

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Senate Community Affairs Legislation Committee

Inquiry into the Aged Care Amendment (Implementing Care Reform) Bill 2022

Spoken Questions on Notice, 25 August 2022

PDR Number: IQ22-000050

Modelling around the 24/7 nursing commitment

Spoken

Hansard page number: 26-27

Senator: Anne Ruston

Question:

Senator RUSTON: Did you provide any advice to the government on the decision to implement the 24/7 earlier than was recommended by the royal commission?

Mr Richardson: We're working with government to introduce that election commitment as part of the October budget process, so, yes, we're going through those processes, as I'm sure you'd understand.

Senator RUSTON: But you didn't provide any advice prior to the decision being made?

Mr Richardson: No, not as part of the election campaign.

Senator RUSTON: Subsequent to that, have you or the department done any modelling on the ability to actually meet that commitment by 1 July 2023?

Mr Richardson: Are you talking about workforce requirements?

Senator RUSTON: Yes.

Mr Richardson: Yes, there's been some modelling done. To introduce 24/7, there's approximately an additional 850 to 900 registered nurses required.

Senator RUSTON: Are you able to provide that modelling?

Mr Richardson: I'm sure we can take that on notice and provide some information around how those figures were determined.

Senator RUSTON: Can you confirm whether that's 860 individual nurses or it's an FTE equivalent?

Mr Richardson: I'd have to take that on notice.

Senator RUSTON: Okay, and if you could provide the modelling, that would be great.

Answer:

The figure is for individual nurses.

The additional registered nurses (RNs) required to meet the 24/7 requirement is calculated based on data from the 2020 aged care workforce census, which showed that around 20% of residential aged care facilities did not have a RN rostered on duty overnight. It also factors in other considerations, including the average number of RN hours per week (from the National Health Workforce Data Set) and the estimated number of aged care facilities (based on data from AIHW GEN).

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PDR Number: IQ22-000051

Data base to meet commitments for the registered nurse workforce bills

Spoken

Hansard page number: 27

Senator: Anne Ruston

Question:

Senator RUSTON: Have you done any modelling—and I believe you actually have provided evidence to estimates committees to this effect before, but unfortunately I wasn't there—as to what the department believes the likely workforce requirements are going to be for the delivery of commitments in the two pieces of legislation: the one that went through last sitting week, and this particular piece of legislation. What will be the increase in the workforce to meet the commitments for the registered nurse workforce for both those bills?

Mr Lye: Senator, we have provided numbers in the past, but I think we'd like to take that on notice. It's obviously dynamic, and we know that the Fair Work Commission case is likely to influence the numbers that we will have in front of us as well. I think we could go away and have a look and try and give you an answer to that, but you're after the cumulative impact of all the different changes?

Senator RUSTON: Yes, please. Also I'm interested to know, when you've done the modelling, of the increase, what is the base on which it has been built from? Was the data pre-COVID or is it more recently collected? Are you working on numbers from now? What percentages? If you could give us a base from which you built your data, that would be great.

Answer:

The department currently estimates that the workforce gap in aged care for registered nurses is around 21,000 over 10 years by 2031-32.

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PDR Number: IQ22-000053

Breakdown of the 20% that did not receive 24/7 care

Spoken

Hansard page number: 29-30

Senator: Anne Ruston

Question:

Senator RUSTON: So would it not make more sense to base the decision on a normal operating time than to base it on the middle of COVID—or have you done a survey since then?

Ms Strapp: We're collecting workforce data. We don't have anything. That's our most reliable data. However, from consulting with many providers in the lead-up to now, we believe that that figure of 80 per cent is pretty accurate now. But we are collecting further data to validate that, and I believe we will be collecting data through the quarterly financial reports that are being introduced later this year.

Senator RUSTON: Is it possible to provide a breakdown, based on geographic location and possibly size and type of facility, of the 20 per cent who said that they didn't have 24/7?

Ms Strapp: I'll have to take on notice whether we have broken it down to that level. I'm not sure that we have it broken down to that level.

Mr Lye: Yes. We understand what you're after, and we'll see what we can do.

