. DTCs have been overlooked as part of the transition care service network despite the significant contribution they make in minimising the need for, or amount and cost of, ongoing support services.

An integrated approach to health and aged care, with a particular focus on rehabilitation and transition care services, should be developed to maximise the benefits of the available resources and effectively support older people.

Continuing Innovation for Quality Service Delivery

Government funding is provided for the delivery of particular types of services in a particular way. Aged care services need to be able to innovate by trialling and evaluating new and different approaches to meeting an individual's care needs. Where evaluation shows a successful outcome, mainstream funding should be able to adopt the service innovation and/or method of delivery more broadly. For example, there is currently significant interest from older people and their families in the concept of consumer directed care (CDC). There are international models of CDC already being implemented which could be adapted and trialled in Australia. CDC trials could be the first priority for the new \$200m service innovation fund.

Initiatives & Action Required:

- **Development of a national Older Persons Housing Strategy to commence in 2009-10. It is estimated that this development would cost \$1m.**
- **Increase funding for community care services to enable a more appropriate level of care to be offered to existing clients. ACSA recommends a 20% (or \$220.78m) increase to the Home & Community Care (HACC) Program and 10% (or \$58.89m) increase for Community Aged Care Packages, Extended Aged Care at Home packages and Extended Aged Care at Home Dementia packages in 2009-10. Annual growth and indexation funding should be made available at a minimum of 8% to ensure continuing growth.**
- **Replace the current packaged care program with an Ageing in Place package in 2010-11.**
- **Increase funding to maintain existing levels of care and support for low care residents. This funding will be added to the base residential care budget in 2009-10 and must be indexed (using COPO & CAP as a minimum) annually. It is estimated that this will cost up to an additional \$250m per annum.**
- **Create a sustainable capital raising system to ensure the ongoing provision of residential high care services. The first step in this would be a national roundtable during 2009-10 for aged care providers, consumer representatives, senior Government officials and financial experts to scope the issues and identify solutions. It is estimated that this would cost \$5m and enable pre roundtable analysis and post roundtable policy development.**
- **Develop an integrated approach to health and aged care, with a particular focus on rehabilitation and transition care services.**
- **Introduce a \$200m per annum Service Innovation Fund in 2009-10.**



PEOPLE BEFORE PAPER

Aged care clients and residents report a high level of satisfaction with the services they receive. However recent ACSA research highlighted that they are not satisfied with the time they spend with staff. Aged care staff derive satisfaction from working with older people and the recent NILS workforce report highlights that residential care staff, in particular, are dissatisfied with the time they get to spend with residents.

Repeatedly aged care staff report that the paperwork required by Government takes away valuable time and resources from residents. The interaction between clients/residents and staff is a major factor in the quality of care that is provided.

Aged care providers want to meet reasonable accountability requirements but the current regulatory regime requires more and more paperwork that does not contribute to the quality or safety of care. Government regulation controls nearly every aspect of aged care operation, including service supply and charges, and this limits individual aged care providers and the industry overall in being innovative and progressive in delivering choice and high quality care to older people. The system needs an overhaul to ensure that Government receives the information it requires without taking time, or financial resources, away from direct care.

This budget information and initiatives sheet outlines some of the components of the existing regime which should be removed, streamlined or funded to ensure that the system values people before paper.

Accreditation

Residential aged care accreditation is undertaken by a government owned company. Its primary focus is on monitoring *compliance* rather than operating as a *quality improvement process*. Aged care staff report that accreditation visits are stressful and take a “policing” approach to quality.

The best accreditation systems in the world focus on quality improvement – on finding the underlying causes of errors or system failures so that their future incidence can be reduced. Aged care needs an accreditation system that takes this approach.

The accreditation system operates as a monopoly. All residential care providers must be accredited by the Aged Care Standards and Accreditation Agency (the Agency). There are other services and structures which can provide quality management and quality improvement services in a competitive marketplace. Using the structure established under the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) would deliver high quality accreditation services to the industry and reduce the need for over \$21 million in subsidies currently provided to the Agency.⁷ The JAS-ANZ framework is already used for other Australian Government programs, such as disability employment services and would provide high quality accreditation to the aged care industry at a lower cost to both the Australian Government and the industry.

