



**VICTORIAN ASSOCIATION OF HEALTH AND
EXTENDED CARE**

HOMELESS ELDERLY IN RESIDENTIAL CARE

ISSUES PAPER –FEDERAL ELECTION 2001

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1.0 SUMMARY OF RECOMMENDATIONS

RECOMMENDATIONS ON ACCESS

1. That the Homeless Elderly be listed under Section 11-3 of the Aged Care Act 1997 as a “special needs group”.
2. That due to premature ageing, planning residential aged care beds and CACPS for the elderly homeless be based on the number of people aged 50 years and over who are homeless.
3. That the Commonwealth Government through the ACPAC process ensures the needs of the homeless are taken into account when allocating future aged care places in Victoria.
4. That all ACAS be provided with adequate training and education on the needs of the homeless elderly
5. That people with expertise in dealing with the homeless be available to provide support and assistance to all ACAS across the State
6. That the Commonwealth/State Housing agreement and the recently announced initiative by the Commonwealth Government to develop a national housing strategy take into account access to residential care for the homeless elderly.

RECOMMENDATIONS ON QUALITY OF CARE FOR THOSE WITH COMPLEX CARE NEEDS

7. That the Commonwealth Government fund a pilot/demonstration project, within a residential aged care facility currently caring for homeless people, to cost and document the care needs of older homeless people with high and complex needs.

RECOMMENDATIONS ON VIABILITY

8. That the full concessional resident supplement be made available to all eligible residents irrespective of when they entered residential aged care.
9. The current two tier Concessional Supplement be replaced with a three tier system that more adequately addresses the costs associated with providing care to the homeless aged.
- 10 That the Commonwealth Government recognise and acknowledge the inability of organisations catering for the homeless elderly to charge accommodation bonds, attract loans and/or fundraise adequate funds to build new homes or extend existing homes and;
- 11 That the Commonwealth Government review its policy on capital funding and ensure the needs of the homeless elderly are appropriately addressed through the provision of adequate capital subsidies to provide aged care homes for those, who through a history of homelessness, are unable to pay accommodation bonds/charges as per the Aged Care Act 1997.

2.0 BACKGROUND

A number of VAHEC members providing over 500 residential aged care places for the homeless elderly in Victoria all agree that the needs of their residents and the staff who look after them far exceed what is currently available and provided for under the Aged Care Act 1997.

The definition of homeless elderly for the purposes of this paper is *“elderly people who are in non-permanent housing such as rooming houses and caravan parks or who have an unstable history in public housing or who live in squats or in the streets”*.

3.0 ACCESS TO SERVICES

Under the Aged Care Act 1997 access to residential aged care services is gained through assessment for eligibility by an Aged Care Assessment Service (ACAS). Referrals to an ACAS usually come through a GP, family/friend/carer, HACC service providers and acute hospitals.

The homeless elderly experience great difficulty gaining access to residential aged care services under this system. Reasons for this include:

- Lack of residential care places that cater for the needs of this client group
- Lack of understanding by some ACAS on the needs of the elderly homeless hence reluctance to refer those suffering premature aging to residential aged care
- General reluctance to admit elderly homeless to mainstream residential aged care services due to negative images including:
 - Unruly behaviour
 - Excessive drinking
 - Personal hygiene issues
 - Incompatibility with residents of the opposite sex

NEEDS OF HOMELESS IN RESIDENTIAL AGED CARE SERVICES

Homeless people who end up in residential aged care suffer from multiple cognitive problems (including psychiatric disability, intellectual disability, alcohol related brain impairment and associated permanent memory loss), poor health status, poor nutrition, premature ageing and social isolation.

Most mainstream residential aged care services do not have the resources or the level of expertise to provide accommodation, care and support for this growing “special needs group”.

HOMELESS ELDERLY NOT INCLUDED IN DEFINITION OF “FINANCIALLY DISADVANTAGED”

The current aged care funding system favours elderly people who are more financially secure and encourages low care facilities to admit residents who fit that criteria.

While the Act does refer to financially disadvantaged people, the definition used does not sufficiently target the most disadvantaged people (e.g. homeless elderly) thereby failing to ensure they have access to services when required.

