



**SUBMISSION TO THE**

**SENATE COMMUNITY AFFAIRS**  
**REFERENCES COMMITTEE**

**INQUIRY INTO AGED CARE**

**Aged & Community Services Association of NSW & ACT**

**July, 2004**

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## **RECOMMENDATIONS**

### **RECOMMENDATION 1**

- **Build on the existing national Aged Care Workforce Strategy to create an industry wide (residential and community) workforce plan, including a national training strategy, with a timetable for action and funding for implementation.**
- **Identify and address the barriers imposed by regulatory bodies to the safe, flexible and efficient deployment of staff.**
- **Provide incentives to encourage aged care careers, including increasing its attractiveness to younger people. This could include provision of VET in secondary schools and greater emphasis on ageing within undergraduate nursing courses.**
- **THAT the Australian Government immediately replaces the COPO indexation formula with an appropriate indexation formula that accurately captures the costs of residential and community aged care.**

#### ***For Residential Care Specifically***

- **Create a funding base which enables and supports wage consistency for residential care.**

#### ***For Community Care Specifically***

- **Expand traineeships for personal care workers.**
- **Ensure the funding in Community Care is increased to enable appropriate level of wages to be paid to community care workers.**
- **The State and Australian Governments work to develop career pathways and a workforce plan for the community care industry. This should create career pathways for workers currently in the sector and encourage new workers into the sector.**

### **RECOMMENDATION 2**

- **THAT the Agency undertake a timely consultation process with industry regarding improvements to the round 3 and following processes;**
- **THAT the Agency focuses on its primary role of accreditation rather than education; and**
- **THAT the Agency be open to competition under the JAS-ANZ framework.**

### **RECOMMENDATION 3**

- **THAT the Australian Government works in collaboration with State governments to examine establishing a "no new admissions policy" for younger people with disabilities.**

- **THAT the Australian Government works in collaboration with State governments to identify appropriate funding streams and develop appropriate care models to move younger people with disabilities out of residential aged care facilities.**

#### **RECOMMENDATION 4**

- **THAT the Australian Government and State and Territory Governments increase the Home and Community Care program funding by an initial 20% and at least 6% growth per year.**
- **THAT the Australian Government develops a plan and timeline for the implementation of administrative reforms as identified in *The Way Forward* and works in collaboration with State and Territory Governments to implement reform in community care.**
- **THAT the funding for HACC and other community care programs are increased by 10% to address inadequate indexation.**

#### **RECOMMENDATION 5**

- **THAT the Australian Government works with State and Territory Governments and other stakeholders to create an effective mainstream transitional care program building on and incorporating existing models.**
- **THAT the Australian, State and Territory Governments continue to trial new options with a view to providing greater flexibility in meeting the needs of older people leaving hospital.**

## **ACS PROFILE**

The Aged and Community Services Association of NSW & ACT Inc (ACS) is the peak organisation for aged and community care providers in the non-profit, church and charitable sector. ACS also provides services for those for-profit organisations that join our Industry Advice Scheme. We are members of the Aged and Community Services Australia (ACSA) Federation.

ACS represents two thirds of all residential care facilities in NSW. As at 5 August, 2004, ACS has 297 members who manage 688 residential care facilities, 386 retirement villages and 371 community care services. The services provided by our members include:

- 11,339 Residential High Care (Nursing Home) places
- 20,579 Residential Low Care (Hostel) places
- 14,086 Self Care units
- 6,820 Community Aged Care Packages.
- 123 HACCC services
- 13 Day Therapy Centres

## **TERMS OF REFERENCE**

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

The achievement of quality outcomes for residential aged care residents and community care clients relies heavily on the ability of services to recruit and retain adequate numbers of appropriately skilled and trained staff. This is becoming increasingly challenging for aged care providers. Contributing factors include historically inadequate subsidy levels, ongoing staff training costs, including where there is a high staff turnover and the increased acuity of residents.

### **Training**

We welcome the 2004 Budget initiatives in the areas of education and training, although they mainly focus on residential care. There is a need now for education and training initiatives to be strategic in nature, meet the demand and include community care training issues.

