Overview:
Age Services in Australia

Kerri Lanchester, Qld State Manager,
7 February 2018
Who is LASA?

We are the national peak body representing and supporting providers of age services across residential care, home care, retirement living and seniors housing.

- Advocacy & influence
- Industry news & information
- Advisory & support
- Workforce training & development
- Consultancy
- Conference & events
- Business services
Overview

PURPOSE

- Provide insight into Australia’s age services industry
  - Policy reforms
  - Access
  - Funding
  - Quality
  - Workforce
- Issues Arising / Critical Questions
- Summary
Industry Overview
“The aged care system suffers key weaknesses. It is difficult to navigate. Services are limited, as is consumer choice. Quality is variable. Coverage of needs, pricing, subsidies and user co-contributions are inconsistent or inequitable. Workforce shortages are exacerbated by low wages and some workers have insufficient skills.”

Productivity Commission Inquiry Report ‘Caring for older Australians’ (2011)
Aged Care Reform in Australia

Living Longer Living Better Reform Package (2012)

• 10 year reform plan that:

  “will build a responsive, integrated, consumer-centred and sustainable aged care system, designed to meet the challenges of population ageing and ensure ongoing innovation and improvement”

• Key Principles
  1. Ageing in Place
  2. Consumer Choice
  3. Market Based Competition
  4. Consumer Contributions
Tune Review’s Key Findings

• Aged Care is in transition

• Planning for growth is one of the main challenges of aged care policy

• Aged care requires further reform to become a more consumer-centred system

• There is a need for more high-level care at home

• Meeting projected future demand will need additional investment by government beyond that currently planned

• Current planning mechanisms are not going to deliver sufficient services in the long term

• A key issue is how the increase in demand will be financed and the costs shared
AGE CARE SYSTEM CHALLENGE

Balancing the demand of an ageing population, supply, affordability and quality in the aged care sector

(ACFA 2017)

SYSTEM FOCUS AREAS

- Access to Services
- Funding of Services
- Quality of Services
- Delivery of Services (workforce)
Access: Issues Arising

“Current planning mechanisms are not going to deliver sufficient services in the long term”

- Resolving unmet Home Care (HC) demand
- ‘Increasing Choice in Home Care’ implementation issues
- “Need for more high level care at home” (HCP Level 5?)
- “Potential to uncap supply in the medium term”
- Possible changes to aged care ratio and RC/HC mix
- HCP/CHSP integration in 2020
- Seniors housing availability in all parts of major cities (not just urban fringe)
- Other?

CRITICAL QUESTIONS

Do you think organisations are prepared for further CDC and/or uncapped supply?

What are their current plans for refurbishment/new builds (funding, timing, design)?

What are their plans for HC/CHSP defence/growth?
Meeting projected future demand will need additional investment by government beyond that currently planned” and “A key issue is how increase in demand will be financed and the costs shared”

- Tune Review revenue opportunities in RC and HC
- Increasing demand creates RC/RV opportunities and requires significant capital investment with competitive return on investment
- Recent ACFI changes have yet to fully impact reported financial performance
- Potential provider viability concerns
- Retirement Village affordability and business model questions
- Home Care new entrants and price competition
- Changing consumer preferences and expectations
- Rate of renewal of older housing stock
- Managing cost/price squeeze

CRITICAL QUESTIONS

Business model:
- How do you think your organisation is managing price and cost decisions?
- What do you think your organisation needs to be doing to develop new business models?
Aged Care in Crisis?

Abuse leads to nursing homes probe

MICHAEL OWEH

A sweeping independent review has been ordered into federal agencies overseeing aged-care centres after a failure to identify the extent of abuse and poor clinical care at Adelaide’s state-run Oakden nursing home.

Federal Aged Care Minister Ken Wyatt yesterday said he was “shocked and concerned to hear about the mistreatment people” at the home’s Makk and McLeay wards — 12 days after the damning state review was released.

Agency, the Aged Care Complaints Commissioner and the Health Department.

The announcement of the inquiry comes after The Weekend Australian revealed the federal agency that oversees aged-care services has repeatedly failed to protect residents from shocking cases of care and neglect at scores of homes across the country, and in many cases, conditions are accredited them to continue operating.

The national complaints commission... Continued on Page 2
Quality in Age Services

• 4,713 total complaints = 0.4% of all care recipients
• Early resolution achieved for 4228 or 92% of complaints
• 3,656 residential care complaints = 1.8% of total beds

Source – Aged Care Complaints Commissioner Annual Report 2016/17
Retirement Villages in Crisis?

