



Council of Social Service of New South Wales

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The Secretary
Senate Finance and Public Administration Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir or Madam

The Council of Social Service of New South Wales (NCOSS) is the peak body for the social and community services sector in New South Wales. NCOSS works with its members on behalf of disadvantaged people and communities towards achieving social justice in this State.

NCOSS appreciates the opportunity to submit to the Australian Government's Inquiry into Residential and Community Aged Care.

Should further information be required, please contact Christine Regan, NCOSS Senior Policy Officer, on 02 9211 2599 ext 117 or chris@ncoss.org.au

Yours sincerely

Alison Peters
Director

**NCOSS Submission to
The Australian Government's**

Community and Residential Aged Care Inquiry



November 2008

**Council of Social Service of NSW
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A. The funding, planning, allocation, capital and equity of residential and community aged care in Australia, with particular reference to whether current funding levels are sufficient to meet the expected quality service provision outcomes

Adequacy of HACC in NSW

As the population ages and needs increase, demand for community care services is escalating beyond supply. It is generally accepted that Home and Community Care (HACC) presently addresses only 50% of identified need for home-style support services. The Productivity Commission Report 2008 reported NSW as receiving the lowest Australian Government expenditure per person aged 70+ years and Aboriginal people aged 50+ years for the Home and Community Care Program, as well as the National Respite for carers and day therapy centres programs. An ageing population will further place strain on existing services, with a projected increase of 26% by 2011.

Growth to the HACC program has been compromised by inadequate indexation. Growth funds for increased costs to the HACC program are measured utilising the Commonwealth Own Purpose Outlays (COPO) indexation method. According to Aged and Community Services Association NSW & ACT this indexation method does not reflect the true costs associated with running services, estimating that, between 1999-2000 and 2001-02, the HACC Program in NSW had been underfunded by between \$17.6m and \$28.5m. Indexation for the same period to HACC services in NSW was estimated at 6.36% according to the COPO method; other indices suggest a figure closer to 14% for increases in costs for this period.

NSW continue to experience financial pressure relating to the increasing costs maintaining existing levels of service, and meeting the costs of volunteers, fuel and vehicle costs, insurance, more time needed to support clients who have growing complexity and increasing wages, increased OHS responsibilities, training obligations and management and administrative costs.

Other issues in HACC relating to sufficiency of funding levels to meet expected quality service provision are outlined below.

1. There is a need to replace the inequitable indexation model currently used, to ensure true costs are covered in the future. The existing indexation method is inappropriate for community care, as it does not reflect the real staffing and other costs of running services. Nor does it reflect the real movement in costs of providing Community Aged Care Packages and HACC and it is calculated in a slightly different way for each program resulting in different levels of compensation for similar cost increases.

2. Process of HACC Equalisation in NSW has meant very little growth in rural areas, with much unmet demand.
3. Purchase Price Indicators for HACC are the same across NSW. There has been limited opportunity to negotiate reduction in outputs, to take into account for example, greater distances in providing services in rural areas. PPIs are not adequate to cover service costs. For example, if a service was to broker domestic assistance, the PPI isn't sufficient to cover the costs only of brokering a direct service, let alone service coordination and management costs. Focus on outputs can lead to discrimination against special needs groups whose support is at a higher cost. Higher funding levels are also needed to develop appropriate models of service for special needs groups.
4. Increasing proportion of funding is going to service delivery to meet expected outputs, with reducing amount for supporting service infrastructure, for example reducing training budgets. This leads to a reduction in staff development/ training, in turn impacting on the quality of service clients receive and outcomes.
5. There is a need to increase the provision of equipment to older people. The affordability and availability of equipment can be a determining factor in whether a person can be supported in their own home and maintain their independence. Aids and equipment must be available to support older people at home, thereby avoiding high cost and often premature admission to residential aged care.

NCOSS, through its involvement in the NSW HACC Issues Forum, has considered the adequacy of the HACC program at many of its meetings since its inception in 1987. Many members of the HACC Issues Forum are involved in the annual forward HACC planning processes at local, regional and state levels. It is generally agreed, by the HACC Issues Forum, that all areas of HACC, both metropolitan and rural, as well as services to people with disabilities and special needs groups are significantly under-resourced.

The NSW HACC Issues Forum welcomes any investment of funds to address the sometimes overwhelming unmet need. However, the HACC Issues Forum and NCOSS have been calling for several years for a 20% increase in annual funding to the HACC program. This increase should be sustained for some years to address the backlog of demand in community care.

Community Care for Aboriginal People

There is an urgent need to improve the accessibility and appropriateness of community care services for Aboriginal people in NSW.

Community care services are particularly important for Aboriginal communities and people from culturally and linguistically diverse backgrounds. These groups tend to make **less use** of residential aged care and consequently require **higher levels** of community care support.

Community Care¹ plays an important role supporting older persons and people with disability from an Aboriginal and Torres Strait Islander background. The low utilisation of residential aged care by Aboriginal people places an increased emphasis on community-based supports. Further, the fact that only 2.8% of the Aboriginal and Torres Strait Islander population are aged 65 years and over, compared to 13% for the non-Aboriginal population, emphasises the importance of providing appropriate care to Aboriginal people as they age.

It is important to note that many Aboriginal people with disability do not currently utilise many community care services. NCOSS notes the employment of culturally appropriate staff and volunteers can ensure that services are appropriate and are utilised by Aboriginal people. But emphasis must also be placed on improving the responsiveness of generalist services to Aboriginal communities.

