

AUSTRALIAN GREENS ADDITIONAL COMMENTS

Introduction

1.1 The Australian Greens are strongly supportive of responsible and much needed reform within the aged care sector. Reforms have been spoken about for many years, and all the while, pressure on older Australians and the staff who delivery services to them has increased.

1.2 In a country such as ours, it is shameful to think that older Australians are being denied access to appropriate and adequate care, especially in regional and remote areas.

1.3 As our population continues to age, the challenges faced by the sector will increase and must be met through comprehensive reform.

1.4 Many organisations have taken time to participate in the committee process, despite the short time lines, and the Australian Greens thank all those people and organisations who participated in the inquiry for preparing submissions, appearing at the hearings and providing the additional materials and advice as the committee requested it.

1.5 The Australian Greens have consulted widely with the sector and have identified a series of outstanding issues that still need to be resolved in order to be confident that the legislation, when implemented, will ensure the objectives underpinning Bill are realised and do not unduly disadvantage any particular group of consumers or providers.

1.6 However, on the whole, the Australian Greens believe that, the Living Longer, Living Better legislation will be an important step forward in ensuring quality care is accessible for all older Australians.

1.7 The Australian Greens also note there has been some significant anxiety about the passage of the legislation. Some of that anxiety was avoidable, had the principles behind the Bill been released at the same time as the legislation itself. The Australian Greens want to reiterate the remarks in the majority report, that introducing significant legislation without at least the draft delegated legislation makes it difficult to assess and is a poor process which needs to be avoided in future reform packages.

1.8 The Australian Greens are committed to continuing to work on aged care reform that builds on the architecture set out by this legislation and can ensure the delivery of better outcomes for older Australians and the aged care sector alike.

Productivity Commission Report

1.9 The Australian Greens believe that all people should have access to high quality aged care that allows them to live their lives with dignity, regardless of their capacity to pay and that funding is available to support vulnerable people who are unable to meet the costs on their own. However, the Australian Greens recognise that

in order to ensure this access and quality of care in the face of increasing demand, aged care services needs to be financially viable and capable of achieving growth.

1.10 The Productivity Commission (PC) reviewed the delivery of aged care services in Australia and highlighted a range of areas within the aged sector that are in need of attention and through its recommendations set the scene for significant reform. This legislation, which provides the architecture for a broader reform package, builds on both the Productivity Commission inquiry and the National Aged Care Alliance Blueprint¹; still many submitters noted in their evidence that this legislative package has only partially adopted the PC report's recommendations. These submitters emphasised their preference to adopt the PC recommendations more fully and there was a particularly focus on the entitlement model for service delivery proposed by the PC. The Australian Greens are supportive of the idea of consumer directed care and giving individuals capacity to exercise choice and control over the services that they receive but also recognise that this is only financially sustainable in the long term if combined with a much stronger emphasis on co-contributions to care from those who can afford it. Through this legislation, the Government has taken some steps towards introducing broader means testing as well as care contributions for all forms of care, including high care, but clearly wasn't prepared to implement the Productivity Commission recommendations fully. The Government indicated at the time it did not believe that the Australian community would support the measures, which in turn has limited the scope of the reforms. In particular, the Government did not explore fully the appetite of the Australian people for a Pensioner Aged Care Home Credit scheme and associated Australian Pensioners Savings Account, which would have allowed individuals to access the equity in their homes.

Co-Contributions

1.11 The Australian Greens are broadly supportive of the introduction of a payment framework which facilitates co-contributions but also provides important protections such as the annual and lifetime caps, along with greater flexibility and time-frames for consumers to choose how they pay through a mixture of lump sum and regular payments. However, the Australian Greens have some significant concerns about the operation of the co-contribution tests, particularly in home care, that have not been adequately addressed by the majority committee report.

