



**SUBMISSION TO THE
SENATE COMMUNITY AFFAIRS REFERENCE
COMMITTEE INQUIRY INTO AGED CARE**

JULY 2004

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The Organisation and its Interests

W.A. Baptist Hospital and Homes Trust Inc. (Baptistcare) is a charitable church organisation which is registered as a public benevolent institution (PBI). Under the current tax system, Baptistcare is exempt from most forms of taxation. These exemptions recognise that Baptistcare operates on a not-for-profit basis, and is dedicated to helping the aged and people with disabilities.

Primary Function and Services of Baptistcare

The primary role of Baptistcare is to provide humanitarian services – provision of essential social services for those in need. Baptistcare is a West Australian service provider in the areas of aged care, disability care, mental health and other community care services.

In 2002, we celebrated our Thirtieth Anniversary and look forward to participating in the significant growth expected in this industry in the near future.

We currently operate three high care facilities (115 beds) and six low care facilities (297 beds) which are located on six campuses, two of which are in rural towns. Baptistcare has one 99-bed residential aged care facility which is located in a rural town. In September it will open a new 80 bed residential aged facility in the metro area, whilst next year it will open an additional 20-bed dementia specific low care house at an existing facility which is located in a rural town. At that time Baptistcare will operate 611 beds.

Baptistcare provides home care services (136 Community Aged Care Packages and currently 200 Veterans' Home Care Packages). It also maintains 182 independent living units spread over six of the seven campuses. Together with its developmental disability and mental health support and other community services and programmes, it currently cares for 1,160 people, soon to be 1,240 in September. It currently has 750 staff on its active payroll, soon to be 830, of which 266 work at the three rural campuses.

Our Interest

Church and charitable organisations have long played a special and valued role in addressing a wide range of community needs. Church organisations have done this as an extension of their Christian mission. The church charitable sector is unique in that all funding, including any surpluses to their service provisions, is applied to the public good. The activity of such organisations is also aimed at meeting the needs of the most disadvantaged people in the community sector, whilst promoting the need for social justice.

Our Concern

In making its submission, Baptistcare is concerned about its ongoing ability to provide access to elderly people who have been assessed for receiving care in a residential aged care facility and for these care needs to be appropriate, timely and irrespective of financial status. Baptistcare is committed to continue its provision of quality care, with access to those in need, which is consistent with the Government's required standards and outcomes; however, this can only be achieved if each of its residential aged care facilities is viable.

SENATE COMMUNITY AFFAIRS REFERENCES COMMITTEE

INQUIRY INTO AGED CARE

TERMS OF REFERENCE

On 23 June 2004 the Senate referred the following matters to the Senate Community Affairs References Committee for inquiry and report by 30 September 2004:

- (a) the adequacy of current proposals, including those in the 2004 Budget, in overcoming aged care workforce shortages and training;
- (b) the performance and effectiveness of the Aged Care Standards and Accreditation Agency in:
 - (i) assessing and monitoring care, health and safety
 - (ii) identifying best practice and providing information, education and training to aged care facilities, and
 - (iii) implementing and monitoring accreditation in a manner which reduces the administrative and paperwork demands on staff;
- (c) the appropriateness of young people with disabilities being accommodated in residential aged care facilities and the extent to which residents with special needs, such as dementia, mental illness or specific conditions are met under current funding arrangements;
- (d) the adequacy of Home and Community Care programs in meeting the current and projected needs of the elderly; and
- (e) the effectiveness of current arrangements for the transition of the elderly from acute hospital settings to aged care settings or back to the community.

New Initiatives

The adequacy of current proposals, including those in the 2004 Budget, in overcoming aged care workforce shortages and training.

The Government announced a number of education and training initiatives in the 2004-2005 budget. These initiatives are helpful, welcomed and appreciated.

However, funding still needs to be increased in order for service providers to pay competitive wages and to cover the true cost of care.

The Commonwealth needs to work co-operatively with each State in order to widen the scope of nursing practice to allow greater powers of delegation to suitably qualified and trained enrolled nurses and carers.

We were delighted to receive the increase in subsidies paid for residential aged care of 1.75% for the next four years. However, we are firmly of the view that this is a “catch up” and not even adequately addressing past shortfalls in subsidy payments.

