



AASW
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Australian Association
of Social Workers

Preparation for the AASW presentation of evidence to the Senate Inquiry into the Aged Care (Living Longer Living Better) Bill and associated Bills

May 2013

Introduction

We would like to concentrate on three issues identified in the AASW submission:

- Affordability and the realistic cost of the reforms
- Additional training and support for the aged care workforce
- Access to aged care services via the National Contact Centre (Gateway service).

1. Affordability and realistic cost of the reforms

- The Association notes that the Productivity Commission's suggestion for a public benchmarking study to determine aged care costs was not adopted by Government.¹
- In the absence of information that such a study would provide, the Association is concerned that the funding of the reforms will be inadequate and the flow on effects of the funding strategies may lead to unintended consequences. The reforms do not only include a significant increase in places -both in residential care and home care but also wage increases, the establishment of three new agencies², establishment of the Gateway agency and payments to residential care providers for refurbishment. ***Yet there is very little new funding that the Government is making available for these reforms.***³
- It is understood that the increased cost of the reforms will be offset by measures to redirect funding and means-testing, change to the Aged Care Funding Instrument (ACFI) and increased consumer fees, amongst other measures.
- The Association is also of the view that there are hidden expenses associated with the reforms, such as the shift to Consumer-Directed Care, which appear to not have been priced at all.
- The effects of this multi-faceted package of reforms will take some time to play out and at this stage, the final costs are difficult to determine.

¹ Productivity Commission, *Caring for Older Australians*, Productivity Commission, Canberra, 2011, p. 502 – 503

² The Aged Care Financing Authority, the Aged Care Quality Agency and the Aged Care Reform Implementation Council

³ R. de Boer *Aged Care: Budget Review 2012-13 index* Parliament of Australia accessed 30 April 2012

2 Additional training and support for the Aged Care workforce

- There are two immediate areas for urgent additional knowledge and skills training for the aged care workforce. The first is in Consumer Directed Care (CDC) which is foreshadowed in the reform package and the second is the ability of aged care staff to respond to the needs of people now reaching old age, who previously would not have done so. This includes older people with serious mental illness, dual diagnosis and/or an intellectual disability.
- The Association welcomes the Government's intention to shift the aged care service system to one of CDC, firstly in the home care services and then, later, in residential services. We note with interest that from July 2013, all new home care packages are required to be delivered on a 'consumer directed care' basis.
- CDC represents a major paradigm shift from the current operating environment. Currently the aged care service system funds a set 'menu' of services. For instance in home care the consumer fits in the existing service types and models available rather than the services being designed around their needs and preferences.
- This kind of paradigm shift requires specialised education and skills training for the workforce, service providers, consumers and advocates. It also requires increased advocacy and introducing a much greater level of flexibility in service provision than is evident in what Government funds now – which is basically home care, respite care, day programs and residential care.

3 Access to Aged Care services via the Gateway service

- The National Contact Centre has the potential to streamline access to services for older people, but the process must be consistent, fair and reliable. Apparently older people with low to moderate needs will mostly receive a telephone assessment. The validity and reliability of these assessment tools must be above reproach, given that older people's welfare and ability to be independent are at stake.
- It is unclear how vulnerable older people on the edges of mainstream society will gain access to services, for example older people with unstable accommodation arrangements or who are isolated without a guardian or advocate.
- National Contact Centre (Gateway) may be emphasising the development of a web-site and call centre at the expense of establishing an agency with enough resources to provide comprehensive information, needs assessment, care coordination and carer referral services on a regional basis.

Concluding comment: Monitoring for unintended consequences of the reforms

- While the reforms include monitoring and review strategies, the Association urges the Government to consider developing specific risk indicators to monitor progress continually through the life the reforms. The Association further urges the Government to develop 'threshold' indicators that would flag to the Government that a strategy is not working or is too high risk to continue which would trigger an alternative response. A comprehensive review in five years' time, while welcomed by the Association, may be too late for some of the key issues in these reforms.

Further comments: Affordability and cost of the reforms

Concerns about funding strategies

- There are three key strategies for funding the reforms:
 - Modifications to the ACFI tool
 - Increased consumer fees, and
 - Increasing the proportion of home care places in relation to residential places.
- All of these strategies have some merits but, each also carries significant risks. The Association asks whether these risks have been properly identified and articulated and specific risk amelioration strategies developed.
- The Association is also concerned that these reforms are fundamentally to be funded by providers and consumers. Many risks would be significantly reduced by the Government investing more funding for the reforms.