Home Care

1.12 The Greens believe that delivering care in the individual's home contributes to positive ageing and ensures that ageing Australians stay connected to the broader community. It is good to see that there are significantly more places available in home care already and these places were taken up through the last ACAR funding round, demonstrating that service providers are preparing to deliver more home packages. However, the evidence presented by Uniting at paragraphs 3.45 to 3.47 of the majority committee report clearly demonstrates the pressure that part pensioners will experience under the pricing structures proposed by these reforms. The Australian

¹ National Aged Care Alliance, *Blueprint for Aged Care Reform*, February 2012

Greens are disappointed that DoHA's response to Uniting Care's concerns has been to calculate the cost impact on the consumer using a measure of the average basic fee that providers currently collect rather than the maximum basic fee, given the expectation that service providers will begin to move to delivering home care as individualised packages of funding, without block funding in most cases, and so will no longer be able to price smooth across consumers. The graph at paragraph 3.46 of the majority report clearly demonstrates that these fees rise too quickly as a portion of income for part pensioners up to \$33,700.

1.13 The Australian Greens agree with Uniting Care's assessment that part pensioners who face a range of other cost of living pressures will not be able to afford care and share the concern that some people will self-ration out of care. The Australian Greens do not share the majority view on this matter at paragraph 3.60 of the majority committee report.

1.14 Uniting Care propose smoothing the cost to part pensioners by changing how the taper rates operate. The Australian Greens recognise that this will have a cost to Government. However, if part-pensioners self-select out of care, they are likely to have a significant impact on the public health system in the future which will have its own associated costs.

Recommendation 1: The Australian Greens recommend that home care taper rates be revised.

1.15 Council of Social Services of New South Wales identified a potential impact on demand for Home and Community Care Services (HACC) if the cost of home care is not addressed.² HACC also delivers important community services, but through a model that is based on block funding services and it appears that the Government has given little consideration to how the program will interact with HACC. HACC services did not feature prominently in the evidence that the committee received but the Australian Greens are aware that the move towards CDC and the introduction of a very low level care package in Home Care will interact with the block funded HACC services. The Australian Greens agree with the majority committee report's assessment that the effects on HACC will need to be reviewed but believe that this monitoring should be ongoing and that the delivery of care and support through the NDIS, HACC and these new Home Care packages should be the subject of a broader inquiry in the near future.

Recommendation 2: That the impact of consumer directed Home Care packages be monitored with a view to the impact that it has on the delivery of broader community care programs such as HACC

Recommendation 3: That there is a broader review of how community care is delivered in Australia through both individualised packages in aged care and disability and the intersection with other community care programs such as HACC.

² Council of Social Services of New South Wales, *Submission 96*, p.10

Residential Aged Care

1.16 As this legislation represents significant reform, both consumers and providers will experience significant changes and inevitably there will be some trade-offs as a result. For example, consumers will have access to greater choice and control over how they pay for care, but are now expected to contribute to the cost of that care if they can afford to. The asset rich, income poor consumers who have largely avoided paying for high care places will now contribute the same as someone with the same overall means but a different mix of assets and income. The distinctions between high and low care, and the associated restrictions on who could be asked to pay for care, will disappear which will ensure that there are more consumers contributing to the cost of their accommodation and care but providers have to contend with a longer decision making period of 28 days and increased control for consumers to choose if they pay daily or lump sum contributions.

1.17 The Australian Greens recognise the need for trade-offs, if they improve the sector overall and increase access and consumers and providers are all treated fairly and equally, while still delivering the key outcomes of consumer control, access for those of limited means and sector viability. However, we also recognise the concern that industry has about the impact of the legislation on the business model currently used by many providers and their ability to navigate effectively through the reforms. The KPMG modelling outlined in Chapter 4 of the majority report was unfortunately not finalised until after the committee hearings were concluded. This report indicates that on aggregate there will be a greater inflow of capital overall, however for at least some providers there is a genuine risk that there will be unmanageable impacts on both the cash-flow required to operate the existing services and access to the capital inputs needed to build for the future.

