

Enhancing the quality of life of older people through better support and care

NACA Blueprint Series

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Context and Purpose

For more than a decade, the National Aged Care Alliance (the Alliance) has been at the centre of improvements in aged care.

In 2009 the Alliance released *Leading the Way: Our Vision for Support and Care of Older Australians*, which stated that it was ‘time for action to substantially change the system and take these reforms to the next level’. The 2009 vision was developed into the more detailed *Blueprint for Aged Care Reform*, released in 2012. This Blueprint was the foundation for parliamentary consultations and many of its proposals lie at the heart of the recent *aged care reforms*.

As a result of these reforms, which have cross-party support, important steps are being taken towards achieving greater consumer choice and control over aged care services, and towards securing the viability and sustainability of aged care.

The Alliance considers, however, that there is more to do to demonstrate that Australia values its ageing population. This paper responds to the Australian Government’s desire *to look at further reform* and the *Aged Care Sector Statement of Principles* which was developed to guide future reform. It sets out our vision, the objectives we think need to be met to fulfil the vision, and the steps that stakeholders, particularly governments, can take to create a stronger aged care future for all.

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Vision

The Alliance’s vision for ageing is that:

Every older Australian is able to live well, with dignity and independence, as part of their community and in a place of their choosing, with a choice of appropriate and affordable support and care services when they need them.

This vision places aged care in the broader context of ageing, and seeks quality aged care services that are consumer-driven, have a wellness and reablement focus, are affordable for the community and individuals, sustainably provided, and are inclusive of the diversity of older people according to their needs.

The Alliance’s vision also recognises that older people who may face additional barriers to accessing aged care, such as the special needs groups recognised in the Aged Care Act 1997, must receive additional support in accessing services. Groups and individuals who may require additional support include, but are not limited to:

- People living with cognitive impairment and dementia;
- People experiencing disability;
- People of Aboriginal and Torres Strait Islander communities;
- People from culturally and linguistically diverse backgrounds;
- People in rural or remote areas;
- People experiencing financial or social disadvantage;
- Veterans;
- People who are homeless or at risk of becoming homeless;
- Care Leavers;
- Parents separated from their children by forced adoption or removal; and
- People of diverse sexual orientation, gender identity or intersex characteristics (LGBTI).

Those needing additional support also encompass individuals who have specific cultural, spiritual, ethical and privacy requirements that need to be recognised and supported to ensure quality care provision.

Every objective and action in aged care reform requires consideration of diversity, overcoming barriers to access and achieving equity of outcomes.

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Strategic Objectives

The Alliance considers that fulfilment of this vision can be achieved through the pursuit of the following strategic objectives:

- Consumers have access to care and wellness services that will improve or maintain their independence and place in their community to the greatest degree possible.
- Informal carers¹ are recognised and supported in performing their caring role.
- Consumers and informal carers have access to information, advice and advocacy to support the exercise of choice, and to a service system that is easy to navigate, provides accurate and timely information about service availability and quality, and addresses the diversity of needs.
- Consumers receive prompt and expert assessment of their service needs and their eligibility for a level of subsidy.
- Consumers have control of their subsidy, ensuring that they are able to choose care that meets their needs and to enter and move between services and service providers at the time they choose.
- Consumer choice is maximised by the removal of service rationing once reasonable pre-conditions have been met to appropriately manage fiscal risk for the Commonwealth, business risk for providers, and risk to affordability and of service disruption for consumers.

1 Informal carers refers to people who are unpaid carers and provide support to family members or friends with a disability, chronic condition, mental illness or disorder, drug or alcohol problem, terminal illness, or who are frail aged.

- Aged care services are affordable for the community and individuals according to their financial capacity.
- Workforce education and development opportunities and employment conditions and practices, including remuneration, ensure an appropriately skilled, secure and responsive workforce of sufficient number to meet future quality care needs.
- An aged care system that can deliver high quality assessment, care and treatment for people experiencing dementia, people with end of life and palliative care and treatment needs, and people with disability, in the most appropriate settings.
- Aged care, disability, community services and health care systems are aligned to ensure consumers can transition between service systems seamlessly and always receive the care and support that best meets their needs in the most appropriate setting.
- Complementary reforms are undertaken to improve:
 - o the contribution of superannuation, equity release and other financial products to retirement incomes and aged care,
 - o the availability of affordable and appropriate housing and employment opportunities for older people, and
 - o the age friendly nature of infrastructure and urban design, to support liveable communities.
- Data collection, analysis and evaluation is undertaken to support continuous evidence-based improvement to the design, quality, accessibility, effectiveness and efficiency of care and support services for older people and their informal carers.