The provision of adequate and appropriate staff training is essential for the aged and community care industry, both to prepare new staff for working in aged care and to provide ongoing staff development for existing staff. Service providers are required to provide ongoing and appropriate training for staff and volunteers for accreditation and accountability purposes, occupational health and safety requirements and to ensure compliance with

state regulations, eg fire safety. Such training is critical to ensure the delivery of quality care to residents and clients.

Whilst the up-front course/training attendance costs can be daunting for aged and community care providers, it is the hidden costs that are often prohibitive. These include:

- costs associated with releasing staff to attend training, such as replacement staff costs;
- high travel costs for rural and remote services and limited opportunities within those areas to attend training;
- lack of economies of scale for smaller, often rural aged care services, eg a service provider cannot benefit from sending more than one staff member at a time to training, thus cutting travel/attendance costs, because of shortages in availability of staff to fill positions.

In 2003 the Australian Government Department of Health and Ageing commissioned the National Institute of Labour Studies (NILS) to survey aged care facilities and their employees. Findings included quite high levels of turnover among direct care staff, especially personal care assistants. It follows then that this turnover rate increases the recruitment and training task. Where orientation to the aged care industry and/or in house training is provided to new staff, associated costs can be high where staff turnover and the use of agency staff occurs.

To try to minimise these costs, ACS provides training throughout NSW and the ACT. ACS and aged care providers are making increasing use of internet and satellite television technologies to deliver elements of training and our national body, Aged and Community Services Australia, (ACSA), is offering the industry an online training facility. There will however, continue to be a need for face-to-face delivery and backfilling of positions alongside the use of new technologies.

#### Workforce issues

Whilst the increased residential aged care subsidies announced in the Budget go some way to alleviating the pressure for providers, it will generally not be sufficient to enable aged care employers to pay wages that are competitive with the public hospital sector. Again, this impacts on staff turnover and ongoing training costs.

There is no doubt that actual wage costs are rising faster than aged care subsidies. The annual indexation of subsidies by the Commonwealth Own Purpose Outlays (COPO) formula includes only the amount of the safety net wage adjustment.<sup>1</sup> Industry pay rates have increased by significantly more than the subsidy rates, driven in large part by wage settlements in the public hospital sector.

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<sup>1</sup> Converted to a percentage by dividing the dollar value of the SNA by Average Weekly Earnings

The Productivity Commission Inquiry into Nursing Home Subsidies recommended in 1999 that the Australian Government should introduce revised indexation arrangements, but this has not occurred.

In 2003 the National Aged Care Alliance (NACA) commissioned La Trobe University to conduct research on the extent to which the total level of residential aged care subsidy funding adequately addresses changes in demand for services and the cost of providing them. Figures quoted here are contained in the updated Fourth Report. The report demonstrates that although there have been substantial increases in total funding for residential aged care subsidies, current indexation arrangements do not adequately adjust for cost increases and data limitations make it difficult to assess the relationship between increasing demand and funding adequacy. An examination of two alternative indexation methods for capturing increased wage costs was undertaken, with the level of underfunding of an 8-year period compared with the current approach. The report estimates that the gap by 2003-04 was between \$260 million and \$405 million.<sup>2</sup> It concludes a formula based on the Wage Cost Index, one of the alternative methods tested, would be fairer.

NSW and the ACT are further disadvantaged because, whilst the inadequately indexed subsidies are moving towards uniformity (via coalescence) throughout Australia, there are substantial wage disparities between the States.

Table 1 indicates current aged care nurse wage rates in different jurisdictions. It is notable that NSW has the highest wage rates in Australia. Until January 2003, the gap between aged care rates and the public hospital sector was only 3% in NSW. It is 16% as at January 2004.

*Table 1: Aged Care Nurses Award Rates – Interstate Comparison as at December 2003*

	<b>NSW</b>	<b>NT</b>	<b>Vic</b>	<b>Qld</b>	<b>Tas</b>	<b>WA</b>	<b>ACT</b>	<b>SA</b>
<b>Weekly Salary (\$)</b>	922.70	802.00	784.20	793.90	744.73	757.60	757.57	742.60
<b>Annual Salary (\$)</b>	47980.40	41704.00	40778.40	41282.80	38725.96	39395.20	39393.64	38615.20
<b>% behind NSW</b>	N/A	-13.08%	-15.01%	-13.96%	-19.29%	-17.89%	-17.90%	-19.52%

Note Above rate comparisons are based on Registered Nurses (Thereafter) employed under Aged Care Awards in various Australian States/Territories.