1.18 Most significantly for consumers and providers alike is the shift in their understanding of how the lump sum bonds are negotiated by establishing a clearer link between the cost of delivering accommodation and the lump sums that individuals deposit with providers for the duration of their time in that care facility. These deposits were previously named an accommodation bond and now called a refundable accommodation deposit. Consumers may also choose to pay for their care on a daily basis, using a daily accommodation payment. Establishing a strong link between the daily accommodation payment (DAP) and the residential accommodation deposit (RAD) is important for consumers and facilitates fair, transparent pricing. However, this is clearly the most contentious part of the legislation, and as noted Chapter 4 of the majority committee report, residential providers have a number of concerns that largely focus on whether the legislation will result in a significant shift by consumers from RADs. This is an important consideration because in the current system, large lump sum accommodation bonds have played an important role in driving investment and have been used by some providers as short term capital to facilitate growth in the number of places that are available to consumers and ongoing refurbishment of facilities, but the size of these accommodation bonds have not always been appropriate for the individual consumer.

1.19 These reforms put restrictions on the size of bonds but increase the total pool of people who can pay their accommodation fee through a lump sum payment, as part

of lifting the distinction between high care and low care.³ With this reform, those consumers who may have waited too long to enter care because of the perceived barrier that large low care bonds have represented will have more options available to them, including daily accommodation payments, as well as being able to form combinations of daily payments and a lump sum. However, providers have to face a situation of less certainty about how consumers will choose to pay their contributions, and their evidence to the committee demonstrated that this does have implications for their business planning.⁴ Other submitters expressed concern that, given the industry's heavy reliance on the capital that upfront bond payments provide, that a move by consumers away from lump sums will require them to find new ways to attract bank loans to build new facilities and service their debt.⁵

1.20 Consumer representative body, COTA, noted that, "COTA does not think there will be a big shift away from RADs in the short term. If [there is], that will be an expression of consumer preference, which is the purpose of the reform."⁶ However, the evidence that the committee heard raised some serious questions about whether the legislation has indeed ensured equivalence between the DAP and the RAD payment. For many submitters an ideal policy outcome was expressed as one where there was neutrality of choice between payment types and consumers were not necessarily led towards one over the other; however they argued that in the current reform package this principle is not necessarily achieved because of the decision to maintain the existing arrangements for the primary residence in the asset test.⁷

1.21 Consumers who hold onto the primary residence will be treated differently to those who do not in the asset test. The Department of Health and Ageing were explicit in their evidence that the house is treated as a special asset.⁸ As a result of this different treatment, the Australian Greens share the view of many submitters that this will impact on how consumers may perceive their options. While the primary residence is given protected status it is difficult to address this situation, however, providing special treatment for the primary residence compared to the realised asset in cash is also not a new concept, it has been a foundational decision in many other policy frameworks, including the aged pension test.

1.22 The Australian Greens are reluctant to address the issue of equivalence between the treatment of the lump sum (and the suggestion that it unintentionally preferences the daily payment over the deposit) simply by allowing lump sum payments for care to also receive protection from asset testing. The Australian Greens believe that giving bonds the same treatment would unwind most of the progress that has been made in ensuring that assets are means tested and that consumers contribute

³ DoHA, answer to written question on notice, (received 14 May 2013), Attachment 4, p. 3.

⁴ See for example, Catholic Health Australia, *Submission 55*, p.12.

⁵ See for example, ANZ, *Submission 94*, p.2.

⁶ COTA, *Submission 87*, p.15.

⁷ See for example, Leading Edge Services, *Submission 58*.

⁸ Ms Balmanno, Department of Health and Ageing, *Proof Committee Hansard*, 1 May 2013, p.77.

to the cost of their care, which would in turn undermine the financial viability of the sector into the future.

1.23 Another suggestion was to treat the rental income of a retained residence the same under the DAP as under the RAD. The Australian Greens have considered this, but recognise that to do so would significantly impact on the architecture of the bill and its intersection with the means testing that occurs under the aged pension, and may have significant unintended consequences for the calculation of the pension, which is another critical component that underpins how older Australians access care and support. The impact of the means testing arrangements is included in the review and the Australian Greens believe that the interaction of these means tests with the tests for the aged pension should also be reviewed at the same time.