Aveo retirement village keeps charging daughter for father's meals nine months after his death

Janelle Miles, The Courier-Mail
March 6, 2016 1:00am

BROUGHTON Cottam has been dead for nine months but his death has not ended his battle with Aveo Retirement Villages.

Desley Cottam, 72, said the $358 monthly bill for her father's meals continued to haunt her even after his death.

Lendlease accused of hiking prices, reducing services at retirement villages

By the National Reporting Team's Meredith Griffiths
Updated Thu at 4:52pm

"THERESE TOOHEY
"THEY'VE GOT YOU OVER A BARREL."
Quality: Issues Arising

- Review of National Aged Care Quality Regulatory Processes (Carnell / Paterson)
- The AACQA undertook own review (Nous report) & adopting all recommendations
- Re-accreditation audits to move to unannounced (as soon as possible)
- There are now two more enquiries into quality regulatory processes
- Single Aged Care Quality Framework introduction from July 2018
- Changing consumer needs and expectations – move to CDC in residential care
- Quality and experience reporting and ratings (Consumer Experience Report)
- Consumer activism
- RV ‘8 Point Plan’ and State Govt legislation reviews
- A renewed accreditation scheme for the RL Industry (with LASA and the Property Council of Australia in partnership).

**CRITICAL QUESTIONS**
How do you think the consumer voice is being heard?
Do you think your services are aligned to consumer needs/expectations?
Increasing Choice in Home Care

- **To re-cap: there are three main changes to the way home care is delivered:**
  - the Home Care Package funding follows the consumer.
  - there is one national prioritisation system for people waiting for a Home Care Package (a national queue)
  - improvements to the process for organisations to become an Approved Provider.
- **It is important to note that a number of things haven’t changed:**
  - Home care subsidy and supplements continue to be paid to the Approved Provider, not directly to the consumer.
  - the number of Home Care Packages nationally available is still capped.
  - there is no change to the current fee and income testing arrangements.

**CRITICAL QUESTIONS**

What are the changes for consumers?
What are new issues for service providers?
LASA released its first Home Care Provider Survey Report in June 2017. Some of the key themes in this report included:

- low numbers of home care package activations by consumers from the national queue
- continued difficulties in using the MAC provider portal and in interactions with the MAC Contact Centre
- reports that consumers are experiencing confusion and poor understanding of official correspondence sent to them for package approval and assignment
- reports of provider difficulties associated with not having access to timely and accurate information in the context of the recent policy changes
- reports of delays in consumers having access to home care package assessments through Aged Care Assessment Teams.

CRITICAL QUESTION
Have things improved since then?
LASA 2nd HC Provider Survey Report

- LASA undertook another HC provider survey, released 30 November 2017. 34 HC providers (5% of all providers nationally) and nearly 10% of all HCP.

- **Key findings included:**
  - Accumulation of unspent package funds suggesting between $200 - $350 million in unspent funds system wide.
  - High numbers of home care package withdrawals (noting MAC system upgrades were put in place in December last year to resolve these issues).
  - Premature admissions to residential care by home care package consumers at a rate of 2.7 per cent of all packages.
  - HCP consumers accessing top-up services, with 2.7 per cent accessing Commonwealth Home Support Programme (CHSP) services and 5 per cent accessing additional privately purchased services.

The Department of Health has also released two HCP Data reports, which they say will lead to greater transparency. Note: as at 30 September 2017 there were 766 approved providers, an increase of 53% since 2016.
Key recommendations (provided to the Department):

- Improving the rate with which consumers activate home care packages.
- Investigating trends concerning the accumulation of unspent home care package funds.
- Improving the ratio of high to low level home care packages.
- Improving accountability for CHSP service access as an adjunct to home care packages.

Other indicators

The figures around HCP increases to providers vs HCP being made available by Government suggests one in 13 consumers may not be activating their assigned package.
Future 2020 Reforms

- July 2018 to June 2020
  - Extension of CHSP with an increased focus on wellness and reablement
  - Commencement of modified CHSP and RAS arrangements
  - WA HACC transition to CHSP
  - Single Aged Care Quality Framework introduced
  - Some other reforms may be introduced

CRITICAL QUESTION

What are your thoughts around these reforms?
LASA has participated in a time limited NACA working group to advise on the grant extensions and CHSP program manual revisions.

CHSP grant extension agreements are expected to be released on 1 March 2018.

The revised program manual is also expected to be released in March 2018.

There will be new guidance material around the principles-based Client Contribution Framework.