The challenge in NSW is how to meet the demand for increased pay rates for aged care nurses as a result of the substantial pay increase public sector nurses have received. This is impossible on the current COPO indexation formula.

<sup>2</sup> Australian Institute for Primary Care, La Trobe University (2003) *Residential Aged Care Funding: Fourth Report*, National Aged Care Alliance, p. 1.

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- **Provide incentives to encourage aged care careers, including increasing its attractiveness to younger people. This could include provision of VET in secondary schools and greater emphasis on ageing within undergraduate nursing courses.**
- **THAT the Australian Government immediately replaces the COPO indexation formula with an appropriate indexation formula that accurately captures the costs of residential and community aged care.**

### ***For Residential Care Specifically***

- **Create a funding base which enables and supports wage consistency for residential care.**

### ***For Community Care Specifically***

- **Expand traineeships for personal care workers.**
- **Ensure the funding in Community Care is increased to enable appropriate level of wages to be paid to community care workers.**
- **The State and Australian Governments work to develop career pathways and a workforce plan for the community care industry. This should create career pathways for workers currently in the sector and encourage new workers into the sector.**



- (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.**

The concerns which ACS has about the performance and effectiveness of the Aged Care Standards and Accreditation Agency broadly fall into three categories, ie process issues, education role and systemic issues.

#### Process Issues

Following the first round of accreditation conducted by the Agency our members reported a number of process-based concerns. These mainly related to inconsistencies between assessors' approaches, problems with duplication in the Accreditation Kit, inaccurate comments appearing in final reports, errors in reports on the website, lack of process to correct mistakes and inconsistency where some decisions have been overturned and other seemingly similar decisions have not. Some of these problems were addressed, some have persisted into the second round and some new ones have emerged.

For example, a facility achieves 44 satisfactory outcomes during accreditation, and is accredited for 3 years. Within six months a 'support visit' finds that the facility is non compliant with one or more outcomes. A finding of this nature can be difficult to explain and potentially demonstrates an unacceptable level of subjectivity in the process, especially where the issues raised were the same six months earlier.

Another issue of concern is the vast amount of work the accreditation process involves for new facilities. The facility undergoes an initial self assessment process, then during the first twelve months the facility has to submit continuous improvement forms for support contacts and then within six months of opening the facility is required to complete the full assessment Kit.

The Agency has no publicly available guidelines to indicate to facilities how much paperwork is required. The support visits conducted since the second round of accreditation have caused concern, with facilities reporting an increase in the level of paperwork the Agency is expecting. In the absence of guidelines, it is difficult for the aged care industry to determine what the Agency considers 'sufficient paperwork' at any given time. There is also anecdotal evidence that the paperwork deemed necessary can vary from Agency assessor to assessor.

The application form for accreditation is very lengthy and time consuming to complete. During the review process for the first round, ACS NSW & ACT submitted a sample of a shortened version of the application developed by

aged care providers who are required to complete the form. This version was not adopted by the Agency although some changes were made.

The formal review of the second round of accreditation has been less than satisfactory and has been characterised by a selective consultation process, poor communication with the industry about the possible content of the final report and its release date and, due to problems with time management of the review, some doubt over whether any changes to the process can actually be made before round three starts next year.

ACS also noted with concern the findings of the Australian National Audit Office (ANAO) audit in 2003 which focussed on whether the Aged Care Standards and Accreditation Agency's management of the residential aged care accreditation process is efficient and effective. Whilst the key findings of the Audit included that the Agency has implemented an adequate process to meet its legislative responsibilities for the accreditation process, there were shortcomings found:

- the Agency not meeting legislated deadlines;
- the Agency had limited knowledge of the costs of its accreditation activities;
- the Agency did not have a cost allocation methodology;
- the Agency did not use data to systematically identify state and national training needs;
- the Agency has minimal human resource data on internal and contract assessors, and there is therefore little evidence to identify, or address, differences in skill levels of the two different types of assessors;
- accreditation Round 1 focussed on regulation rather than education; and
- inconsistent interpretation of the Standards and application of ratings.