RECOMMENDATIONS ON ACCESS

- That the Homeless Elderly be listed under Section 11-3 of the Aged Care Act 1997 as a “special needs group”.
- That due to premature ageing, planning for residential aged care beds and CACPS for the homeless elderly be based on the number of people aged 50 years and over who are homeless.
- That the Commonwealth Government through the ACPAC process ensures the needs of the homeless are taken into account when allocating future aged care places in Victoria.
- That all ACAS be provided with adequate training and education on the needs of the homeless elderly
- That people with expertise in dealing with the homeless be available to provide support and assistance to all ACAS across the State
- That the Commonwealth/State Housing agreement and the recently announced initiative by the Commonwealth Government to develop a national housing strategy take into account access to residential care for the homeless elderly.

4.0 QUALITY AGED CARE SERVICES FOR THOSE WITH HIGH AND COMPLEX CARE NEEDS

4.1 FUNDING FOR HOMELESS PEOPLE IN RESIDENTIAL AGED CARE

The funding tool used by residential aged care facilities (RCS) even when maximised does not reflect the level of care and funding required by homeless people/residents assessed as having high and complex care needs. The intensive level of care and one-on-one support required by these people cannot be provided by organisations within the current funding structure.

As a result this marginalised group of people are often not admitted to residential aged care and/or in exceptional circumstances discharged from residential aged care facilities. Without the appropriate levels of staffing to care for these residents, the well being of other residents and the occupational health and safety of staff are at risk. As a result these people often end up in unsuitable boarding houses, supported residential services, moving in and out of the public hospital system or simply living on the streets where their needs are not being met.

Examples of the intensive level of care and one on one support required are as follows:

- **Emotional, Social and Human Needs**

Homeless people with high and complex care needs generally do not have access to family members or friends, which results in extremely high emotional needs once they are in residential care. This can involve staff visiting residents who may require some time in hospital in lieu of family or friends and also staff time in locating relatives and building relationships.

The emotional needs and dependence of homeless men (many of whom are prematurely aged) who end up in residential aged care can be met through individualised support and day programs that build personal esteem and skills. This developmental approach can lead to an improvement in quality of life and self esteem with the resident in some cases moving to more independent living.

- **Behavioural Problems**

Low Care Facilities catering for the homeless can have up to 90% of residents with a mental illness. Many of these will be assessed as having high and complex care needs. As a result behavioral problems are a grave concern for staff particularly in relation to residents who are actively alcohol dependent. Other issues such as ABI, substance abuse and health problems also add to challenging and difficult behaviour patterns for residents.

Occupational health and safety is a major concern for staff when dealing with residents who demonstrate these challenging behaviours. This can impact greatly on staffing levels necessary to ensure staff and resident safety. The current funding system does not appropriately recognise these challenging behaviours nor the affect they have on staffing levels particularly in low care facilities.

- **Hygiene Issues**

The lifestyle of homeless people with high and complex care needs prior to entering residential care is often not conducive to what is construed as acceptable levels of hygiene particularly in relation to toiletry, eating and clothing.

As a result staff spend a lot of time and energy including one on one time working with and educating clients on the importance and relevance of maintaining good hygiene practices. This can be very challenging for staff particularly when there is a lot of resistance, which in some instances can affect the health, and wellbeing of other residents. This level of support and specialised assistance is not reflected in the current funding system.

- **Diversional and Recreational Type Programs**

Homeless people who suffer poor health, mental illness, substance abuse and cognitive impairment as well as normal ageing require access to a range of diversional and recreational type programs that are not adequately funded. Examples of this include:

- The Homeless elderly often have a history of poor treatment from institutions and often refuse to be involved in any regular activity offered by mainstream residential aged care homes. As a result staff have to often work on an individual basis with residents to build up trust relationships before they will agree to be involved in diversional programs. When they do become involved they also need extra assistance to again learn how to interact with other people.
- The isolation and fractured nature of relationships of older homeless people often mean they require diversional programs that are community focused, educational and developmental. This requires extensive contact with case managers from specialist agencies such as ARBIAS, mental health workers, drug and alcohol workers and other health and welfare specialists as well as greater than normal liaison with GPs.
- Some older homeless people can develop greater levels of independence with appropriate inputs such as development of living skills through social and development programs.
- Those with alcohol problems can be assisted through appropriate diversional, rehabilitation and other therapeutic programs. Opportunities for improvement and growth should be provided for all

older homeless people particularly the premature aged who have the greatest potential for improving their quality of life.

RECOMMENDATIONS ON QUALITY OF CARE

- That the Commonwealth Government fund a pilot/demonstration project, within a residential aged care facility currently caring for homeless people, to cost and document the care needs of older homeless people with high and complex needs.