Reporting on implementing wellness and reablement approaches to care delivery will be written into the grant extensions contracts.

CRITICAL QUESTION

What things will your service do to focus more on wellness and reablement?
Future 2020 Reforms (CHSP)

- 2020 on:

  While these reforms are still being considered, there are indications there will be:

  - potential changes to CHSP block/individual funding, although it is more likely there will be a continuation of block funding (as it is a cheaper option for Government rather than an individualised funding model)
  - an integrated assessment model (RAS/ACAT)
  - an equitable approach to consumer contributions and fees

CRITICAL QUESTION

What are your thoughts around these changes?
Continuing enquiries into aged care regulatory frameworks
• Increased consumer activism
• Push for staff to resident ratios in aged care
• Introduction of unannounced visits for re-accreditation audits
• ACFI changes ??
• Residential Utilisation and Classification study (RUCS)
  ➢ The RUCS will inform the government’s consideration of residential aged care funding reform, including:
  ❖ Better understand the attributes of residents and facilities that drive care costs and resource use
  ❖ Work out the most equitable and efficient method for allocating funding

CRITICAL QUESTION
What are your thoughts around these changes?
Industry Overview: Workforce
**Workforce since CDC/ICHG**

- **Organisations have had to review their workforce capacity and skillsets of their employees.**
- Case Managers have historically undertaken assessments and led conversations.
- CDC requires these staff to be facilitators allowing consumers to be in charge of the process.
- What does this mean? The cohort of staffing may potentially need to change the way they interact in the conversation whilst developing skills and supports for constructive conversations to occur.
- Staff need the ability to engage with consumers that will lead to a consumer directed approach enabling consumer choice and control, facilitate goal oriented support and restorative care.

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**What are some of the key changes?**

Moving from a task-based to relationship based model.  
Care planning, encouraging and supporting goal setting.  
Negotiating with consumers around their individual budgets and its possibilities  
Assisting support workers with problem solving.
As part of this change in role, organisations have started recruiting differently, particularly looking for certain skill sets such as:

- interviewing, communication, critical thinking, negotiation & collaboration, advocacy & mediation, awareness and diversity.

They have also had to coach their staff to remember that not all consumers think in terms of “setting goals”, so they will need the skill set to support people to put their wishes and desires into words and make them workable and achievable.

Some of the qualities/personality traits needed include:

- Listening; Establishing rapport – making connections
- Respectful; Believe in equality; Openness
- Non-judgemental; Inquisitive; Enquiring; Thoughtful
- Don’t make decisions on behalf of consumer; Feel empowered in their role
- Focus on outcomes; Problem solvers; Advocates;
- Facilitators; Partners; Critical thinkers; Excellent communicators
Workforce since CDC/ICHCA

- **What knowledge is required?**
  - understanding the aged care industry, Home Care Package legislation and principles
  - the benefits of CDC benefits as they will be educating the consumer, how to develop and manage a budget
  - being confident and comfortable in using technology and also educating consumers on the benefits of assistive technology,
  - what is available in the community as informal support networks are important within the goal setting and of course, understanding the types of services your organisation offers and the associated costs.

**Direct Care staff roles have also adapted**

- Roles have changed from a task based to relationship based model
- These staff are an integral and valued partner in interactions with consumers and make a direct difference in someone’s life
- They need to understand the core principles of CDC, a wellness philosophy and what it looks like in daily practice
- There is an increase in similar expectations in residential care
Workforce: Issues Arising

- Productivity Commission estimates by 2050 aged care workforce will need to have grown by around 980,000 workers
- Possible workforce competition with the disability sector
- Possible impact of Asian aged care need on Australian workforce
- Impact of CDC reforms on Home Care employees’ working/employment conditions
- ‘Staff to Resident’ ratios in residential care
- Impact of innovation, technology and new models of care
- Senate Inquiry and Workforce Strategy Taskforce – remuneration, training & education, recruitment-retention- growth, career pathways, improving sector image and cross-sectoral workforce linkages
- Seniors Housing workforce issues

CRITICAL QUESTIONS FOR INDUSTRY

Is your approach to attract, retain and develop workforce working?
What are the core competencies your business requires for ongoing success?
How are you redesigning work using innovation, technology and skills?
Closing Observations
Summary…

• “Aged Care is in transition TRANSFORMATION”

• Consumer needs/expectations changing and consumer power will grow

• Innovation imperative…

• In a world where everything is changing - the biggest risk is standing still
Leading Age Services Australia (LASA) is the national peak body representing all providers of age services across residential care, home care and retirement living.

Thank You

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