1.24 As discussed in the majority report, the modelling from KPMG demonstrates that even with this difference in treatment of the assets, most rational, wealth maximising consumers will still be better off choosing a RAD over a DAP, given their financial circumstances.⁹ The KPMG report does help resolve some of our concerns by helping to quantify the possible effects of the reform on capital available to aged care providers, but we acknowledge that this modelling cannot account for the emotional and personal factors, such as simplifying personal affairs or attachment to their former home that may also influence the individual's decision making. We recognise that for many providers, as this modelling may not have resolved all of their concerns about what real consumers may actually choose to do, there will still be a great deal of uncertainty for them to contend with in, as an industry that is in transition.

1.25 While the KPMG Report demonstrates that the aggregate effect would be to generate a significant increase in new lump sums that help underwrite the capital expansion of the industry, the impact on some individual providers may not be so positive. For example, Catholic Health Australia raised concerns that some of their services that are currently set up to provide low care only would find it more difficult to shift their business model.¹⁰ Similarly rural and regional providers raised concerns that they cannot attract bonds at the moment, which has resulted in limited opportunities for growth.¹¹ Neither group of provider seem very confident of their ability to attract new bonds from patients who would have formerly been classified as high care. Therefore, these providers believe that the access to capital to refurbish and expand their services is likely to continue to be a significant problem, even though the ability to attract customers who want to pay with a combination of a bond and a daily payment will also open up new sources of capital for some of these providers.

⁹ KPMG, *Scenario analysis of selected LLLB financial arrangements – Interim report*, prepared for Aged Care Financing Authority, May 2013.

¹⁰ Catholic Health Australia, *Supplementary submission 55*.

¹¹ See for example Mrs Christensen, Narrogin Cottage Homes, *Proof Committee Hansard*, 29 April 2013, p. 44-45.

1.26 This uncertainty for providers has also been linked to both the use of a Maximum Permissible Interest Rate to link the DAP and RAD and the 28 day period that consumers have to decision about how to pay their care costs.

1.27 The Australian Greens acknowledge the evidence in the majority committee report which demonstrates that residents are not required to wait 28 days to make a decision about how they will pay for care and agree with COTA that for those entering care in a crisis situation, 28 days is an important safeguard that will allow the individual time to seek financial advice about what will be best for them.¹² We also note that under current arrangements, consumers still have six months after entering care within which to pay an agreed upon lump sum bond.

1.28 However, the Australian Greens are aware that price setting between the DAP and RAD via the mechanism of the Maximum Permissible Interest Rate (MPIR) also has implications for a provider who may simultaneously be negotiating a consumer into a new place while ensuring that they have sufficient cash flow to release the RAD of the previous occupant. Submitters raised some important points about how the pricing setting by estimating a RAD from an DAP using the current MPIR would mean that that even if the new entrant wants to pay a RAD, the calculated value of that RAD could change significantly due to shifts in interest rates. Many service providers asked for this setting to be reversed so that RAD total will stay constant and it is the associated DAP that will fluctuate with interest rate changes. In additional evidence provided to the committee, the Aged Care Financing Authority (ACFA) also recommended reversing the price setting mechanism and the Government has indicated that it will implement AFCA's recommendation.¹³ The Australian Greens support adopting this for the first three years as a stabilising measure for providers, but also agree that it should be included in the review process.

1.29 The shift in the industry financing structure will be a gradual one, as existing arrangements will be grandfathered under transitional arrangements. However, the Australian Greens recognise short term liquidity problems will need to be addressed immediately, not just during the review process.

1.30 The Australian Greens recommend that there should be careful monitoring prior to the review period and where problems with individual providers (or particular types of services, such as those mentioned above) are identified, there needs to be a series of transitional arrangement in place to facilitate their transition to a sustainable financial model. The NACA Blue Print asked for refinancing facility for otherwise solvent providers who may face liquidity problems as a result of the greater consumer flexibility to choose between bonds and periodic payments, as well as capped matching grants for smaller providers to seek business advice on their future in the reformed system.¹⁴

¹² COTA, *Submission 87*, p.15.