### Education

Part 6 of The Aged Care Act Grant Principles, state:

"Promoting and encouraging quality care

- (1) The accreditation body must promote and encourage quality care in residential care services.
- (2) The accreditation body may, as part of that function:
  - (a) provide information, education, training and support for residential care services; and
  - (b) identify and encourage best practice for residential care services."

As can be seen the legislation indicates that the Agency may have a role in conducting education as part of its function of promoting and encouraging quality care. However, ACS maintains that there are sound reasons mitigating against the Agency adopting this role.

- Education is not the Agency's core business;
- there are other better-qualified organisations which can fulfil this education role for the industry;
- the Agency is having difficulty meeting its own objectives, without taking on more;

- it cannot provide participants with formal qualifications because it is not a Registered Training Organisation (RTO). Eg, the Agency recently acquired funding to purchase satellite dishes for rural and remote facilities and to conduct training through this medium on dementia. The course was aligned to a nationally recognised unit of competency from the Community Services Training Package, however participants were not able to gain formal qualifications because the Agency is not an RTO;
- the Agency is accrediting organisations and critiquing what is best practice, but it has not achieved an externally recognised accreditation which would indicate that the Agency is appropriately qualified; and
- Professor Warren Hogan in his Report on the Pricing Review of Residential Aged Care stated his view on the role of the Agency in education in Recommendation 7: "The role of the Aged Care Standards and Accreditation Agency should be directed mainly to the accreditation of services and the dissemination of accreditation results."<sup>3</sup>

As part of its legislative function, which states that the Agency may identify and encourage best practice, the Agency recently conducted 2-day best practice seminars nationally. ACS is concerned that part of the process for 'identifying' best practice for promotion at such seminars did not involve some form of formal consultation with the industry, but relied on the practices demonstrated by those facilities which had been awarded meritorious or commendable ratings.

### Systemic Issues

ACS is equally concerned about the impact on the industry and consumers of the systemic problems associated with the accreditation of residential aged care in Australia. In particular, the single stand-alone accreditation process applying to only one of the many programs in the aged care field and overseen by a single agency with a monopoly on accreditation service provision.

We would support the position of ACSA, our national body, on this issue. A market exists for the provision of accreditation services to other industries, including other parts of the health and care system, and this market is regulated under the Joint Accreditation System for Australia and New Zealand (JAS-ANZ). As indicated by ACSA in its submission, and as evidenced by the examples provided above, the industry has had concerns with the internal quality control procedures in place in the Agency, particularly around consistency and objectivity. The existence of an overarching and active quality control framework in JAS-ANZ guards against this. JAS-ANZ can accredit accreditation bodies themselves, as well as the range of services provided to frail older people, not just residential care services.

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<sup>3</sup> Australian Government Department of Health and Ageing, *Review of Pricing Arrangements in Residential Aged Care Summary Report, 2004*, p. 39.

On a related issue, it is important that the Australian Department of Health and Ageing learn from the lessons of accreditation for residential care in the implementation of the accountability framework currently under development for CACPs, EACH and National Respite for Carers Program (NRCP). There will be significant additional costs to community care providers in implementing the accountability framework, however, these additional costs are not recognised in the current funding structure for community care.

Since 1999, community care services in NSW funded through the Home and Community Care program have implemented the National Standards Instrument and undergone a validation process. There were significant costs for providers in undergoing the validation process and additional funding was not provided for this process.

## **RECOMMENDATION 2**

- **THAT the Agency undertake a timely consultation process with industry regarding improvements to the round 3 and following processes;**
- **THAT the Agency focuses on its primary role of accreditation rather than education; and**
- **THAT the Agency be open to competition under the JAS-ANZ framework.**

- (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.**

Younger people with disabilities in residential aged care facilities

ACS believes that it is inappropriate for younger people with disabilities to be living in residential aged care facilities. There are currently over 2,000 people under the age of 65 years who live in aged care facilities in NSW.<sup>4</sup> A significant proportion of these people have acquired brain injury and are unable to access appropriate accommodation and support options through disability services.