Answer:

Based on data collected from the 2020 aged care workforce census, the percentage breakdown of the providers who do not have 24/7 Registered Nurse is estimated as follows:

- Large in major city: 2%
- Medium in major city: 5%
- Small in major city: 40%

- Larger in regional: 0%
- Medium in regional: 3%
- Small in regional: 46%
- Remote and very remote: 4%.

To meet the gap in the supply of Registered Nurses, the department is implementing a range of measures, including:

- Supporting a wage increase for aged care workers through a submission to the Fair Work Commission Aged Care Work Value Case. The National Skills Commission estimated that a 10% increase in wages for the care workforce would halve the gap of workers needed.
- 20,000 new university places to prioritise opportunities for under-represented groups, focusing on areas of national priority or skills needs, such as nursing.
- The Aged Care Transition to Practice Program to support around 1,400 new aged care nurses with training and professional development.
- The Clinical Placements Program to provide 5,250 clinical placements for care and support sector nursing students.
- Prioritising processing of visa applications for priority occupations, such as nursing.

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PDR Number: IQ22-000054

Consultations on delegated legislation

Spoken

Hansard page number: 33

Senator: Janet Rice

Question:

Senator RICE: Senator Smith asked about the consultation on the exemption, and I'm not quite sure what you committed to table but could you table for us—I know it's questions on notice by tomorrow—all of the details of the consultation that you've done so far and what you plan to do on the exemptions?

Mr Lye: Yes, Senator, and I'm conscious that we only gave you an outline for the first schedule but we'll happily table that—the forward-going and what we've done for each one.

Answer:

See table below.

Schedule	Summary	Consultation
<p>Broad Consultation on all three Schedules</p>	<p>Broad briefing has occurred on all three schedules.</p>	<p>Consultation on implementation of election commitments:</p> <ul style="list-style-type: none"> • 4 July 2022: National Aged Care Advisory Council • 7 July 2022: Council of Elders Special meeting • 15 July 2022: Australian Nursing and Midwifery Federation • 22 July 2022: United Workers Union • 25 July 2022: AWU/Australian Workers Union QLD • 25 July 2022: Allied Health Professionals Australia • 25 July 2022: Aged & Community Care Providers Association • 1 August 2022: Health Services Union • 2 August 2022: Aged and Community Services Australia <p>Consultation on legislation:</p> <ul style="list-style-type: none"> • 22 July 2022: Council of Elders • 25 July 2022: National Aboriginal and Torres Strait Islander Ageing and Aged Care Council • 25 July 2022: The Department’s Quality Consumer Reference Group • 26 July 2022: The Department’s Quality Sector Reference Group • 28 July 2022: National Aged Care Advisory Council • 5 August 2022: Digital Transformation Sector Partners • 26 August 2022: National Aged Care Alliance. <p>These measures relate to recommendations of the Royal Commission. Extensive consultation was undertaken throughout the Royal Commission. There will be further consultation in relation to the proposed amendments to the Quality of Care Principles.</p>
<p>1 – 24/7 RNs</p>	<p>The primary legislation optionally permits an exemptions framework through delegated legislation. Delegated legislation may also extend requirements to ‘certain types of flexible care’ under the <i>Aged Care Act 1997</i> that include a residential aged care component, which in practice is only the Multi-Purpose Services.</p>	<p>Consultation with clinical experts, unions, providers, consumers and the Aged Care Quality and Safety Commission is ongoing in the second half of 2022.</p>