¹³ Correspondence between Ms Lynda O'Grady, ACFA and the Hon. Mark Butler MP, 17 May 2013 <http://www.livinglongerlivingbetter.gov.au/internet/living/publishing.nsf/Content/Aged-Care-Reform-Implementation-Council-Communique-advice-to-minister>

¹⁴ National Aged Care Alliance, *Blueprint for Aged Care Reform*, February 2012.

1.31 Some aspects of this monitoring should be conducted independently from the Department of Health and Ageing and ACFA should be recognised in legislation as an independent body, with a similar composition of industry skills and experience to its current membership, that can undertake this monitoring work with a view to ensuring the financial viability of the sector, and provide timely analysis and make recommendations to Government about how and when to implement transitional arrangements that can address liquidity and capital problems as they arise. These transitional arrangements could include business advice, loan guarantee and bridging finance as part of a commitment to support industry adjustment.

1.32 This monitoring will also serve the purpose of quickly alerting the Government to wide-scale failures, in growth and liquidity, should any arise.

Recommendation 4: The Government should commit to transitional arrangements that include business advice, loan guarantee and bridging finance as part of a commitment to support industry adjustment.

Recommendation 5: ACFA should be recognised in legislation as an independent body with a similar composition of industry skills and experience to its current membership that can undertake this monitoring work separate to the Department of Health and Ageing

Recommendation 6: ACFA should provide timely analysis and make recommendations to Government about how and when to implement transitional arrangements that can address liquidity and capital problems as they arise.

Rural and Regional service providers

1.33 The Australian Greens recognise that this reform has not resolved some of the ongoing problems in service delivery for rural and remote communities. This reform should deliver better outcomes for Australians living in regional areas by better ensuring that they can also access quality care. The Department of Health and Ageing have argued that the ability of service providers to collect more fees and for consumers to combine their payments in the form of lower RADs topped up by DAPs may help ensure more growth in regional areas and therefore more options for consumers to enter care.¹⁵ However, as discussed in the previous section, the exact impacts of the new arrangements cannot be known at this stage and therefore transition packages should be available to regional and remote providers who require them.

1.34 Providers also identified attracting and retaining staffing as a significant challenge in rural and remote communities.¹⁶ The workforce supplement was not considered appropriate to overcome these challenges by many of the regional submitters. As well as making sure that the workforce supplement is delivered to regional and remote employees, further improvements to the scope of viability supplements on offer may also be required.

¹⁵ DoHA, answer to written question on notice, (received 14 May 2013), Attachment 8, p. 2.

¹⁶ See for example, Ms Anita Ghose, Baptistcare, *Proof Committee Hansard*, 29 April 2013, p. 15-16.

1.35 In addition to providing more support and funding, the classification tool that is used to determine the eligibility of a service provider for targeted assistance also requires review. For example a service provider in Narrogin, WA, is unable to access the viability support but is clearly delivering services in a challenging rural environment.¹⁷ This is an issue that has been picked up by this committee during other inquiries into service delivery outside metro areas and the instrument should be revised by Government with a view to resolve the broader issues as well.

Recommendation 7: The Government should ensure that the workforce supplement also results in improved wages for regional and remote employees.

Recommendation 8: Further improvements to the scope of viability supplements on offer should be undertaken by the Government.

Recommendation 9: The classification tool that is used to determine eligibility as a regional or remote service provide should be reviewed.

Supported residents

1.36 The Australian Greens fully support efforts to ensure that there are adequate places for supported residents as part of a commitment to ensuring high quality care for all Australians. This is not a component of the legislation, however some submitters raised questions about how the quotas would be applied¹⁸ and the Australian Greens share the concerns expressed that it may not be possible to realise the targets in all regions. We acknowledge that ACFA will be reviewing this issue, which is another clear demonstration of the need for a body such as ACFA to undertake this detailed analysis and provide recommendations to Government. The Australian Greens urge the Government to ensure that this review is completed in a timely fashion and acted upon before the implementation date of 1 July 2014; however the Australian Greens would not support any recommendation that effectively restricts access for supported residents.