The revision of the ACFI tool

- The revision of the ACFI instrument is essentially a tightening of the assessment criteria which means that providers can claim less from the subsidy than they have been able to in the past. A reduction in the ACFI subsidy is likely to have one of two results - both undesirable. Firstly it may result in providers not taking up the new residential places on offer - resulting in a shortfall of residential care. Alternatively, providers will take up the places but use the increased flexibility offered by the reforms to generate additional income to make up the shortfall. Most likely this income will be generated by even greater increases in costs and fees to consumers.

Increased consumer fees

- The Association is concerned that the increased fees to consumers in these reforms will cause hardship to some older people. Although fees and costs to consumers will be means tested and have caps, they are still a significant fee increase to older people, many of whom have already made a major contribution to the public purse through a lifetime of contributions through income and other types of tax. While consumers may be able to afford the cost of services, fees of up to \$5,000 per annum for home care, for example, may significantly reduce the older person's quality of life.
- Of even greater concern is the precedent for increasing fees that these reforms represent. Without sufficient initial investment by government (and by the community), the reforms may result in an ever-escalating cost to consumers. It is imperative that the reforms are closely monitored to ensure that the fee increases are not the 'thin edge of the wedge' for older people.
- The ultimate result of unaffordable services may be that older people will simply not purchase them which may have catastrophic consequences. Alternatively they may choose to purchase cheaper services such as home care, when, in fact they need residential care, resulting in both consumers and providers carrying a very high level of risk.

Increasing the proportion of home care places in relation to residential places

- In essence this is a good strategy as most people prefer to stay at home and receive required support. No doubt the Government has undertaken careful planning in calculating these ratios. However, the final proof of whether these ratios are correct will not be evident until the reforms are implemented.
- Our members advise us that, already, people with very high and complex needs are severely stretching the resources of providers through Extended Aged Care at Home (EACH) packages. Despite the multiple additional subsidies to be provided to home care, ultimately there comes a point in many older people's lives where a home care package simply cannot do the job safely and

effectively and a residential place is required. Alternatively the Government may consider funding different models of managing risks for home care such as greater and more innovative use of technology. Under current arrangements the risks of providing home care type services to people with very high and complex needs is translating in providers (which includes our members) , not Government, carrying a very high level of risk. In some cases, this is an unacceptable level of risk.

- There is no provision in these reforms about how this issue will be specifically monitored and what will happen if more residential places are needed.

Further comments: Additional training and support for the aged care workforce

- The shift to Consumer Directed Care does not appear to have funding allocated and quarantined for this purpose to fund essential activities such as:
 - training (for consumers, providers and the workforce) and coaching, as well as resources to support these
 - auditing and feedback as to whether the new approach is being implemented
 - cross agency collaboration for flexible service delivery
 - advocacy and case managers or brokers who can act on behalf of those consumers who are unwilling or unable to direct their own care and who do not have family or friends who can take on this role.

These are some of the requirements that need to be in place to successfully effect a change such as CDC. However we note with concern that the Government released the Draft Home Care Packages Program Guidelines (that officially introduce Consumer-Directed Care) in April 2013 for a service approach that is to start in June 2013.

- We urge the Government to give much greater consideration to the systems and processes that are needed to give effect to the intention to introduce CDC in aged care. We further urge the Government to develop a comprehensive implementation plan in to make Consumer-Directed Care a success with funded strategies.
- Similar observations apply to the aged care workforce being able to support older people with mental health, intellectual disability, acquired brain injury and other disabilities. Experience also shows that an important accompaniment to workforce education and training is access to secondary consultation from specialist services. This means that there needs to be a coordinated effort on a regional or sub-regional basis for aged care and other relevant services to establish mechanisms for secondary consultation and other related services.
- The AASW commends the National Aged Care Alliance for its paper titled Advice on Phase one Development of Consumer Directed Care (CDC) Home Care Packages (accessed on 29.4.13) which urges the Government to adopt the recommendations in that report that are aimed at the Government identifying and providing the resources and support required to shift the aged care system from its current operating environment to an effective Consumer-directed model of care.

Further comments: Access to aged care services via the National Contact Centre - Gateway service.

- A related matter is the intention for service providers rather than for staff of the Aged Care Assessment Service to assess whether a person has dementia and is therefore eligible for a dementia supplement. It seems that the Psychogeriatric Assessment Scale (PAS) will be used and if so its inter-rater reliability must be high given that different aged care professionals may apply it. Similarly, if training is needed in the use of the PAS should be provided.
- It should be noted that the NCC Gateway service should develop networks with services beyond the aged care sector, if the spirit of the reforms and CDC are to be given effect.