

28 February 2018

LASA Leads on Home Care (ICHC One Year On)

Purpose:

The purpose of this document is to brief LASA Members on the leadership and action taken by LASA with regards to the introduction of *Increasing Choice in Home Care* (ICHC) changes in the Home Care Package (HCP) program.

The ICHC program was introduced 12 months ago on 27 February 2017. Over the past year LASA has demonstrated industry leadership in working with our Members to identify key ICHC issues, consider appropriate solutions, and advocate with authority and influence to enhance the delivery of this program on behalf of LASA Members and older Australians.

Key LASA initiatives have included:

1. LASA's State-based Home Care Advisory Groups and Regional Forums

Issue: In the lead up to the implementation of ICHC changes and following their introduction, home care providers have reported a range of change-related experiences and concerns in their delivery of home care packages to their clients. It has been important for LASA to understand common patterns of experience and concern among home care providers to facilitate advocacy in response to the ICHC reform issues.

Action: LASA has convened, with its Members, state-based Home Care Advisory Groups that have met bi-monthly across 2017. At these meetings, industry updates have been provided by LASA while also engaging with our Members to discuss pressing operational issues and provider/consumer impacts experienced in the implementation of the ICHC reforms.

LASA has also leveraged our Principal Advisors linking in with regional forums convened bi-monthly by State Managers to provide industry updates and discuss issues of concern for Members located in regional and rural communities. This has provided LASA with a broad national picture of ICHC implementation issues across its Membership.

Outcome: The ongoing sharing of information between LASA and its Members across the national landscape has enabled the timely identification of common patterns of experience and concern for communication back to Government and relevant stakeholder groups.

With LASA being a representative voice for industry, the structured ongoing approach to Member engagement has ensured LASA has been able to remain on the front foot in communicating to Government about pertinent issues for consideration and appropriate responses.

Acknowledging the increasing appetite for competition among home care providers, it will be important for Members to remain proactively engaged in LASA's Advisory Groups and Regional Forums so collectively we can maintain a strong unified advocacy approach for home care reforms ongoing.

Testimonials:

*Great presentation yesterday, I feel comforted that LASA is progressing the feedback of the sector appropriately. **Advisory Group Member, Australian Capital Territory***

*I found our discussion very useful in the initial meeting and testing the waters by group discussion allows a sense of whether there are endemic problems or just an unfortunate coincidence is valuable to me. I look forward to many interesting conversations with you all. **Advisory Group Member, New South Wales***

2. LASA's Home Care Provider Survey Reports

Issue: In the first month of ICHC implementation, LASA's Members expressed concern through our Home Care Advisory Groups about the low numbers of new packages being activated from the national queue that was impacting on their activity levels. At that time, the Department of Health (DoH) had not committed to release data on the performance of the home care package program until July 2017.

Action: On the advice of Advisory Group Members, LASA undertook a [Home Care Provider Survey](#) in April and May with a survey report released to industry and Government in June 2017. The Survey Report provided a robust account of the first 8 weeks of ICHC implementation, identifying low rates of package activation amongst consumers and issues with My Aged Care (MAC) interactions.

Recommendations were made to Government that included immediate release of home care package program data, investigation of consumer experiences and behaviours in accessing home care packages, and facilitation of an interim strategy to support follow-up of consumers not activating packages in a timely manner. In response, DoH adjusted the national release model for home care packages in June 2017 and introduced follow-up phone contact with consumers not activating their package to better understand their experience.

LASA's Members further urged the undertaking of the [Second Home Care Provider Survey](#) conducted in September and October 2017 with release to industry and Government in November 2017. The Survey Report provided a robust account of the first six months of ICHC implementation, identifying substantive amounts of unspent package funds, high rates of incorrect package withdrawals, consumers still not activating assigned packages, and premature admissions of interim home care package consumers into residential care.

Recommendations were made to Government that included improving the rate with which consumers activated packages, investigating trends concerning unspent package funds, improving the ratio of high to low level packages, and improving accountability for Commonwealth Home Support Program (CHSP) service access as an adjunct to HCP care. In response, the Minister for Aged Care acknowledged the valuable contribution that LASA and its Members have been making in supporting ICHC implementation and the level of influence we are providing in addressing ICHC issues.