ACS believes that a "no new admissions policy" for younger people with disabilities warrants serious examination. For those people who are currently living in residential aged care facilities increased funding should be provided to more appropriately meet their needs. State, Territory and Australian Governments need to work collaboratively to develop options for care delivery and provide increased funding to meet the accommodation needs of younger people with disabilities into the future.

ACS notes that the NSW Department of Ageing, Disability and Home Care and the Australian Department of Family and Community Services have a bi-lateral agreement to undertake collaborative work on mapping and assessing the support needs of younger people with disabilities in residential aged care facilities in NSW. It is vital, however, that the Australian Department of Health and Ageing participate in this work and discussions.

The Resident Classification Scale is an inadequate funding tool in assessing the needs of people with disabilities living in residential aged care facilities. The inadequacy of funding ensures that younger people, particularly people with acquired brain injury, are unable to access appropriate levels of rehabilitation support to meet their needs. Many younger people with disabilities living in residential aged care facilities are also unable to access appropriate day services because of inadequate funding and lack of appropriate day programs.

There are a number of strategies that could be trialled to support a "no new admissions policy" by the Australian and State Governments. These include:

- the provision of disability training and education for staff in residential aged care facilities to improve their understanding of the needs of people with disabilities;

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<sup>4</sup> Australian Institute of Health and Welfare (AIHW) 2000-01, Residential Aged Care in Australia 2000-01: A Statistical Overview, AIHW, Canberra

- ensuring that people with disabilities residing in residential aged care facilities have access to state-funded disability day programs; and
- exploring the possibility of moving younger people out of residential aged care facilities by use of a combination of State and Australian Government funding, such as EACH packages and state-based disability therapy and day program funding.

#### Access issues for special needs groups

##### *People from Culturally and Linguistically Diverse Backgrounds*

Many ACS members provide services to people from culturally and linguistically diverse (CALD) backgrounds. Ethno-specific services can benefit from economies of scale through having a significant number of people from the one CALD background in the one location. However, it is very difficult for providers catering to diverse populations to afford the resources or have access to staff who speak particular languages. Some of the issues ACS members raise include:

- limited access or impeded service delivery because of lack of funding for interpreters; and
- lack of funding to provide culturally-specific resources and information.

##### *Aboriginal and Torres Strait Islander People*

It is important that there is an acknowledgment of the special needs of older ATSI people and ATSI-specific services, including:

- education and management support services;
- the demonstrated benefits of the development of industry partnerships; and
- the importance of the recognition of the specific cultural and social needs of ATSI people.

##### *People with Dementia*

There are two main concerns about access to services for people with dementia. The first relates to the effectiveness of the Resident Classification Scale (RCS) in funding the support needs of people with dementia and challenging behaviours. ACS members report that, despite changes in 1999, the RCS still fails to adequately address areas such as emotional support and behaviour management.

On the capital funding front, prior to the introduction of the *Aged Care Act 1997*, dementia-specific hostels were able to charge accommodation bonds. Now, if the resident is classified as high care, this is no longer possible. ACS members report that the incentive to build secure dementia facilities has effectively been withdrawn.

##### *People with Mental Health/Psycho-geriatric Needs*

Access to mental health and psycho-geriatric services has proved problematic in both NSW and the ACT. This is an issue for all residential care services caring for people with dementia and challenging behaviours. However, church and charitable organisations such as LUCAN Care, the Society for St

Vincent de Paul, Mission Australia and the Salvation Army have had particular difficulties caring for older people with long-term psychiatric illnesses in inner Sydney within existing residential care funding levels. Often these residents were formerly homeless or living in boarding houses. Again, proper joint funding models are required across levels of government. A model has recently been established at Frederick House, Lewisham with the NSW Health Department contributing financially to support additional psychiatric care on top of Australian aged care funding.