Aboriginal and Torres Strait Islander people have been disadvantaged for many years without access to many of the opportunities other Australians take for granted.² The issues for older people from Aboriginal & Torres Strait Islander communities are complex and require deliberate attention.

Because Aboriginal people have lower life expectancy than other people in the population, their timely access to aged care services can be delayed and the appropriateness of those services can be diminished without attention to individual needs and cultural responsiveness. Additionally, the number of older people in Aboriginal and Torres Strait Islander communities is increasing. Consequently, the usage rate of many community support services by Aboriginal people is unacceptably and disproportionately low.

Specific issues raised by the NSW Community Care Gathering Committee identified the following needs were of a critical nature to older people and their family carers from Aboriginal communities:

¹ *Fairer Taxes & Better Services*; 2004/05 State Budget, NCOSS

² NSW Aged Care Alliance Federal Election Issues Kit 2007; NCOSS.

1. Due to the lower life expectancy, it is crucial to lower the access ages for aged care and community care support services to 45 years in line with the HACC program.
2. Improved access to health care for older people and their family carers. Health care must be culturally responsive and involve an Aboriginal worker in direct service provision. This especially but not exclusively includes increased access to dialysis treatment, dental care and oral health and other health services.
3. Specific access to community care services which are provided by Aboriginal people in culturally respectful ways. At present, such access is inadequate and ad hoc, and includes access to mainstream services by Aboriginal people and the provision of Aboriginal and Torres Strait Islander specific services.
4. Family carer needs are paramount to equitable access to support services. Deliberate attention is required to assess and address the specific needs of family carers of Aboriginal older people.
5. The provision of and access to appropriate, local and affordable housing to Aboriginal and Torres Strait Islander people and communities is critical to the wellbeing of Aboriginal older people and their family carers. Housing has been included as part of the National Aboriginal Health Strategy. More resources are needed for the Commonwealth State Housing Agreement to support Aboriginal People.
6. Transport is a long-neglected issue but an enabling service to other critical support services for Aboriginal and Torres Strait Islander people. Affordable, accessible and responsive transport for health, cultural, personal business and social reasons is woefully inadequate within Aboriginal and Torres Strait Islander communities. This could be included as part of the National Aboriginal Health Strategy.

Community Aged Care Packages and Extended Aged Care at Home Packages

CACPs provide a very low amount of service due to the levels at which they are funded. What is CACPs' role, given it can no longer provide a hostel level of care service at the existing levels of funding, as originally intended. Many CACPs try to top up their support using HACC services, even though it's not allowed, as the amount of hours isn't sufficient for many clients to support them appropriately. The difference between support levels of CACP and EACH is significant with no package support level in between.

Ratios per head of population aren't sufficient. There is limited availability of CACPs/EACH in local areas. Often in rural areas there are not high enough numbers in a local area to meet the ratios to get much service, even though there can be significant numbers of older people. There also needs to be weighting for different costs for different areas in the funding formulas. For example, rural and remote areas and even semi-rural areas need extra funding to take into account higher transport costs.

Residential Care

The recent aged care survey shows unviability of residential care. It is the trend that many are closing. Given the reduced viability, there is also a danger that care of residents is greatly reduced. There is a need to review of the quality of care in residential care.

Transport Needs of People in residential aged care

NCOSS recommends the Report completed in December 2003 *On the Road Again*³. This Report highlights the inadequacy of funding to provide essential health, personal business and social transport services to older people in residential aged care facilities.

The Report covered the provisions of residential aged care and community care programs, guidelines, health-related transport, planning requirements, the needs of carers, the use of scooters and delivered services into facilities.

The Report found that

- approximately one third of people in residential aged care facilities were without significant access to family and friends, that
- many residents would prefer to use transport services more often to travel to appointments and outings, that
- a major barrier to travel for many older residents was the lack of an accompanying escort
- people from culturally and linguistically diverse backgrounds were unlikely to use any transport services except family
- there were vast inequities in access and eligibility to subsidised taxi transport
- residents were only able to pay \$10 per week or less on transport

³ *On the Road Again* 2004 NCOSS available on the NCOSS website www.ncoss.org.au

NCOSS' Submission to the Australian Government's Inquiry into Community and Residential Care

- many residential aged care facilities were desperate for available, affordable and accompanied transport services for their residents

Major recommendations in the report centred on the provision by the Australian Government of a Residential Aged Care Transport Supplement and the establishment of regional mobility management systems to best utilise existing resources.

Conclusion

A focus on quality outcomes for older people needs to be key in any reform of the service system. Community Care for most older people is the best way to provide this, and a service system that is adequately funded will allow for this.

Community Care that is focussed on quality outcomes for clients will be:

- 1. Person-centred** & enable each consumer to explore individual **strengths & goals** & work towards achieving the outcomes they desire, with security of support for those who need it.
- 2. Culturally-appropriate, socially inclusive,** & sensitive to individual circumstances, social context & relationships, enabling the consumer to continue with what is important to them.
- 3. Flexible & responsive** to the range of changing needs, interests & **choice** of consumers.
- 4. Supportive & enables** the positive **relationship** between consumers & carers.
- 5. Recognised** as a fundamental & **valued** part of society that **grows & develops** to meet the changing expectations of consumers, carers, funders & the workforce.⁴

⁴ Principles for "IMPACT Services- 'A New Approach to Supporting HACC Consumers' Active Participation in Their Community in NSW' "