Outcome: LASA and its Members have provided industry and Government with an independent and robust account of the experience of home care package providers and their clients in the first year of ICHC implementation. This data has highlighted concerns with early stage implementation of the reforms, including low package activation rates, high rates of incorrect home care package withdrawals and substantive amounts unspent package funds. Furthermore, this work provided benchmark data to assist our Members respond to ICHC changes more effectively. .

Testimonials:

This is great information. I look forward to receiving the final report. I have a face to face in June for the NACA Home Care Reforms Advisory group and can't wait to share the broad issues with them.

State Manager, LASA

The Minister of Ageing has advised how much he values this work and he noted the good job we are doing to hold Government to account. He suggested that future reporting should also go the Aged Care Sector Committee for consideration/recommendation to Government. This is significant as no other peak body's work has been referred to this Committee that I know of. **CEO, LASA**

3. LASA's Dedicated Member Advocate

Issue: Home care providers have reported difficulties in engaging with MAC and the Department of Human Services (DHS) for resolution of client registration/package withdrawals and subsidy payment issues.

Action: Following ICHC commencement LASA established a Member Advocate Service (MAS) to respond to Member-specific issues in dealing with MAC set up and client registrations, home care package withdrawals, DHS aged care claiming and payments, and interpretation of legislation for delivery of home care packages (as well as supporting issue resolution for residential care Members). The MAS has had regular ongoing contact with representatives of the MAC, DoH, DHS, and the Department of Veteran Affairs throughout 2017. LASA continues to maintain these strong relations ongoing in supporting Member engagement with Government in the delivery of subsidised care.

Outcome: Regular updates have been provided to LASA staff and Members that emerge from direct liaison with Government on home care issues escalated for resolution by LASA's MAS. This has included an 82 per cent resolution rate for escalation of issues through the MAS during the Oct-Dec '17 quarter and successful retrieval of over \$0.5 million in subsidy payments for Members during this period. In the earlier Jun-Sept '17 period, LASA also successfully reclaimed almost \$0.7 million back from Government for Members.

Testimonials:

Just to advise the matter below has now been rectified and closed out by DHS. I would like to thank you both for your diligent support in following up this matter on behalf of our home care service.

Home Care Manager, New South Wales

So I just wanted to pass on my thanks and appreciation to all those involved in LASA and your efforts in assisting with resolution in this case. Hopefully you can see your work is reaping some rewards and real clients are seeing the benefits. Thanks very much. **Home Care Package Coordinator, Western Australia**

4. LASA's ICHC Implementation Issues Paper

Issue: Across the first six months of ICHC, Members had reported low packages activation rates among consumers as well as a range of other issues including difficulties in interacting with MAC, incorrect package withdrawals, and errors in subsidy payments. Government was to release its first home care package program data report to industry in July 2017 to help better understand the dynamics adversely impacting on home care providers and their clients, but this was delayed.

Action: Upon non-release of the Home Care Package Program Data Report in July 2017, LASA petitioned the Minister and was given an undertaking that the report would be released in mid-August 2017. Upon its non-release in mid-August 2017, LASA stepped up its response calling on the

Prime Minister to address the ICHC issues given the failings of the DoH and the DHS to manage ICHC implementation appropriately.

At that time, LASA also advised the National Aged Care Alliance (NACA) Providers Group and provider peaks of the intended action. The NACA Provider Group then voted to engage with LASA in formulating a 'whole-of-industry' response. LASA pushed for this activity to move swiftly as we were keen to act prior to the release of David Tune's Legislative Review of Aged Care set for release in mid-September 2017.

LASA's actions included engaging Members to survey their experience of implementation issues, engagements with the Aged Care Minister, Advisors, the DoH, the DHS along with representations to the National Aged Care Alliance (NACA) and Aged Care Sector Committee.