### **RECOMMENDATION 3**

- **THAT the Australian Government works in collaboration with State governments to examine establishing a "no new admissions policy" for younger people with disabilities.**
- **THAT the Australian Government works in collaboration with State governments to identify appropriate funding streams and develop appropriate care models to move younger people with disabilities out of residential aged care facilities.**

**(d) the adequacy of Home and Community Care programs in meeting the current and projected needs of the elderly**

ACS NSW & ACT believes that current funding levels in the Home and Community Care (HACC) program are inadequate to meet the current and projected needs of older people, people with disabilities and their carers. It is clear that demand for community care is exceeding supply, with waiting lists for community care services for older people and their carers in NSW and the ACT being commonplace.

Over the last decade, since the inception of the HACC program in 1985, there has been a significant shift by Australian and State Governments towards the provision of community care. The Home and Community Care Program is the largest community care program with funding of over \$1 billion annually. It has been estimated that the HACC program reached at least 3.3% of all Australians, (about 700,000 people), with the program reaching 20% of all people aged 65 and over.<sup>5</sup> A large majority of these people are also supported through the informal care system via the provision of support from family and friends.

Average levels and hours of service provision, however, remain very low. The 2002 -2003 HACC Minimum Data Set highlighted the relatively low levels of HACC service provision per week per person. On average individuals per week received 38 minutes of domestic assistance, 67 minutes of personal care, 108 minutes of respite care and 16 minutes of nursing care.

In the 1998 survey of Disability, Ageing and Carers, conducted by the Australian Bureau of Statistics, 29% of older people reported that they did not have their needs for assistance fully met. High levels of unmet need were in the areas of the provision of transport and assistance with housework.<sup>6</sup>

Australia's population is ageing. By 2021 the number of people aged 65 and over will increase from 2.4 million to 4.2 million. People with disabilities are also ageing and between 1981 and 1998 the number of people with a severe or profound disability aged over 65 increased by 10%.<sup>7</sup> (AIHW, 2000). The numbers of people with disabilities who are ageing will continue to increase over time. A significant proportion of older people and people with disabilities who are ageing will require community care services including HACC services.

ACS welcomes the changes in the aged care planning ratios for community care in the 2004 Federal Budget as well as the expansion of Australian

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<sup>5</sup> Australian Government Department of Health and Ageing, (2003) *Home and Community Care Program Minimum Data Set 2002-03 Annual Bulletin*, p.5-6.

<sup>6</sup> Australian Bureau of Statistics (2000) *Older People New South Wales*, Australian Bureau of Statistics

<sup>7</sup> Australian Institute of Health and Welfare (2000) *Disability and Ageing, Australian Population Patterns and Implications*, AIHW, Canberra



Government community care programs including Community Aged Care Packages (CACPs) and Extended Aged Care in the Home (EACH) packages.

ACS also welcomes the Federal Government's release of *A New Strategy for Community Care – The Way Forward*, which identifies proposals for administrative reform and streamlining for Australian Government community care programs. ACS NSW & ACT urges the Australian Government to develop a more detailed implementation plan and timeline for the reforms. The Australian Government should also work collaboratively with State and Territory Governments to identify common areas for administrative reform across community care programs.

However, funding for community care, particularly the HACC program, needs to be increased to ensure that services are available to meet the current and projected needs of older people. The HACC program requires an initial 20% increase and at least 6% growth per annum (plus indexation) each year.

The indexation method for the HACC programs, through the Commonwealth Own Purpose Outlays, (COPO), is inadequate and fails to keep pace with the rising costs of providing community care. ACS NSW & ACT believes an additional increase of 10% is required for HACC and other community care programs to address the funding shortfalls.

#### **RECOMMENDATION 4**

- **THAT the Australian Government and State and Territory Governments increase the Home and Community Care program funding by an initial 20% and at least 6% growth per year.**
- **THAT the Australian Government develops a plan and timeline for the implementation of administrative reforms as identified in *The Way Forward* and works in collaboration with State and Territory Governments to implement reform in community care.**
- **THAT the funding for HACC and other community care programs are increased by 10% to address inadequate indexation.**

**(e) *The effectiveness of current arrangements for the transition of the elderly from acute hospital settings to aged care settings or back into the community***

Aged Care Settings

The Australian and State/Territory Health Departments need to expand rehabilitation and sub-acute services for people leaving hospital. Transition care can reduce the incidence of premature or inappropriate admission to long-term residential care. In some cases, the transition care service is delivered in a hospital setting, but more commonly it is provided in a residential or community care setting. A recent transition pilot in Newcastle found that about 30% of clients improved to the extent of being able to return home with community support.

