



DISCUSSION PAPER: Aged Care Reform – From Intent to Outcomes

PURPOSE

Australia is at the start of a nationally significant reform journey concerning older peoples' access to quality aged care services. It is important that the fundamentals are clear on how stakeholders work together as this will determine the success or otherwise of the reform journey. This requires all levels of government and key stakeholders to work together in different and better ways so we avoid the implementation failures of the past.

The Government's '*A Generational Plan for Aged Care in Australia*' response to the Royal Commission into Aged Care Quality and Safety provides a program of significant reform to transform Australia's aged care system. The challenge ahead is to translate the planned reforms into tangible actions and meaningful outcomes for older Australians.

The purpose of this Discussion Paper is to engage with the key stakeholders on the reform journey to ensure that we work together effectively to deliver a better aged care system and inform the development of the proposed reform governance structures.

REFORM JOURNEY

The Royal Commission has shown that the aged care system needs to transform. History has shown from past efforts at aged care reform that stakeholders need to transform their engagement in this change if we are to succeed. Key considerations at the start of the reform journey are:

1. **Change our thinking:** Real change will only be realised when we change the beliefs that underpin the current system. We must challenge the current ageism, system inertia and status quo. Things will not change unless all parties change their thinking.
2. **Shared Destination:** Stakeholders need to be clear on agreed outcomes to ensure every activity within this reform process are in alignment to deliver a high performing, rights based, respected and sustainable aged care system, with quality, safety and compassion at its heart – always. Everyone has to work together and play their unique roles.
3. **Shared Pathway:** An agreed destination requires a shared and agreed plan. This reform requires sophisticated project management and delivery expertise with robust systems in place to underpin the process.
4. **Measure Progress:** This reform process requires clear lead and lag indicators to monitor implementation and outcomes and an evaluation framework for each activity set from day one with consequences for lack of performance. This will help address the 'reform fatigue' and stakeholders loss of confidence in the efficacy of future reform based on incomplete analysis and review. Aged care has been in a period of reform for a long while already and will continue to be for some time.
5. **Be Accountable and Transparent:** All stakeholders need to own the outcomes (individually and collectively) and work to continuously improve.



PRINCIPLES

A useful starting point for the reform journey is an agreed set of principles that ensure key stakeholders are actively engaged, contributing effectively and held accountable to an agreed work program. Proposed principles for the reform process are:

- **Effective Governance** – There is a considerable body of work on good governance for public policy reform. The key attributes are: participatory, consensus oriented, accountable, transparent, responsive, effective, efficient, equitable and inclusive. These principles are detailed below.
- **'Nothing about us, without us'** – Stakeholders are engaged in all decisions that affect them and this engagement is meaningful and respectful.
- **Implementing Change** – planned changes to policy, regulation and practice are informed and implemented by appropriate change management practices where key stakeholders are engaged, enabled, and supported to implement changes effectively and within agreed timeframes. These processes are monitored, evaluated and transparently reported.

PRIORITIES

The Australian Aged Care Collaboration's (AACC) review of the Government's 'Five Pillars' reform program has identified the things that we must get right. Focus on these areas will assist us in ensuring we deliver on the intent of the reforms. These priorities are:

1. Universal entitlement to timely access to care and support at assessed level, and strong governance of assessment and classification processes
2. People can choose how they want to be cared for and by whom
3. The new Pricing Authority to have a comprehensive remit for the economic regulation of aged care services that allows a reasonably efficient operator to sustainably deliver high quality care and allows access regardless of wealth, cultural diversity and location
4. There is a mechanism for considering gaps in service delivery such as the level of allied health services provided (probably through the standard setter)
5. Changes in standards or requirements are costed and funded as needed
6. Quality of care and quality of life indicators that allow fair and meaningful comparisons and avoid perverse incentives
7. Equal access to health services for people in aged care
8. Regulation is strict but also transparent, consistent and proportionate
9. Wages and training for workforce are adequately funded and appropriate to attract, develop and retain a sufficient and skilled aged care workforce
10. Provider transparency, accountability and reporting is thorough and its systems are efficient, economical and fair

NEXT STEPS

The AACC seeks engagements with key reform journey stakeholders to commence further discussion on the way forward. Most notably, how the principles and priorities outlined translate into the membership, scope and activities of key reform groups such as the Inspector General, Council of Elders and Aged Care Advisory Council.



Good Governance Principles

Drawing on the overarching principles captured by the United Nations Economic and Social Commission for Asia and the Pacific¹ it is possible to extrapolate design features that should be included in the approach to the implementation of reform of the aged care system.

Participatory

Participation of stakeholders direct in reform design and implementation or through legitimate intermediate representatives should be a demonstrable feature. Participation needs to be informed and organised, not ad hoc, cursory or selective.

Consensus oriented

Good governance which entails mediation of different interests to reach a broad consensus on what is in the best interest how this can be achieved will be a key driver of success. It also requires a broad and long-term perspective on what is needed for sustainable reform and how to achieve the goals of these activities.

Accountable

Clear descriptions and mechanisms to demonstrate who is accountable to whom is required at all layers of the reform process. Transparency and reporting on such is essential.

Transparent

So that decisions taken on implementation are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media for all stakeholders in a timely fashion.

Responsive

Agencies, bodies and institutions embed processes to serve all stakeholders within a reasonable timeframe. Adaptability and an approach to participatory based course correction based on lessons learnt will inevitably be a feature of such comprehensive reform.

Effective and efficient

Processes and institutions are established and designed so that results meet the needs of the reform agenda while making the best use of resources. Expert and experienced capability in best practice program management principles will be required to ensure that the multiple projects being deployed at scale and at pace are appropriately managed and delivered.

Equitable and inclusive

Ensuring that those who are affected and instrumental to aged care reform feel that they have a stake in it and do not feel excluded. Testing for and reporting against equity and inclusivity will be an essential element of transparency and accountability.