Outcome: LASA took a strong, proactive approach in leading the industry to demand action from the Government in response to the shortcomings that had emerged in implementing the ICHC changes commencing 27 February 2017.

LASA submitted its [ICHC Implementation Issues Paper](#) to Government in September 2017 following consultation with Members on pertinent issues across June - August 2017. The Issues Paper reported on 17 separate issues emerging from Members experience of ICHC implementation, citing numerous examples of the adverse impacts of these issues being experienced by both providers and their clients. 38 prioritised recommendations were also put forward to Government in the Issues Paper in proactively advocating for issue resolution.

What followed has been ongoing engagement with Government and key stakeholders, confirming LASA's position as the industry lead in dealing with ICHC implementation issues and the home care reforms.

There has been the ongoing reallocation of 6,000 lower level home care packages to higher level packages. There has also been the injection of additional funding by Government, \$20 million to improve MAC and \$2.8 million to scope future investment in the sector.

The Government has since further undertaken two MAC system upgrades directly addressing the issues raised by LASA and its Members through our advocacy activities in 2017. In December 2017, MAC was upgraded, improving system efficiencies that appear to have reduced the occurrence of incorrect home care package withdrawals. In February 2018, MAC was also upgraded to improve package activation rates through the introduction of consumer readiness letters issued to consumers on the national queue prior to package assignment. We wait with anticipation and will engage Members through our Advisory Groups and Regional Forums in understanding the impact of this recent change.

The resolution of outstanding subsidy payments to home care providers that have been complicated by the ICHC changes is still an ongoing issue and LASA is working hard with Government to facilitate timely resolution. Where needed, LASA is escalating matters with a strong advocacy push in seeking corrective action from Government.

Testimonials:

*Just a short note to say thanks to each of you for an outstanding job in producing and communicating LASA's Increasing Choice in Home Care (ICHC) 'issues paper'. The strategic intent and high quality content of this paper, alongside our engagement with Members and the teamwork across LASA that produced/communicated the paper, demonstrates the value of 'new' LASA. Well done to each of you. Notwithstanding this, there is more 'heavy lifting' to come as we engage with MPs and others to get Government to respond appropriately. Keep up the good work. **CEO, LASA***

I have a meeting with the Minister and have already indicated with him that home care packages is something I would like to discuss. I would also be happy to support LASA's position if you want to provide me with further details on the platform that you are wanting to present. CEO, Home Care Provider

5. LASA's Home Care Information Series

Issue: Home care providers have experienced very significant changes in how they have had to deliver home care packages with the introduction of ICHC. Many providers have required support in navigating this change and in having their issues responded to.

Action: Across the 2017 calendar year, LASA released its [Home Care Information Series](#) that has seen 19 issues of topical information distributed to Members that addresses operational matters associated with the home care changes. The Series is available on LASA's website for ongoing access.

Content topics for the series have been informed through discussions held by LASA's Home Care Advisory Groups with information sourced from direct liaison with government, Member advice and the review of published reports and legislative instruments. Content areas have included understanding legislation changes, the national prioritisation process, unspent funds and exit fees, consumer upgrades, transferring consumers between providers, combining of service IDs, package expenditure, managing incorrect home care package withdrawals, and the ongoing MAC IT upgrade changes among other things.

Outcome: LASA Members have been provided up to date information concerning both operational and legislative requirements for delivering home care packages to their clients, supporting their transition into the ICHC operational environment.

6. LASA's Response to the Future Home Care Reforms Discussion Paper

Issue: In July 2017, the Minister for Aged Care released a public discussion paper *Future reform – an integrated care at home program to support older Australians*. It sought industry views on the best way forward to support older Australians to remain living at home and in their communities commencing 2020.

Action: LASA undertook some preliminary engagement with Members through Membership Forums conducted in June 2017, looking at the future home care reforms to commence in 2020. LASA then undertook further targeted consultation with its Members throughout Australia on the future home care reforms across July and August 2017 addressing key questions raised within the Government's discussion paper. Members were encouraged to review the discussion paper and provide feedback either through the DoH consultation hub or via our LASA Member consultation process.