The current, somewhat limited, Government review should make reframing accreditation as a quality improvement system and opening it up to a competitive marketplace a priority.

⁷ Aged Care Standards and Accreditation Agency Ltd Annual report 2007/2008: Part Eight: Financial Statements
http://www.accreditation.org.au/site/uploads/2007_2008_AgedCare_AR.pdf

Working in Aged Care Card

ACSA has generally supported the introduction of police checks for staff and volunteers working in aged care. ACSA's main issue has been the implementation of this measure as an additional unfunded compliance cost. With the benefit of implementation experience industry does not believe the current approach to police checks is sustainable as it is:

- a disincentive for relatively lowly paid staff to join aged care;
- difficult for providers, that are under increasing financial pressure, to continue to meet the unfunded costs of additional regulations; and
- difficult to make an assessment on a criminal record and whether or not a conviction on a record constitutes a sexual or other form of assault barring an individual from employment. In some cases providers have had to employ lawyers to make such assessments and this is a costly exercise.

The introduction of a Working in Aged Care Card (similar to the "Blue Card" used for child protection services in Queensland) would address these sustainability issues. It would undertake the prescribed suitability assessments against the convictions which bar employment in aged care. Government should undertake a feasibility study in 2009-10 to assist in establishing the card. While the system is under development Government should provide funding to cover the costs of undertaking police checks for all staff and volunteers so that it is not a disincentive to attracting staff or taking financial resources away from direct care.

Extra Service Status

Extra Service Homes are residential aged care services where the client, or their family, contributes additional funds to obtain a higher standard of amenity than is otherwise available. Extra service provides a choice for consumers in the type of accommodation they want to live in. It is one of the few areas where older people have any choice at all about the type of service they receive.

The Australian Government regulates this area by setting criteria for granting the status and sets regional targets for the level of extra service provision. This regulation works to constrain choice.

Government regulation of extra service status adds little value and should be dispensed with as a first step in opening up choices for older people. Protection and a right to services for those who need them must always be an integral component of a service system but it is time to introduce a real choice for people of where and what they want to receive and how they pay for it.

Community Care Reporting

Community care is characterised by a large number of compatible programs each with their own funding and reporting requirements. This results in organisations providing multiple sets of essentially similar information often to the same Department.

An organisation providing CACP, EACH, EACHD, HACC/COPS, NRCP (Respite House and in-home respite), DTC, DVA Nursing, VHC (a not unusual service mix) has to deal with the following:

- 8 different Guidelines
- 6 different Standards
- 5 different quality reporting/monitoring processes
- 5 different referral and assessment processes
- 7 different review and assessment processes
- 8 different financial reporting requirements, incorporating various periodic returns
- 8 different data reporting requirements
- 4 different software requirements
- 4 different processes for provision of equipment

To undertake all this, when trying to provide high quality, flexible and accessible care that meets the individual needs of clients, takes an incredible amount of staff time, which ultimately effects direct service provision to older people.

In rural and remote areas the situation is even worse as providers may only have a small amount of each of the different programs but they are still required to meet all of the various accountability requirements.

Clearly this is inefficient. Given the similarities between programs and the various requirements a single, or at least streamlined, set of reporting requirements must be developed. Savings would be realized by both Government and service providers which could be better used in the provision of direct care services.

Initiatives & Action Required:

- **Review the current residential aged care accreditation system to create a quality improvement process which occurs in a competitive marketplace within the JAS-ANZ framework. This would create an annual saving of \$21m.**
- **Develop a “Working in Aged Care” card, administered by the Police, to ensure suitability of workers. A feasibility study, with an estimated cost of \$300,000 should commence in 2009-10.**
- **Provide funding of \$5m in 2009-10 for police checks for all staff and volunteers while the “Working in Aged Care” Card system is developed.**
- **End regulation of extra service status. This would create a saving of \$0.52m over four years.**
- **Streamline the community care reporting burden creating savings for both service providers and Government. A new reporting system should be developed, user tested and implemented in 2010-11.**