The Innovative Care Pilots provide a model for joint Australian and State/Territory funding of transition care services. It is critical that transition care is funded on a transparent and fair basis through a clear agreement between both levels of government.

Other aspects of the current residential care funding system can cause problems for providers seeking to adopt these models. For example:

- RCS payments reduce with increasing independence (a perverse incentive not to rehabilitate people);
- palliative care expertise is not recognised in the funding system; and
- funding may be unavailable for empty beds in a respite or transition care setting.

Better coordination and more flexibility may enable resources to be unlocked from the hospital setting to travel with the individual to their usual place of residence. The “Hospital in the Nursing Home” program has been successful for those living in residential care. A successful pilot program was conducted in residential care homes in Eastern Sydney.

In the Community

*Compacks Project*

Since August 2003, the NSW Department of Health has funded Community Options Projects in NSW (which are HACC funded) to provide short-term case management and brokerage services for older people and their carers to facilitate more effective hospital discharge for people with significant post operative needs.

ComPacks is a joint discharge between multidisciplinary health teams and non-health community care case managers (COPS) where the patient requires two or more services to remain safely at home. The purpose of ComPacks is to maximize independence capacity and preferences of the client and to improve access to sustainable community services.

ComPacks was tested in the following areas:

- |                               |  |
|-------------------------------|--|
| - Liverpool                   | South Western Area Health Service        |
| - Westmead                    | Western Sydney Area Health Service       |
| - Prince of Wales             | South Eastern Sydney Area Health Service |
| - St George South             | Eastern Sydney Area Health Service       |
| - Royal Prince Alfred/Balmain | Central Sydney Area Health Service       |
| - Royal North Shore           | Northern Sydney Area health Service      |
| - Manly/Mona Vale             | Northern Sydney Area Health Service      |
| - Gosford/Woy Woy/Wyong       | Central Coast Area Health Service        |
| - John Hunter                 | Hunter Area Health Service               |
| - Nepean/Springwood           | Wentworth Area Health Service            |

Community Options projects in selected regions of NSW are funded to undertake assessment, case management and provide short term brokerage services including rehabilitative, nursing and other basic support services. Brokerage services are provided for up to a 6-8 week period. After this period the client is exited onto other more suitable community care programs if needed.

Community case management, as well as in-home care and support services brokered by the community COPs case manager, are included in the ComPacks program. The community case management function and the in-home care and support services brokered by the community COPs case manager are provided for a period of up to 6 weeks for each client after discharge. The in-home services received by ComPacks clients could include community nursing, personal care, housekeeping, meals and transport. Where a patient is found to require longer-term support, the community case manager will be responsible for negotiating the necessary post-ComPack arrangements and ensures the patient's smooth transition to those arrangements.

From the period from 18 August to 30 November 2003, 507 people were discharged from hospital to home with brokerage and case management services. It has been estimated that the cost of a ComPacks is \$30 per day (average total cost of \$1,390 per client), compared to the alternative inpatient cost of \$350 per day in a sub acute ward.

This pilot project and model, subject to the provision of additional funding, could potentially be used to facilitate the more effective discharge of older people from hospital to residential care facilities. Additional funding could be provided to residential care facilities, on a short term basis, (6-8 weeks), to support people with significant rehabilitation and or post operative needs to be discharged into the hostel and/or nursing home.

## **RECOMMENDATION 5**

- **THAT the Australian Government works with State and Territory Governments and other stakeholders to create an effective mainstream transitional care program building on and incorporating existing models.**
  
- **THAT the Australian, State and Territory Governments continue to trial new options with a view to providing greater flexibility in meeting the needs of older people leaving hospital.**