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Implementation

Implementing aged care reform that is effective and sustainable for older people will rely on good evidence and analysis, and on measured and deliberate steps being taken progressively across the range of policy domains that affect ageing and aged care. This will involve bedding down existing reform measures and preparing for further change in the aged care system. There will be scope for improvements to aged care service delivery, as well as to policies and programs beyond the aged care system.

Initial steps

1) Cross-party commitment to move to a consumer-led and demand-driven² aged care system through a phased and transparent implementation process

Such a cross-party commitment would reduce uncertainty in the sector and amongst investors and financiers, and give all stakeholders notice to prepare for a more market-based and consumer-driven system, and facilitate the sector-wide adjustment that will be required.

2 Demand-driven in the context of this paper means that every older person assessed as needing aged care services is able to access their chosen services from their preferred provider at a time of their choosing. In a demand-driven system, aged care services would not be rationed by service type or quantity.

A cross-party commitment to evaluation and learning is also required, so that each stage of reform informs the next.

2) Assessment of the fiscal and related risks of a demand-driven model and the identification of measures to manage risk

The Australian Government, in partnership with stakeholders, will need to develop a deep understanding of the risks for government, providers and consumers of removing service rationing. This assessment will contribute to government and stakeholder understanding of what shape reforms then need to take, including measures to mitigate risks.

It will need to consider how the removal of service rationing will be affected by demographic change; unmet need; consumer capacity to contribute; eligibility assessment; the mix of services available; the impact on demand of a reablement approach; and the effects of other policy measures, such as those relating to the age pension, assets and superannuation.

It will also need to consider how affordable access to sustainable quality services will be ensured in areas of market failure, regional, rural and remote areas, and for marginalised and vulnerable communities and individuals.

A deep understanding of the risks and ways to manage the risks is required to inform the design and implementation of a number of the reform steps referred to below.

Next steps across the aged care sector

Work to progress the development of each of the following steps can proceed in parallel. However, while a number of the steps could be progressed independently, the inter-related nature of others will require a coordinated and phased implementation strategy.

3) Incorporating individual funding across all aged care programmes to provide the older person with choice and control

This will require the integration of residential care, home care and home support into a single and equitable funding structure based on funding following the consumer. This would respond to the recommendation of the Productivity Commission's Caring for Older Australians Report, supporting 'a single integrated, and flexible, system of care entitlements'. The assessment of funding levels should be built on evidence drawn from cost of care studies. This process of consolidation could start with the integration of home care programmes, followed by integration with residential care.

The funding methodology will require effective safety nets for marginalised individuals and communities, and those who cannot meet the costs of care, and include a review of the adequacy of supported resident subsidies and other supports.

There will also need to be consideration of the use of block funding or other mechanisms for elements of the aged care system in which an individual funding model does not work.

4) Ensuring consumers are better informed

This will require:

- Further development and refinement of My Aged Care into a virtual market place for quality aged care services to support consumer choice and control.
- The availability of independent, ethical and specialised aged care financial advice of a high standard to provide greater clarity of costs and payment options for consumers.
- Development of a culture in which planning for ageing is a normal part of planning for retirement by individuals, families, employers and the financial services sector.
- Resourcing and advocacy to ensure a diverse range of older people can access the system.

5) Developing financially sustainable aged care services

Improving sustainability of services will require:

- Reforming means testing with an appropriate implementation time frame to include all assets and to treat assets equally based on their market value (not the form the asset takes), which will require better access to financial products and choices that allow fair realisation of that value. The means tests should result in fair and equitable outcomes.
- Equitable care fees across residential care, home care and home support based on individuals' capacity to pay.
- Reviewing the contributions of people in different income groups and circumstances to ensure fairness and value for money.
- The publication and use of all available independent evidence of care costs and financial performance to ensure that funding is sufficient to support the viability and sustainability of quality aged care services.

6) Providing more appropriate care and support services for people with dementia

This will require stakeholders and governments working together to co-design and implement a dementia strategy which builds on the draft *2013-2017 National Framework for Action on Dementia*, and is reviewed and updated regularly.

The strategy should focus on:

- the development of dementia-friendly communities;
- risk reduction and prevention measures;
- a holistic approach to providing appropriate, best-practice care for people with dementia and their carers through assessment, diagnosis, social engagement, care and support;
- the development of dementia-friendly environmental design; and
- staff education, support and training.

Holistic support for people with dementia includes targeted and comprehensive funding for services that support the care of individuals experiencing behavioural and psychological symptoms of dementia (BPSD), including non-pharmacological and psychosocial approaches to care.

7) Delivering more appropriate palliative, end of life care and advance care planning for older people in the community and in residential care

This will require:

- Development and implementation of practices that ensure consumers can exercise choice over where they die, matched by support for informal carers, a skilled workforce that can deliver palliative care, and access to specialist palliative care services where and when required.
- That the Australian, State and Territory governments work together to develop and implement harmonised laws administering advance care planning across Australia, including law related to power of attorney, enduring guardianship and end of life wishes.