	<p>Providing for any exemptions through delegated legislation allows the Minister the option to include exemptions, to vary the exemption rules in response to findings from ongoing evaluation and in response to relevant changes in circumstances, such as workforce trends. Any amendments to rules through delegated legislation will remaining subject to Parliamentary scrutiny through the disallowance process.</p>	<p>In addition to the general consultation, preliminary discussions have been held on exemption options, including:</p> <ul style="list-style-type: none"> • 22 July 2022: Funding Reform Working Group <ul style="list-style-type: none"> ○ Aged and Community Services Australia (ACSA) ○ Aged Care Workforce Remote Accord (ACWRA) ○ Australian Medical Association (AMA) ○ Carers Australia ○ Combined Pensioners and Superannuants Association (CPSA) ○ COTA Australia ○ Dementia Australia ○ Leading Ageing Services Australia (LASA) ○ National Aged Care Alliance (NACA) ○ National Seniors Australia (NSA) ○ Catholic Health Australia ○ Uniting Care Australia ○ VIC Aged Care Network. <p>Consultation with Multi-Purpose Services operators (mainly states and territories) and National Aboriginal and Torres Strait Islander Flexible Aged Care Program planned for second half of 2022.</p> <p>Exposure draft of subordinate legislation is anticipated for the first quarter of 2023.</p>
<p>2 – Capping Home Care Admin and Management Charges</p>	<p>Amendments are required to introduce price caps to care and package management, as well as complementary changes, such as removing references to exit amounts, updating definitions of brokerage and subcontracting, care and package management.</p>	<p>Consultation with the Home Care Packages Program sector and care recipients is currently underway.</p>

		<p>In addition to the general consultation, the following survey was conducted:</p> <ul style="list-style-type: none"> • 1-14 August: Survey of providers and care recipients and informal carers <ul style="list-style-type: none"> ○ 1,542 responses – 928 (60.2%) providers/professionals, 341 (22.1%) informal carers and 273 (17.7%) care recipients. ○ There was representation across states and territories, provider location/size/type, and care recipient identities (older people from each Home Care Package level, informal carers, self/provider managed). <p>Current research and consultations will inform the approach to capping home care administration and management charges including whether a different approach is needed for providers servicing care recipients in thin markets or non-metropolitan locations, especially those servicing vulnerable care recipients.</p> <p>Once a decision by Government on the approach to capping is finalised (informed by consultation), we will continue to work with key stakeholders (particularly provider and care recipient peak organisations) to ensure effective implementation of the measures.</p>
<p>3 – Transparency of Information (Dollars to Care)</p>	<p>Amendments to the <i>Information Principles 2014</i> are required to specify the financial information of residential aged care providers and services that the Secretary must publish. This may include <i>how</i> the information must be published and publication frequency.</p>	<p>To inform subordinate amendments, consultation is underway on the information to be published, including on what is most helpful and meaningful for older Australians, their families and carers, and other relevant stakeholders (including the Australian public, aged care workers and aged care providers).</p> <p>The subordinate legislation will address publication of information on My Aged Care in relation to two Government initiatives: (1) the <u>Provider Governance Annual Statement</u> and (2) <u>Dollars Going to Care</u>.</p> <p>Details of consultations undertaken to date, in addition to the general consultations is listed below.</p>

Future consultations will be undertaken with older Australians, their families and carers, as well as aged care providers, from September 2022 through 2023. This will ensure that information is published in a way that is easy to understand and enables straightforward comparisons between aged care services and providers.

Provider Governance Annual Statement

Between 21 December 2021- 18 January 2022, the Department undertook broad public consultation on provider governance reforms, including information to be included in the annual report on provider operations. This consultation was to inform the development of the subordinate amendments.

Consultation on the broader governance reforms, including the annual report on provider operations, has also occurred with the Consumer and Sector Reference Groups, established by the Department. These meetings have enabled refinement of the information to be published on My Aged Care; to ensure that it is valuable for older Australians; and unintended consequences of publishing the data are avoided.

Consultation with the Department's Quality Consumer and Quality Sector Reference Groups were held on:

- 15 and 16 December 2021
- 8 and 10 February 2022
- 20 and 21 June 2022
- 22 and 23 August 2022 (combined with Dollars Going to Care).

Also, on 8 March 2022, the Department met with Leading Age Services Australia (LASA) to consult on the provider governance reforms, including the annual report on provider operations.

The report on provider operations is an annual report.

		<p><u>Dollars Going to Care</u></p> <p>To date, the following consultations were undertaken over July and August 2022 on the proposed approach to publishing financial information on residential aged care services and providers (known as the Dollars Going to Care measure):</p> <ul style="list-style-type: none">• The Department’s Quality Consumer Reference Group (combined with Provider Governance Annual Statement)• The Department’s Quality Sector Reference Group (combined with Provider Governance Annual Statement).
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