LASA also conducted an online [Webinar](#) briefing for Members who were not able to participate in LASA's consultation process. The culmination of LASA's consultation activities resulted a comprehensive [position](#) paper expressing LASA Members' views on the future home care reforms in response to the Governments Discussion Paper.

Outcome: LASA continues to be engaged in the conversation with Government and the National Aged Care Alliance (NACA) concerning the future home care reforms commencing in 2020. In this process LASA continues to draw on the wealth of lived experience and knowledge from across our Members, as we collectively advocate for an aged care system that is simpler, more consumer-driven, market-based, affordable and sustainable, responsive to diverse needs, and focused on promoting wellness and independence for older Australians.

LASA is also considering conducting a series of Home Care Masterclasses in 2018 to help our Members prepare for the post 2020 home care reforms and the [schedule](#) of these Masterclasses will be made available commencing late March 2018. To register your interest please email homecare@lasa.asn.au

Testimonial:

*It was great to meet with you yesterday and to share our thoughts around future aged care reform opportunities. **Home Care Member, Victoria***

*The LASA member who hosted our video conference indicated he felt our process was far more superior in getting the message across from a provider's perspective. **State Manager, LASA***

7. LASA's Next Steps

A new LASA home care publication will be launched in the first half of 2018 to supersede the Home Care Information Series of 2017. This will supplement the existing fortnightly eNews and quarterly Fusion publications being released to Members. Advice on this new home care publication will be made available to Members shortly.

LASA's Home Care Advisory Groups will be continued to be conducted bi-monthly. Members not already engaged with an Advisory Group are encouraged to do so. Further details about the meeting schedules of LASA's state-based Home Care Advisory Group are available through emailing homecare@lasa.asn.au.

LASA continues to engage with Government and NACA in advocating for continuous improvements in ICHC implementation and the future home care reforms post 2020.

A series of Home Care Masterclasses is about to commence across 2018, providing both Members and non-Members the opportunity to engage with LASA in understanding and exploring the risks, challenges and business development directions for home care providers in the lead up to 2020.

Testimonial:

In the last 12 months, Australia's ageing population and home care providers have experienced some very significant changes to how home care is delivered through a consumer-directed approach following commencement of the Increasing Choice in Home Care reforms in February 2017.

Whilst the improvements have ultimately been developed to empower individuals, the implementation process has not been without some obstacles.

The advocacy work that Leading Age Services Australia (LASA) has undertaken with/and on behalf of its membership in home care has been invaluable for consumers and providers alike. LASA has provided support with multiple implementation concerns, rendering assistance through addressing issues with the specific parameters of the inclusions/exclusions of HCP funding, raising potential conflict of interest matters across existing providers and government assessors, all the way through to more complex and serious ramifications of incorrect package withdrawals.

*LASA continues to advocate on behalf of its members with a supportive and informative home care team that offers advice, encouragement and advocacy through this period of fundamental change as to how home care is delivered today and into the future. **Advisory Group Member, Western Australia***

Age Care Reform is a reality for all aged care providers and has had a significant impact on providers of Home Care over the past 2-3 years, particularly since commencement of Increasing Choice in

*Home Care in February 2017. Reform brings two lines of challenge to providers – the first is adapting to the practical requirements of reform and ensuring that operational practice is both compliant and viable; the second is understanding the policy intent that underpins reform and interpreting the principles to be applied to service delivery. LASA has played a significant role in supporting its members to manage reform. LASA’s advocacy role has seen enhanced membership support through provision of a range of practical resources that unpack and explain reform – guidelines, webinars and frequent communications, all very helpful. Reform brings challenges to those designing it as well as those working with it. LASA has been very active in seeking members views on reform impacts, in particular what is working and what isn’t; and in gaining insight to the consequences arising from the changes that come with reform, especially the unexpected and unintended. The strength of LASA’s advocacy role lies in the way it has used this information to positively influence policy makers with the view of making reform work for all. In this context, LASA is both admired and thanked for the strength of its advocacy function and for its continued commitment to the cause. **General Manager - Home Care, Victoria***