8) Supporting informal carers

This will require complementary approaches across the aged care and disability sectors, including the identification of informal carer support needs, alongside the needs of those requiring care, with acknowledgement that carers have their own needs within and beyond the caring role. As recommended by the Productivity Commission, the means of achieving this will be through providing improved access to carer supports in education and training, counselling, advice, peer group support, flexible respite and advocacy.

Broader reform steps

There are steps for reform that lie beyond the aged care sector. These are not lower priorities, but reforms that need to be pursued in parallel, with some needing to be pursued across governments and others across portfolios.

9) Ensuring an integrated approach to workforce planning and remuneration across health, aged care, disability and community service sectors

This will require the Australian Government to work with stakeholders to co-design a definitive workforce development strategy to ensure a sufficient future workforce to meet the service needs of the health, aged care, disability and community service sectors (including in regional, rural and remote areas). This strategy should work towards greater coordination across the social services sectors and should focus on recruitment, retention, education, development and remuneration to ensure that the workforce needs of each of the sectors are met.

10) Reviewing and reforming retirement incomes

This will require review of retirement incomes and consideration of reform, particularly to policy and regulation around the retirement phase of superannuation and around people's ability to access fair, affordable, flexible and secure financial products, including home equity release facilities.

11) Aligning the interfaces between aged, health, disability, palliative care and community services

This will require a comprehensive and holistic approach to meeting the needs of older people based on an acknowledgement that the majority of consumers of aged care also require health services and that many consumers also require disability, palliative care and community services; that consumers frequently engage multiple service systems at one time; and that the consumer journey often includes multiple transitions between service settings.

Policies, payment arrangements and service delivery models must promote service flexibility and innovation and be designed to ensure that people receive care and support in the most appropriate settings, are supported to transition between service settings, and are able to receive services from multiple systems at one time in an integrated way that minimises duplication. Doing so can both better meet consumer preferences, and save governments and individuals money.

Policy changes in one sector should not lead to unintended consequences in another and a holistic approach to the design of the aged care system should consider both the needs of older people for health, disability, palliative care and community services as well as ease of access to other relevant programs and services.

Better use should be made of existing workforces and infrastructure in both public and private sectors to ensure the points of service interface are as streamlined and efficient as possible.

12) Securing access to affordable assistive technologies, aids and equipment

Older people (including those with a disability) must have access to affordable aids and equipment to support their inclusion in society, their quality of life and independence. This may require providing earlier access to these products as a preventative measure.

Age should not be a barrier to equitable access to the range of aids and equipment schemes. A smooth interface will be required between Australian and State and Territory government schemes, including with regard to eligibility criteria, to facilitate easier access.

To ensure successful outcomes, specialised assessments, training, therapeutic support and appropriate levels of access should be a component of any program.

13) Preventing elder abuse

Systematic measures for the prevention and detection of financial, emotional and physical elder abuse should be considered and introduced. This will require the Australian and State and Territory governments to work together to inform consumers of ways they can reduce the risk of elder abuse, and to strengthen elder abuse protection mechanisms where abuse does occur, particularly in the light of increased risk of financial abuse in the context of expanded user contributions in aged care.

14) Improving access to appropriate housing for older people, within the broader context of liveable communities, including age friendly infrastructure and urban design

The Australian Government should have a role in facilitating housing for older people that is adequate, accessible, affordable and appropriate. The quality of, and access to, housing impacts the ability of older people to participate in their community, to have healthy, active lives, and to age in place.

Measures that should be considered to enhance housing options for older people include:

- Innovative funding sources for increased investment in different types of subsidised housing (including public, community and subsidised private rental).
- Rejuvenating outdated independent living unit and social housing stock.
- Supporting older people's choices to move into housing that meets their needs, including through stamp duty reform, tax reform, review of age pension entitlement rules applying to any surplus resulting from rightsizing, and review of planning laws.
- Age-friendly design of housing and inclusion of age-adaptive features, modifications and assistive technology aids. Better designed housing has a direct impact on the ability of older people to remain in their own home, either with or without in-home care.

The supply of housing for older people should be considered in the context of the need to increase the overall supply of housing.

Liveable communities – incorporating age friendly infrastructure and urban design – should be developed to support appropriate and secure housing that allows older people to live independently and well.

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Conclusion

This paper provides our vision, the objectives to be met and the steps that can be taken to create a stronger aged care future for all. It has been prepared to guide Australian Government and cross-party consideration of further reforms. Implementing the steps in this paper will demonstrate that Australia values its ageing population and will enhance the quality of life of older people through better support and care.



NACA

The National Aged Care Alliance is the representative body of peak national organisations in aged care including consumer groups, providers, unions and professionals.