An example of this is that Baptistcare has already recognised the need to introduce EBA’s to its workforce at enormous costs (which we would be happy to show) and, in doing so, was not able to make productivity gains but simply as a means to attract and retain staff.

Aged Care Standards and Accreditation Agency (Agency).

The performance and effectiveness of the Aged Care Standards and Accreditation Agency in:

- (i) assessing and monitoring care, health and safety**
- (ii) identifying best practice and providing information, education and training to aged care facilities, and**
- (iii) implementing and monitoring accreditation in a manner which reduces the administrative and paperwork demands on staff.**

It should be noted that Baptistcare works with, and in a spirit of active co-operation with, the “Agency” and will continue to do so. However, we enclose some ideas for consideration.

Baptistcare cautions on the advisability of having a single agency (with strong links to Government), resulting in a monopoly for one Residential Aged Care Accreditation process. The Agency is not subject to competitive market forces and pricing and is only residential care focused. Baptistcare, for example, is a service provider in a number of other areas – Mental Health, Disability and Home Care.

Aged care providers have concerns with the internal quality control procedures in place by the Agency, with such issues as consistency and objectivity. The demonstrated effectiveness of the Agency in ensuring improved quality for residents

was questioned in a report last year by the Australian National Audit Office¹ and the subsequent findings of the parliamentary Joint Committee of Public Accounts and Audit² on the management of the residential care accreditation process.

The Standards and Accreditation Agency should be required to operate in a competitive market place OR the cost of the existing accreditation process, if it is to continue, must be financially recognised in the Government's funding subsidies.

The Government should consider allowing options to service providers that are best suited to meet their commitment to Quality Assurance and Continuous Quarterly Improvements systems.

Special Needs

The appropriateness of young people with disabilities being accommodated in residential aged care facilities and the extent to which residents with special needs such as dementia, mental illness or specific conditions are met under current funding arrangements.

(i) Young People with Disabilities in Residential Aged Care

To state the obvious, residential aged care is not the best place for younger people with disabilities to live. Baptistcare supports the idea for more appropriate accommodation options for younger people. However, we do not have a lot of first-hand experience of younger people living in any of our nursing homes.

As a disability and mental health service provider, both in residential and home care, we believe that there needs to be a recognition, by both State and Commonwealth Governments, of the extra funding required to meet the special care needs of these elderly Australians as they enter aged care residential facilities. Particularly as more people with developmental disabilities (who are living longer) enter residential care. Baptistcare continues to have dialogue with the Disability Services Commission in order to consider and to develop service provision models that will meet residential needs of clients (present and future).

(ii) Special Needs such as dementia, mental illness or specific conditions.

Clients with special needs such as mental health issues, those who have complex care needs and those who live in rural and remote areas, often experience more difficulty accessing services than others.

Funding for residential care is provided through the Residential Classification System (RCS). The RCS does not adequately recognise care needs related to behavioural issues of residents, particularly for residents with dementia or psychiatric issues, as not all resulting behaviours are captured in the RCS questions and these residents are effectively ranked as having lower level care needs. This does not support staff managing difficult and resource intensive anti-social behaviours of residents in aged care facilities.

¹ Report No. 42 of 2003

² Review of Auditor General's Reports 2002-03: Fourth Quarter

The Hogan Review recommended the extension of funding supplements to three special needs groups: people with short-term medical needs; people with dementia or who have palliative care needs; and people from a disadvantaged background, such as indigenous people.

This appears to be a welcomed new initiative. However, we trust not as a result of diluted existing funding levels. We await further details.

Governments encourage living at home instead of moving to residential care. Care by families and formal community care is an essential and effective way to help people to live in their own homes. Increased government funding, particularly over the last four years, has resulted in many programmes supporting this goal.

Growth in numbers of people needing community care will continue to place increased pressure on both unpaid carers and the formal service system which currently cannot deliver enough community based care to meet existing demand.

A shortfall in funding for both community and residential care services has been compounded by the inadequate Commonwealth Own Purpose Outlays (COPO) indexation method which fails to keep pace with unavoidable rising costs.

Transition Process

The effectiveness of current arrangements for the transition of the elderly from acute hospital settings to aged care settings or back to the community.

Progress towards a continuum of care for older people requires policies and strategies for the integration of primary care; community care; health promotion and illness prevention; rehabilitation; acute care; sub-acute care, and residential care is essential.