



Submission to the
Senate Community Affairs Reference Committee
Inquiry into Aged Care

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2004 Awards

ANHECA National Renovated Building Award
DPS Publishing Aged & Community Care Photographic Competition 2004 – Best Tasmanian Image

2003 Awards

Aged Care Standards Accreditation Agency – Higher Ratings Award
Minister for Aged Care Awards for Excellence – Leadership and Management Category – Awarded to
Ms J Hardy CEO/DON
Gold Workplace Safe Award – Best Induction Program Category
Finalist ACSA Award – Best Training program Category
Tasmanian Finalist – Australia Day Awards – Australian of the Year Category – Awarded to
Mrs Doone Kennedy (Board Member)

2000-2002 Awards

The Margaret Allwright Award for Excellence
HESTA Better Health and Safety Award
Aged and Community Services Australia Recognition for Therapy Programs Award
Minister for Aged care Awards for Excellence – Finalist with Commendation – Staff Development Category

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The Senate Inquiry

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

The terms of reference for the inquiry are:

- 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) 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. Written submissions are invited and should be addressed to:

The Mary Ogilvy Homes Society submission addresses each of these terms of reference except for (d).

A SHORT HISTORY OF THE SOCIETY

The idea for The Mary Ogilvy Homes Society was conceived over fifty years ago to care for frail aged ladies who did not have a family network capable of providing that caring.

The Mary Ogilvy Homes Society now offers care to 74 residents including one respite. Mary Ogilvy House also offers a number of extra service places in both high and low care. Recently Independent Living Units have been built and they offer the option of a private lifestyle while having the opportunity to be involved in the Mary Ogilvy House Community

It is the aim of the society to remain a boutique facility, thus providing the best and most personal of care.

Mission Statement:

“The Mary Ogilvy House community is committed to providing quality aged care in a safe, homely and secure environment, maintaining each resident’s individuality and independence.”

**Responses to the Senate Community Affairs References
Committee Terms of Reference for the Inquiry:**

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

The Mary Ogilvy Homes Society welcomes the Australian Government's response to supporting training and education of the aged care workforce. However, we must acknowledge that it falls short of the recommendations made in the recent Hogan review.

There is a worldwide shortage of registered nurses which will have to be resolved before its impact on aged care can be negated. Given that the shortage is unlikely to be resolved in the near future, models of care which are not so strongly predicated on the availability of nurses must be considered.

The 2020's will be the first decade where there will be no net increase in the workforce, and not just nurses

Individual organisations can do much themselves to make their workplaces attractive. There are many effective strategies that Mary Ogilvy House use to address workforce issues including; staff recognition and awards ceremonies, staff scholarships, certified training programs and regular training calendar, individual and career development plans, comprehensive local and organisational orientation, flexible hours, etc.

However wage parity with the acute sector remains an issue. The biggest barrier to the availability of an appropriate aged care workforce is the industry's inability to offer wages that are competitive with the public hospital sector.

Salaries and wages represent approximately 70% of residential aged care outlays with little opportunity to vary income to reflect costs. This lack of synergy between actual subsidy and actual state based workforce costs makes it extremely difficult for residential aged care to pay a competitive wage rate.

The introduction of a registered nurse graduate scholarship scheme for rural and remote students in the 2002-2003 budget has proved highly successful. The expansion of this program by the federal government in the 2004-2005 budget is most welcome.

The provisions of Medicare Plus in providing for the Comprehensive Medical Assessment and the creation of GP panels are welcomed by the sector as a step in the right direction to improve the attractiveness of the sector to general practitioners. This lack of medical support in residential care facilities places a greater load on registered nurses and often leads to unnecessary admissions to the acute sector.

With a workforce that is itself ageing, and the demographic of an ageing population these difficulties will become progressively worse unless system change is implemented.

The 2004 Budget allocated \$877.8 million over four years to enable aged care providers to 'pay more competitive wages, to improve quality and attract and retain qualified staff'. This allocation will be paid as a conditional adjustment payment of 1.75%, in addition to the indexation figure that was set at 2.01% for the current financial year. This means that the Australian Government has agreed to indexation totalling 3.76% in the financial year.

It should be remembered that the difficulties being experienced throughout the aged carework force – both residential and community are consistent with national and international trends particularly in regard to registered nurses, allied health and direct care workers.