Special Categories of Need and associated supplements

Dementia and Mental Health

1.37 The Australian Greens welcome the recommendation in the majority report to broaden the dementia supplement out into a behavioural supplement that has the ability to capture other mental health issues but we remain concerned that this may be an inadequate solution for tackling complex mental health needs. The needs of veterans were explicitly recognised through a veterans supplement, and the Australian Greens believe that this should be seen as best practise for addressing particular at risk groups. The effectiveness of this supplement to meet the care needs of all individuals with a mental health need should be considered during the review process, and additional supplements considered at that time.

¹⁷ Mrs Christensen, Narrogin Cottage Homes, *Proof Committee Hansard*, 29 April 2013, p. 45.

¹⁸ See for example, Mr Prior, Hall and Prior Aged Care Organisation, *Proof Committee Hansard*, 29 April 2013, p. 5.

Recommendation 10: That the review of the legislation also considers the adequacy of this supplement to meet the mental health needs of older Australians and considers creating a separate supplement for mental health.

Homelessness

1.38 The committee heard from the Wintringham service about the challenges of delivering aged care to the homeless.

1.39 Mr Adam Bandt, Greens MP for Melbourne, reflected on the importance and unique work that is being undertaken by this service, noting in his second reading speech that:

Unlike those of us who have family members who will care for us and may go and make the inquiries on our behalf about what would be an appropriate aged-care service, if you are homeless you probably do not have someone to do that for you. It may actually take the service itself conducting outreach, going to where you are—and you might be sleeping rough; you might be in a shelter—and saying to you, 'We can look after you.' ... The Wintringham service has gone out of their way to be an aged-care provider for people who have been homeless or are at risk of homelessness. They have devised a system that provides quite a high level of care to the people who end up living there. They have been able to make the service operate within the existing funding systems and set themselves up as an aged-care provider for homeless people and when you walk into one of their places, it is not is what one might call a 'normal' aged-care environment with a smattering of homeless people; almost everyone who is in there has been homeless or at risk of homelessness.¹⁹

1.40 People who have been homeless for a long period and find themselves getting aged-care services are going to have issues, by and large, that the rest of the people who find themselves in aged care will not necessarily have. Being homeless ages you prematurely, so by the time that you find yourself entering aged care you have a large number of health issues that others do not necessarily have and may require intensive support and care. And, of course, there may be special consideration given to how residents behave and interaction with others. For people who have been homeless for a long period of time then you have learnt to survive and get by, and that does not necessarily involve interacting with others in the way that people who have lived in stable housing all their lives would. Providers may be putting people together who may not have had stable accommodation arrangements for most of their lives.

1.41 Clearly individuals who have experienced homelessness are highly likely to need specialised support to address complex mental health and behavioural needs. While the Wintringham facility has managed to cobble together mainstream funding, it is clear that there is increasing pressure on their services under the new ACFI arrangements. Evidence presented to the committee demonstrated that the service had lost about \$20 a day per resident and given that these services are not likely to be collecting any fees from their residents, their long term viability is now in question.

¹⁹ Mr Adam Bandt MP, *House of Representatives Hansard*, 27 May 2013, p.84

1.42 As flagged by Adam Bandt during the second reading debate in the House of Representatives, the Australian Greens have actively pursued a homelessness supplement and are glad to see that this has been adopted into the majority committee report.

Recommendation 11: That the Government include a separate homelessness supplement in the legislation to ensure that services like Wintringham are financially viable.

LGBTI

1.43 The Australian Greens do not believe that exemptions should be granted to faith based organisations to discriminate on the basis of sexuality, but in the absence of this broader reform, the Australian Greens strongly agree with the view of GRAI, who argued that exemptions under the Sex Discrimination Act should not be granted to faith based providers of aged care who receive Commonwealth funding. Just before the tabling of this report the Government introduced a Bill which may achieve this outcome. The Australian Greens welcome this initiative, support it in principle and will review the detail carefully.