5.0 VIABILITY OF HOMELESS RESIDENTIAL AGED CARE SERVICES

5.1 CONCESSIONAL RESIDENT SUPPLEMENT

Transitional Supplement

In 1997 the Government introduced, accommodation bonds and charges and concessional resident supplements to replace capital subsidies to the industry. The policy stated that existing financially disadvantaged residents would attract a transitional supplement of \$4 per day while new residents identified as financially disadvantaged and admitted after 1 Oct 1997 would be entitled to the full concessional supplement of \$12 per day.

According to DHAC the transitional supplement was introduced because care recipients *cannot* be reassessed retrospectively to determine the concessional status of residents admitted prior to Oct 1997. While this is no doubt accurate given the wide variation in the financial status of existing residents within the aged care industry, it would not be difficult for organisations the vast majority of whose residents have a history of homelessness to demonstrate that those admitted prior to October 1997 would have met, and continue to meet, the requirements for concessional resident status.

Many homeless people suffer from premature ageing which means they enter residential aged care at a younger age than the average elderly person. As a result many organisations catering for the homeless elderly still have up to 50% of residents receiving the Transitional Supplement. The financial impact of this policy has been substantial for these organisations that are unable to attract accommodation bonds or charges.

RECOMMENDATION ON VIABILITY

- That the full concessional resident supplement be made available to all eligible residents irrespective of when they entered residential aged care.

Two Tiered System for Concessional Residents

The amount of the concessional Resident supplement is currently paid according to the percentage of concessional residents in a home. If a home has less than 40% concessional residents the supplement is currently paid at \$7.52 a day while those with more than 40% concessional residents attract a subsidy of \$12.89 per day.

While the introduction of this two tier system was intended to act as an incentive to mainstream providers to provide services to homeless or financially disadvantaged residents, it severely impacts upon those organisations whose clients are exclusively financially disadvantaged and who

therefore have no opportunity to cross subsidise with income and fees from wealthier clients.

It is therefore suggested that a third tier of at least \$20.00 a day be implemented for those providers who reserve in excess of 90% of places for homeless or concessional residents. (Information and calculations provided by Wintringham)

RECOMMENDATION:

The current two tier Concessional Supplement be replaced with a three tier system that more adequately addresses the costs associated with providing care to the homeless aged.

5.2 Bad Debts affect Viability of Residential aged care homes for the homeless

On average residents who live in residential aged care services pay 85% of the old age pension in fees to assist in meeting the cost of their care. In organisations where over 90% of residents were homeless prior to admittance the loss of income to the home due to significant and involuntary expenditure by residents as a result of various addictions (alcohol or other substances of abuse) can run into thousands of dollars per year. One facility alone lost over \$20,000 in a 12 month period due to inability to collect resident fees.

This can create further hardships for the organisation in maintaining viability.

5.3 CAPITAL FUNDING

Under the current Aged Care Act low care homes are built, extended or renovated on the strength of accommodation bonds. The vast majority of aged people enter residential aged care directly from the family home (sometimes via an acute hospital) as their **care** needs can no longer be met by family members and/or community care services. Most aged people and their families are prepared to pay an accommodation bond in return for the provision of adequate care for themselves or their loved one.

Aged Care homes totally occupied by homeless elderly residents are unable to charge accommodation bonds to raise capital for construction of new homes or extensions when new places are allocated. The only real access to capital is through borrowing which is not feasible for these homes or fundraising which proves difficult when competing with other more appealing causes (e.g. children's hospital, cancer research etc.). The Concessional Resident Supplement, which assists with day to day maintenance, is not sufficient to build new homes nor extensions to existing homes.

Under the previous aged care system capital was provided by Government under the Variable Capital Funding program for financially disadvantaged people (at the time of construction) which enabled organisations fund the construction of aged care homes that cater only for homeless people. Without

access to adequate capital funding organisations that cater specifically for the homeless will not be able to build new homes or add new places to existing homes.

Many homes will also struggle to find the capital to carry out necessary refurbishment and building works to meet the new certification requirements for 2008.

RECOMMENDATIONS ON VIABILITY

- That the Commonwealth Government recognise and acknowledge the inability of organisations catering for the homeless elderly to charge accommodation bonds, attract loans and/or fundraise adequate funds to build new homes or extend existing homes and;
- That the Commonwealth Government review its policy on capital funding and ensure the needs of the homeless elderly are appropriately addressed through the provision of adequate capital subsidies to provide aged care homes for those, who through a history of homelessness, are unable to pay accommodation bonds/charges as per the Aged Care Act 1997.

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