- (b) The performance and effectiveness of the Aged Care Standards and Accreditation Agency on:**
- 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 the manner which reduces the administrative and paperwork demands on staff**

Since the implementation of the 1997 Aged Care Reforms, The Mary Ogilvy Homes Society has been highly supportive of the whole concept of accreditation and the quality improving framework for the sector. The organisation has regularly supported the CEO in her role as an external auditor. The Mary Ogilvy Homes Society believes the introduction of the accreditation system has had a profound effect upon residential aged care and has driven a significant improvement in the quality of services.

Mr Mark Brandon at the Sydney hearings of The Senate Inquiry into Aged Care said, “in the short time since we began assessing homes against the standards, there has been an improvement in care. If we use the compliance scores as a measure, 68% of homes were fully compliant at the end of round 1. Now, just over three years later, the figure is in the 90s.”

Because the Agency visits, monitors and assesses a wide range of facilities it is in the unique position of being able to compare the effectiveness of different approaches to providing care.

The Aged Care Standards Agency has recently taken steps to try to identify best practice and provide information, education and training to aged care facilities including implementation through the Better Practice Forums being held this year. The Agency itself has recently been accredited.

The Mary Ogilvy Homes Society has implemented strategies to share innovation and better practices, through presentations at state, national and international conferences, national and international delegations of visitors and consulting support to other providers as well as the CEO being actively involved in the process as an external auditor for the Aged Care Standards Agency.

While individual operators will always have issues around some parts of the process, and some auditors decisions, it is generally acknowledged in the aged care industry that the accreditation process has represented a step forward.

(c)he 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 illnesses, or specific conditions are met under current funding arrangements.

The Government's acknowledgment that a dementia specific supplement is needed is most welcome.

However a substantial review needs to occur regarding the actual cost of providing such services. While the top subsidy payable to a level 1 resident in residential aged care is \$118 per day, the average payment for an acute sector palliative care service can be as high as \$430 per day. There is great difficulty reconciling these two quite separate figures.

It is essential therefore, for government to look at the true cost of providing an effective palliative care program and an effective dementia program and to incorporate that cost provision within any revised residential care subsidy framework.

A recent report found that 167,000 Australians are affected by dementia, with about 113,000 experiencing severe or profound restrictions on core activities. The Australian Institute of Health and Welfare projected that the number of people with high level restrictions associated with dementia is likely to rise to 179,000 by 2020.

In 2002 there were over 162,000 people with dementia in Australia which is predicted to rise to 500,000 in 2040. Approximately 46% of these people or 74,520, live in residential aged care facilities – 33% in nursing homes and 13% in hostels. (The Dementia Epidemic, 2003)

Today at least 60% of residents in high care facilities and 30% in low care have dementia. However more than 90% of those in high care and 54% in low care have an obvious cognitive impairment. (Rosewarne, 1997 in Dementia Epidemic, 2003)

The Government response in the 2004 – 2005 Budget does partially pick up this special needs group and The Mary Ogilvy Homes Society welcomes this response to recurrent funding for dementia sufferers in residential aged care.

However the issue of capital funding for building dementia specific homes does need to be addressed particularly in light of the projected demographics.

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.

Competing imperatives and cost-shifting between Commonwealth and State Governments has meant that little concerted action has been taken in this area despite the potential gains. The current Commonwealth/State 'Transitional Care Pilot Program' is funding a number of projects to test ways of addressing this issue.

The recently announced greater supply of services and forthcoming transitional care places will assist in meeting community demand especially if integration of service is achieved.

These initiatives have been significant and have showcased some excellent opportunities to extend the options for older people and have produced excellent outcomes in terms of both benefits to consumers and the hospital system.

These transitional care pilots are an innovative placement strategy for older acute patients who have been approved for residential placement, but who might benefit from rehabilitation and support.

In the South Australian project 60% of clients returned to their homes. Less than 17% were discharged to residential aged care. They have benefited from rehabilitation, restoration and the opportunity to resume normal life in the community. (Australian Health Review December 2004)

The Mary Ogilvy Homes Society is proud to be involved in the Tasmanian Intermittent Care Services project at "Karingal". We look forward to transitional care places becoming a permanent feature of the residential aged care environment.