

Committee Secretary
Senate Standing Committees on Community Affairs

Dear Committee Secretary,

As a witness who gave evidence to the Port Lincoln Hearing on 14 October, I provide the following additional information pursuant to your email of 17/10/24.

1. Transcript, page 21, para 5

The Daily Accommodation Payment (DAP) is currently charged at a rate of 8.4% per annum of the RAD. Hence, on a RAD of \$1,000,000 an annual payment of \$84,000 is taken from a nursing home inmate who cannot afford the RAD.

That payment is addition to the other fees and charges imposed on inmates.

The DAP is more onerous than the other fees and charges combined.

Worse still, it is not covered by the “lifetime Cap”, so is exacted until inmates are sucked dry. Frail, vulnerable inmates are rendered destitute at the time in their lives that they are most in need of expensive medical treatment.

That disastrous situation is never mentioned explicitly: the public, media, and most parliamentarians are unaware of it. At the Bill’s Second Reading, MPs all referred to the Lifetime Cap, clearly unaware that it did not apply to DAPs, the worst expense of all.

A further anomaly is that RADs, and consequently DAPs, are arbitrarily based on the housing market in the area surrounding the nursing home.

“The housing market is what we usually base our room prices on” (MEREDITH, Ms Nikki, Chief Executive Officer, Matthew Flinders Care Services, at page 15 of the Transcript).

Clearly the housing market has no relation to the cost of an inmate’s care, food, cleaning etc.

RADs and DAPs are thus grossly extortionate and have no bearing on aged care. They must be abolished.

2. Transcript, page 21 – Disability not supported in the Aged Care Bill

There is nothing in the Bill that provides for the support of older Australians with a disability, as is my own case. Disability entails the provision of Assistive Technology, such as wheelchairs and leg braces, as well as home modifications for accessible bathrooms, for example.

The NDIS provides such things on a needs basis, whereas the aged care system does not.

Inherently, aged care as limited by the Bill cannot meet the needs of disabled Australians by reason of its inflexibility. Provision of equipment and home modifications must be tailored to the specific needs of the disabled.

The Royal Commission devoted much time and attention to the shortcomings of disability support in the aged care system (Appendix A) below, and stipulated that disabled people in the aged care system should be given support equivalent to that of the NDIS.

Royal Commission Recommendation 72:

Recommendation 72: Equity for people with disability receiving aged care

By 1 July 2024, every person receiving aged care who is living with disability, regardless of when acquired, should receive through the aged care program daily living supports and outcomes (including assistive technologies, aids and equipment) equivalent to those that would be available under the National Disability Insurance Scheme to a person under the age of 65 years with the same or substantially similar conditions.

Dr Peter Freckleton

APPENDIX A

Extracts from the Final Report of the Aged Care Royal Commission illustrate the extent and gravity of the shortcomings of aged care in relation to disabled Australians:

“It is apparent that older people with disability do not have equitable access to disability services.” (Volume 1, page 67)

*“1.3.10 **Righting a wrong**: services for older people with disability*

*The National Disability Insurance Scheme has transformed the way in which disability services are provided for hundreds of thousands of Australians. But the National Disability Insurance Scheme by design **discriminates** against older people.*

“We have received evidence about inconsistencies between the supports and services available under the National Disability Insurance Scheme and those available in the aged care system. Compared to aged care, under the National Disability Insurance Scheme more comprehensive supports are available; there is greater access to specialised care, aids, equipment and therapy; and the average amount of available funding is often greater.” (Volume 1, page 120).

“older people with a disability do not have equitable access to the care they need” (Volume 2, page 83).

“The support available from the National Disability Insurance Scheme should be available to all Australians who need it.” (Volume 3a, page 341)

“10.1 Equitable access to support

Despite the landmark contribution made by the National Disability Insurance Scheme

to the lives of people with disability, many people with disability aged 65 years and over are prevented from accessing it and obtaining the benefits of an individualised plan of supports.”(Volume 3a, page 342).

“[Other Programs] have not consistently and comprehensively given people with disability access to the nature and extent of supports available to others under the National Disability Insurance Scheme” (Volume 3a, page 344).

“Commissioner Briggs points out that this fails the ‘horizontal equity’ test, where those in similar circumstances should be treated similarly by the Australian Government” (Volume 3a, page 345).

“We have received evidence and information about inconsistencies between the supports and services available under the National Disability Insurance Scheme and those available in the aged care system, including greater access in the National Disability Insurance Scheme to specialised care, aids, equipment and therapy. The schedule of supports available to participants in the National Disability Insurance Scheme is more comprehensive than is presently available in aged care. The average amount of funding available for supports is often greater in the National Disability Insurance Scheme than in the current aged care system” (Volume 3a, page 346).

“In any event, the means testing arrangements that currently apply are patently inequitable, and have a disproportionately harsh impact on people of modest means but whose income or assets, or the form in which those assets are held, leave them exposed to mandatory contributions to the aged care system” (Volume 3b, pages 634-5).

“98. For an older person with disability, the National Disability Insurance Scheme generally offers a higher level of care and a more comprehensive schedule of available supports than the existing aged care system. It also offers much greater provision for aids and equipment that are not particular to age-related needs, and are not currently provided for in the aged care system. These inequities may mean that an older person with a disability is unable to receive the same level of service, or the same quality of service, as a younger person with the same disability depending on the age at which they acquired the disability”(Final Submissions, Counsel Assisting, page 33).