

Mr Ian Holland
Committee Secretary
Senate Community Affairs References Committee
Parliament House
CANBERRA ACT 2600
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Dear Dr Holland

Thank you for the opportunity to provide a submission to the the Senate Community Affairs Legislation Committee Inquiry into the following five Bills.

- *Aged Care (Living Longer Living Better) Bill 2013*
- *Australian Aged Care Quality Agency Bill 2013*
- *Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013*
- *Aged Care (Bond Security) Amendment Bill 2013*
- *Aged Care (Bond Security) Levy Amendment Bill 2013*

My submission addresses all of the five bills and provides recommendations relating to each of these Bills as outlined below.

1. Aged Care (Living Longer Living Better) Bill 2013

1.1 Background

Part of a package of five Bills in relation to the Living Longer Living Better aged care package, the Bill amends the *Aged Care Act 1997* to remove the distinction between low level and high level residential care. It provides for a means test combining income and assets tests and annual and lifetime caps on means tested care fees. The Bill provides for a dementia supplement, veterans' mental health supplement and workforce supplement to be payable to providers who care for eligible care recipients. It enables care recipients to choose payment methods for accommodation, involving options of a fully refundable lump sum, a rental style periodic payment, or a combination of both. The Bill replaces community care and some forms of care delivered in a person's home with home care and extends the community visitors scheme to people in home care. The Bill appoints and provides for the functions of an Aged Care Pricing Commissioner and requires the commissioner to prepare an annual report and provide that an independent review of this package is provided to the minister by 1 July 2017. Further, there are eight Acts to make consequential and technical amendments¹. The Bill gives effects to part of the Living Longer Living Better Package of reforms under which the Government will provide \$3.7 billion over 5 years from 2012-13.²

Recommendation 1:

The intent of the Aged Care (Living Longer Living Better) Bill 2013 is strongly endorsed.

2. Australian Aged Care Quality Agency Bill 2013

2.1 Background

Part of a package of five bills in relation to the Living Longer Living Better aged care package, the bill establishes the Australian Aged Care Quality Agency to replace the Aged Care Standards and Accreditation Agency from 1 January 2014. It also provides for the functions, powers, appointment, and terms and conditions of the Chief Executive Officer (CEO) of the Quality Agency and for staff and consultants. Importantly, it establishes the Aged Care Quality Advisory Council to advise the CEO and requires the Quality Agency to develop strategic and operational development plans. The Quality Agency's reporting requirements are covered

¹ <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome%2Fr4980%22>

² The Parliament of Australia (2013) House of Representatives Aged Care (Living Longer Living Better Bill) 2013 Explanatory Memorandum (circulated by authority of the Minister for Mental Health and Ageing the Hon Mark Butler MP)

in the bill along with provisions for the use and disclosure of protected information by the Quality Agency³. This Agency will be partially budget funded and partially funded through the Quality Agency charging fees for services. The government highlights that this is consistent with the current funding arrangements for the Aged Care Standards and Accreditation Agency.⁴

Recommendation 2

The intent of the Australian Aged Care Quality Agency Bill 2013 is strongly supported. However, given the Quality Agency's role it is recommended that Part 4 - Aged Care Quality Advisory Council, Section 32 (4) concerning the appointment of Advisory Council members be amended by adding the following areas of experience or knowledge to the list shown as follows: (m) health economics, (n) indigenous health. The currently shown '(m) any other appropriate field of expertise' should be renumbered to read '(o) any other appropriate field of expertise'.

Rationale - These areas of experience or knowledge will assist the CEO to achieve the functions as specified in Part 3 Division 1, Section 12 (e) of the Bill - 'to promote high quality care, innovation in quality management and the continuous improvement amongst approved providers of aged care' by enabling capacity for including clinical, cost effectiveness and cost benefit evidence in service provision and evaluation techniques along with care appropriately targeted for indigenous health which are very high priorities of all Australian governments. Part 2 section (9) states that 'The Quality Agency's function is to assist the CEO in the performance of the CEO's functions'.

Recommendation 3

The new Australian Aged Care Quality Agency be strongly encouraged, through appropriate mechanisms, to forge strong collaboration with the following organizations to facilitate achievement of its functions specified at Part 3 Division 1 section 12(e) through knowledge and application the most up to date Clinical Practice Guidelines (CPGs) and medical, clinical effectiveness and cost effectiveness evidence as follows:

- *NHMRC (National Health and Medical Research Council – Australian Government)* <http://www.nhmrc.gov.au/>
- *NHMRC Clinical Practice Guidelines Portal* <http://www.clinicalguidelines.gov.au/>
- *GENI (Guidelines and Economists Network International)* <http://geni-econ.org/>
- *GENI (Guidelines and Economists Network International) LinkedIn Group* <http://www.linkedin.com/groups/Guidelines-Economists-Network-International-GENI-4485993/about>
- *Australian Commission on Safety and Quality in Health Care* <http://www.safetyandquality.gov.au/>
- *Cochrane Collaboration:* <http://www.cochrane.org/>
- *GIN (Guidelines International Network)* <http://www.g-i-n.net/>
- *National Guideline Clearinghouse AHRQ – Agency for Healthcare Research and Quality, US Department of Health and Human Services* <http://www.guideline.gov/>
- *NICE (National Institute for Health and Care Excellence)* <http://www.nice.org.uk/>
- *NHS Centre for Reviews and Dissemination (including the Economic and Evaluation Database – NHS EED)* http://www.crd.york.ac.uk/NIHR_CRDWEB/
- *NHS Evidence* <https://www.evidence.nhs.uk/>

³ <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome%2Fr4981%22>

⁴ The Parliament of the Commonwealth of Australia (2013) House of Representatives Australian Aged Care Quality Agency Bill 2013 Explanatory Memorandum (circulated by authority of the Minister for Mental Health and Ageing the Hon Mark Butler MP)

- WHO Health Evidence Network <http://www.euro.who.int/en/what-we-do/data-and-evidence/evidence-informed-policy-making>
- CDC (Centre for Disease Control) - USA <http://www.cdc.gov/>

3. Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013

3.1 Background

This bill is also part of a package of five bills in relation to the Living Longer Living Better aged care package. It enables the transition of the functions of the Aged Care Standards and Accreditation Agency Limited to the Australian Aged Care Quality Agency from 1 January 2014. Specifically it provides for the transfer of assets and liabilities; the custody of records of documents; and office holders and staff⁵. The Government highlights that the Bill is compatible with human rights because to the extent that it limits the human right to protection against arbitrary interference with privacy, those limitations are necessary, reasonable and proportionate⁶.

Recommendation 4

The intent of the Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013 is strongly endorsed.

4. Aged Care (Bond Security) Amendment Bill 2013

4.1 Background

Part of a package of five bills in relation to the Living Longer Living Better aged care package, the bill amends the *Aged Care (Bond Security) Act 2006*. Specifically it amends the long and short titles of the Act; and extends the Accommodation Bond Guarantee Scheme to refundable accommodation deposits and refundable accommodation contributions⁷. The Government highlights that the proposed amendments do not limit any human rights, nor propose any offences or penalties⁸.

Recommendation 5

The intent of the Aged Care (Bond Security) Amendment Bill 2013 is strongly endorsed.

5. Aged Care (Bond Security) Levy Amendment Bill 2013

5.1 Background

This bill is also part of a package of five bills in relation to the Living Longer Living Better aged care package. It amends the *Aged Care (Bond Security) Levy Act 2006*, including the long and short titles of the Act. It also enables a levy to be imposed on approved providers for the costs incurred by the Commonwealth in refunding refundable accommodation deposit balances and refundable accommodation contribution balances⁹. The Government highlights that the proposed amendments do not limit any human rights, nor propose any offences or penalties¹⁰.

⁵ <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome%2Fr4983%22>

⁶ The Parliament of the Commonwealth of Australia (2013) House of Representatives Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013 Explanatory Memorandum (circulated by authority of the Minister for Mental Health and Ageing the Hon Mark Butler MP)

⁷ <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome%2Fr4982%22>

⁸ The Parliament of the Commonwealth of Australia (2013) House of Representatives Australian Aged Care (Bond Security) Amendment Bill 2013 Explanatory Memorandum (circulated by authority of the Minister for Mental Health and Ageing the Hon Mark Butler MP)

⁹ <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome%2Fr4979%22>

¹⁰ The Parliament of the Commonwealth of Australia (2013) House of Representatives Australian Aged Care (Bond Security) Levy Amendment Bill 2013 Explanatory Memorandum (circulated by authority of the Minister for Mental Health and Ageing the Hon Mark Butler MP)

Recommendation 6

The intent of the Aged Care (Bond Security) Levy Amendment Bill 2013 is strongly endorsed.

Yours sincerely

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13 May, 2013

Dr Kathryn Antioch, is Deputy Chair, Guidelines and Economists Network International (GENI) Board and works on implementing clinical and cost effectiveness evidence and Clinical Practice Guidelines (CPGs) internationally. She has participated in thirteen Parliamentary Senate Committee Inquiries on Health Reforms since 2010 and briefed the Council of Australian Governments (COAG) on Evidence Based Medicine implementation nationally in the context of the renegotiations of the new Health Reform Agreements from 2008 to 2010. She was appointed by the Federal Health Minister as the Health Economics member of the Principal Committees of the NHMRC for six years to 2009 including the National Health Committee, Health Advisory Committee. She also was appointed to the NHMRC Privacy Working Committee and Lead Committee. She led the implementation of EBM initiatives across some Victorian Local Hospital Networks, including aged care facilities, in Senior Management and as a Principal Management Consultant. She is the owner of the GENI LinkedIn Group since 2012. Dr Antioch has undertaken recent consultancies on the cost effectiveness of preventive health interventions and also telehealth.