SUBMISSION TO THE SENATE

Inquiry into
Residential and Community Aged Care in Australia

Authors:

Share & Care Community Services Group Incorporated

Pamela I'Anson, Chairperson

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Share & Care welcomes the opportunity to make a submission to the Senate Select Committee on Community Aged Care. Share & Care is committed to collaborating with consumers, professional health & allied services along with other key stakeholders to improve the health support services of all Australians and further develop the Community Care resources in Australia.

Introduction

Share & Care Community Services Group Inc began work in the communities of the Wheatbelt in Western Australia in 1975. Beginning with a group of volunteers and the need for child support services for families, the organisation has today grown to cover 250,000 square kilometres of rural Western Australia, employs close to one hundred well trained, compassionate staff and provides 23 varied support services with close to three million dollars of Commonwealth, State & Lotterywest funds. The latest organisational statistics shows that there were 68, 219 occasions of service provided in the last 12 months.

Background

Share & Care has been providing both Home and Community Care & Community Aged Care Packages for over 20 years. One of the highlights of this service provision is assisting the consumer to remain in their own homes, allowing retention of independence, dignity, community links, and a sense of security and confidence.

(1) It is estimated that by 2031 the number will increase to over 185,000 when one in four seniors will be aged 80 years and over.

(2) The life expectancy for a Western Australian male who turned 60 years of age between 2003 and 2005 was a further 22.5 years. A significant increase, this means more seniors in all age groups from 65-69 onwards.

One of the most significant trends in contemporary aged care is to reduce previous, inappropriate overuse of nursing home accommodation and expand less intensive hostel and home based support options.

Older people generally want to maintain their independence for as long as possible, ageing in their own homes and communities. Contrary to some perceptions, this should be an economically neutral position - assisting people to "age in place" supports what most people want and prevents restrictive, "over caring" in costly institutions. Maintaining one's own home and belongings and continuing established family and community relationships, with appropriate levels of support, assists positive ageing

Overview

a. **Current funding levels are sufficient to meet the expected quality service provision outcomes;**

There is pressure on all HACC service providers to meet escalating demand within existing resources. HACC service providers have often maximised their service provision through coordination, open information exchanges and productive working relationships. The increase in quality standards, expectations of accountability and transparency, requirements for continuous consumer feedback and the massive increase of staff time to implement, monitor and evaluate all these items is in no way presently reflected in the funding.

Whilst Share & Care agree these governance and operational measures are essential, there has been no increase in funding to compensate for the additional hours all these processes necessitate.

In addition, the rising costs of insurance and employee wages have increased the load community organisations must bear.

Staff turnover due to lack of appropriate remuneration and incentives is the largest drain on resources both intellectual and fiscal within our organisation. Awards need revisiting and the component of funding for employees remuneration also increased.

With the introduction of the "Wellness Approach" increased time is spent on working with the consumer, assessments and re-assessments. There has been no change to the funding level since this was introduced.

Risk management - the implementation of the HACC National Standards in addition to the rising cost of insurance has identified changes that need to be implemented to protect staff and volunteers from dangerous activities. These implementation strategies need to be costed.

The high demand for services impacts on assessment and administrative staff. This can affect staff turnover and continuity for clients. Time pressures on staff are also evident, with tasks such as data collection and recording regarded as a much lower priority than direct care.

Recommendations:

- Ensure sufficient funds allocation to organisations for employee training, remuneration and increased insurance costs.
- Allow additional funding and an increase in the "administration" component of unit cost to cover the extended hours required to record, monitor and evaluate service delivery and feedback.
- Additional funding to compensate for the increased hours required to implement the "Wellness Approach".

b. The current indexation formula and recognising the actual cost of pricing aged care services to meet the expected level and quality of such services;

The indexation formula is behind real CPI. Present "on the ground" CPI costs are running at between 5.5 - 6 percent.

The cost of community care services is higher in regional areas.

Recommendations:

- CPI payment made in anticipation of "on the ground" costs rather than retrospectively. Consideration be given to overpayments returned in a system similar to the Child Care CCB payments the following quarter.
- Recognition and compensation for higher supply costs in regional areas.

c. Measures that can be taken to address regional variations in the cost of service delivery;

Recognition of the increased costs overall for rural area providers. Costs that are increased in particular are those that involve travel and staff training. Our biggest concern at present are the travel costs involved in servicing the consumers. In rural areas it is not uncommon to travel 20 kilometres to service clients. The additional miles in rural areas and the costs associated need recognition and additional funding applied.

Meals-on-Wheels (a component of the Home and Community Care service) in particular needs revisiting. This service was traditionally operated by volunteers; therefore there were no fuel or mileage payments or hourly rates. Declining volunteers over the years in this region has meant we are now paying fuel vouchers or mileage to staff in addition to wages. These increased costs have seen the service show a deficit for the first time in decades.

Travel and time are also large contributors to cost when considering training for employees. The majority of training is city based. This means 2 hours travel to get there, 2 hours return. If you factor in training time, generally a full day, then 4 hours overtime and the cost of fuel you have an expensive exercise.