1.44 However, the reform still needs to address discrimination on the basis of sexuality in all training and planning aspects of aged care reform. The Government should also take further steps to ensure specific strategies, designed in partnership with the LGBTI community, are put in place to encourage providers to improve their cultural awareness and actively reassure LGBTI individuals that they will be safe and welcome in their facilities, and encourage the advocacy of groups like GRAI and LGBTI Health Alliance.

1.45 Given the significant issues associated with discrimination for this cohort of ageing Australians, the Australian Greens also strongly believe that there should be some further work undertaken with the Commissioner to better facilitate the reporting of discrimination, and ensure that complaints are responded to effectively.

Recommendation 12: The Government should ensure that the anti-discrimination legislation is progressed with this package of Bills.

Recommendation 13: The Government should ensure that the Commissioner prioritises the development of strategies that will help ensure that LGBTI discrimination is identified and reported and that complaints are responded to quickly and effectively.

Recommendation 14: The Government should support the LGBTI community to participate in the design and implementation of the reforms and encourage the advocacy of groups like GRAI and LGBTI Health Alliance.

Workforce Supplement

1.46 The Australian Greens want to see funding for wage increases delivered through the reform package. We note that the development of a wages bridging supplement was part of the NACA Blueprint for reform and had broad in-principle

support across the sector.²⁰ Therefore, the Australian Greens support the inclusion of the workforce supplement in the legislation, noting that the Government can continue to work on the design and the implementation of the subsidy with all stakeholders. We want to be assured that the approach that is taken is one that maximises how much funding flows to workers but we also note the supplementary evidence provided by Hall and Prior which clearly demonstrates that there will be on-costs for the providers and acknowledge that this needs to be addressed.²¹

Recommendation 15: Retain the workforce supplement in the legislation.

Recommendation 16: That Government continue to work with all stakeholders to ensure that the workforce supplement is able to directly improve wages while not unduly disadvantaging any providers and considers offsetting the increase in on-costs to providers to ensure that the supplement is widely taken up.

Ageing with a disability

1.47 The Australian Greens are concerned that people who acquire a disability after 65 may not receive adequate or appropriate care. During the consideration of the National Disability Insurance Scheme legislation, the Australian Green proposed lifting the 65 year upper age limit on the NDIS, to ensure that people who develop a requirement for disability care and support later in life are cared for by the system that best meets their care needs and provides access to appropriate aids and equipment. As this recommendation was not adopted, the Greens believe that ageing with a disability must be considered in the scheduled future reviews of both disability and the aged care reform. As highlighted in the home care section above, there is also a growing need to conduct a broader review of how these significant age and disability reforms have impacted on the delivery of community care services across state and federal jurisdictions and the interaction between block funded services like HACC and these new consumer-directed funding packages.

Recommendation 17: Government should consider the capacity of aged care services to deliver care and support to individuals who acquire a disability over the age of 65 in future reviews but that these services should also be considered within the context of review of the National Disability Insurance Scheme.

Quality Assurance Agency

1.48 The NACA Blueprint proposed the establishment of an independent Australian Aged Care Commission (AACC) that would inter alia include a complaints system. An independent complaints system was also recommended by the Walton Report.²²

1.49 The Australian Greens acknowledge and support the recommendations about quality and complaints made in chapter eight of the majority report, but continue to be

²⁰ National Aged Care Alliance, *Blueprint for Aged Care Reform*, February 2012.

²¹ Hall and Prior, Submission 110, p.1.

²² COTA, *Submission 87*, p.54.

concerned that because this legislation has not established the AACCC, there is still a lack of independence in the complaints processes.

1.50 COTA proposes to take a step towards addressing this by:

As a minimum first step that a clause be added to the Bill that amends clause 95A-1 (2) (a) of the Aged Care Act 1997 to substitute the words "and make recommendations to the Secretary arising from the examination;" by the words "and make enforceable determinations arising from the examination;".²³

Recommendation 18: Amend the legislation to ensure the Commissioner has powers to make enforceable determinations.

Senator Rachel Siewert
Australian Greens

²³ COTA, *Submission 87*, p.54.