Recommendations:

- Consider providing an additional "Rural Payment" for those organisations outside of the city.
- Provide more rural and regional training opportunities for services
- Increase Meals-on-Wheels funding component

d. the impact of current and future residential places allocation and funding on the number and provision of community care places.

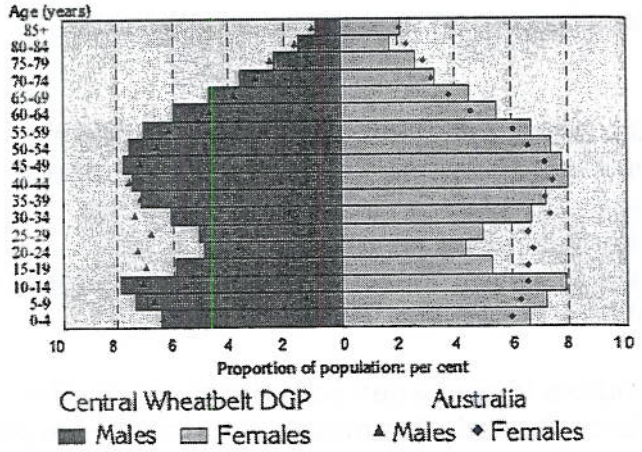
The demographics for this region (Wheatbelt Western Australia) show a steady incline of ageing baby boomers. If the projections remain accurate, the provision of Community Aged Care Packages will need to rise considerably.

Table 1: Population by age, Central Wheatbelt DGP and Australia, 2005

Age group (years)	Central Wheatbelt DGP		Australia	
	No.	%	No.	%
0-14	10,342	21.8	3,978,221	19.6
15-24	4,864	10.2	2,819,834	13.9
25-44	12,517	26.4	5,878,107	28.9
45-64	13,272	28.0	4,984,446	24.5
65-74	3,830	8.1	1,398,831	6.9
75-84	1,956	4.1	954,143	4.7
85+	702	1.5	315,027	1.5
Total	47,484	100.0	20,328,609	100.0

As shown in the accompanying table and the age-sex pyramid below (Figure 2), the Central Wheatbelt DGP had relatively more children than Australia as a whole, with 21.8% at ages 0 to 14 years (compared to 19.6% for Australia) (Table 1). The proportions of the Division's population aged 15 to 44 years (10.2% and 26.4%) were lower than for Australia (13.9% and 28.9%), while there were more people in the 45 to 74 year age groups (28.0% and 8.1%) compared to Australia (24.5% and 6.9%).

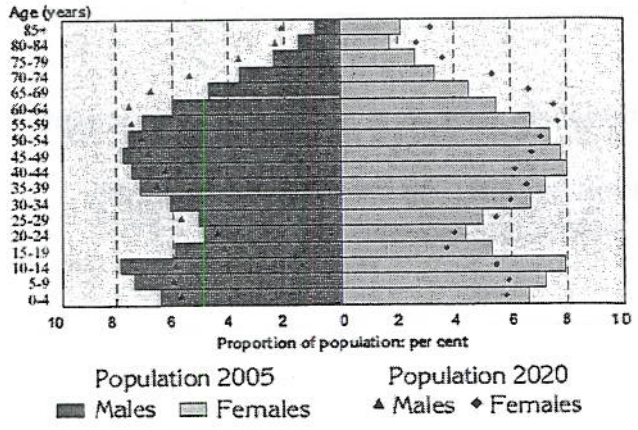
Figure 2: Population in Central Wheatbelt DGP and Australia, by age and sex, 2005



The most notable differences in the age distribution of the Division's population (when compared to Australia overall) are:

- at younger ages – relatively more males 5 to 14 years and females 0 to 14 years old;
- from 15 to 34 years – relatively fewer males and females;
- from 40 to 74 years – relatively more males (from 45 years) and females (to 69 years); and
- at the oldest ages – slightly lower proportions of females 75 to 84 years old.

Figure 3: Population projections for Central Wheatbelt DGP, by age and sex, 2005 and 2020



The population projections for the Division show a number of changes in age distribution, with the 2020 population projected to have:

- at younger ages – relatively fewer children, young people and young adults, aged 0 to 24 years;
- from 25 to 29 years – relatively fewer males and females;
- from 30 to 54 years – relatively more males (from 35 years) and females; and
- from 55 years of age – relatively more males and females.

Summary of Recommendations:

- **Ensure sufficient funds allocation to organisations for employee training, remuneration and increased insurance costs.**
- **Allow additional funding and an increase in the "administration" component of unit cost to cover the extended hours required to record, monitor and evaluate service delivery and feedback.**
- **Additional funding to compensate for the increased hours required to implement the "Wellness Approach".**
- **CPI payment made in anticipation of "on the ground" costs rather than retrospectively. Consideration be given to overpayments returned in a system similar to the Child Care CCB payments the following quarter.**
- **Recognition and compensation for higher supply costs in regional areas.**
- **Consider providing an additional "Rural Payment" for those organisations outside of the city.**
- **Provide more rural and regional training opportunities for services**
- **Increase Meals-on-Wheels funding component**

Endnotes

GRAPHS: Provided by the Central Wheatbelt Division of General Practice: Population health profile of the Central Wheatbelt Division of General Practice: supplement - Population Profile Series: No. 113a