

National Aged Care Alliance

Federal Budget Submission 2011-2012

January 2011

About the National Aged Care Alliance

The National Aged Care Alliance (the Alliance) is a representative body of peak national organisations in aged care including consumer groups, providers, unions and health professionals, working together to achieve a more positive future for the aged care sector in Australia.

The Alliance was formed in April 2000, and has developed a united policy agenda to achieve better outcomes for the care of older people in Australia.

The following organisations are members of the Alliance:

Aged and Community Services Australia, Aged Care Association Australia, Alzheimer's Australia, Anglicare Australia, Australian and New Zealand Society for Geriatric Medicine, Australian Association of Gerontology Inc, Australian General Practice Network, Australian Healthcare and Hospital Association, Australian Physiotherapy Association, Baptist Care Australia, Carers' Australia, Catholic Health Australia, COTA Australia, Diversional Therapy Australia, Health Services Union, Legacy Australia, Lutheran Aged Care Australia, National Presbyterian Aged Care Network, OT Australia, Palliative Care Australia, Pharmacy Guild of Australia, Returned and Services League of Australia, Royal Australian College of General Practitioners, Royal College of Nursing *Australia* and UnitingCare Australia.

Further information about the Alliance is available on their website www.naca.asn.au.

Please note the following members of the Alliance have chosen not to endorse this submission:

Australian Nursing Federation and LHMU.

Introduction

The Alliance considers that where older Australians require support or care, they should:

- have access to services in their own communities and homes that:
 - are readily available, affordable and client-directed
 - promote wellness and independence, and assist them in realising their aspirations
 - provide genuine choice to meet the aspirations, needs and preferences of a diverse older population
 - are delivered by a skilled and appropriately remunerated workforce
 - are underpinned by a commitment to quality improvement, evaluation and ongoing research
- be the principal decision makers about when they may need assistance and the nature of that assistance
- have access to affordable, effective and safe health and medical care
- have easy access to reliable and relevant information about the availability, quality and cost of aged care services.¹

The Alliance has framed this Budget submission in two parts. The first consists of the short term measures we believe the Government can take to meet immediate pressures on the sector and which will not pre-empt the outcomes from the Productivity Commission Inquiry *Caring for Older Australians* to be presented to the Government in June 2011.

Secondly, we have made recommendations that are consistent with reform directions outlined in recent reviews and reports and reflected in the Alliance's Vision Paper *Leading the Way – Our Vision for Support and Care of Older Australians*. Implementation of some of these would assist in paving the way for reform.

¹ National Aged Care Alliance. September 2009. *Leading the Way – Our Vision for Support and Care of Older Australians*. http://www.naca.asn.au/Publications/NACA_Vision.pdf.

Short term steps

Recommendation 1

The current separation of community packages into separate allocations of places for Community Aged Care Packages (CACPs), Extended Aged Care at Home (EACH) and Extended Aged Care at Home Dementia (EACHD) be replaced by one allocation with approved providers being able to offer the level of care required to best support the individual's Aged Care Assessment Team (ACAT) assessed needs. The care recipients should be able to choose the approved provider of their care.

This would be an initial first step towards a more flexible range of care subsidies for people receiving community care packages, determined in a way that is compatible with care subsidies for residential care as recommended by the NHHRC.

Recommendation 2

The Government commence, through an industry agreed staged process, revoking the current regulatory restrictions on the quantity and type of services providers can offer by discontinuing the current separate distinction between High and Low care residential place allocations in the annual Aged Care Approvals Rounds (ACAR). As an initial step the Government gradually increase the community care place allocation target beyond the current target of 25 places per thousand persons aged 70+ and at the same time allow residential aged care providers to convert their High and Low care places to community care packages.

Recommendation 3

Pending the formulation of a robust basis for setting prices based on a benchmark cost of care, as from 1 July 2011, and until such time as the indexation method is reviewed and revised, the greater of the Consumer Price Index (CPI) or the All Groups Pensioner and Beneficiary Living Cost Index (PBLCI) for the year ending 31 March be used to index the Federal Government's all aged care subsidies currently indexed by the COPO Index.

Recommendation 4

Pending a resolution of the long term funding methodology the Government reinstate the CAP index of 1.75% and apply the CAP index to both residential and community care subsidies.

Recommendation 5

The Government commission and fund research into the appropriate levels and mix of staff linked to care needs to determine:

- current staffing levels and those required to achieve acceptable and optimal quality of care; and
- the mechanisms best suited to implement and obtain the optimal staffing for all health/care professionals in the sector.

The government funded research would aim to achieve a dynamic and resourced workforce planning regime with adequate funding to ensure sufficient skilled, appropriately qualified and competitively remunerated staff are attracted to and retained in aged care and respected for their work.

Recommendation 6

Additional funding over three years be committed to address the priorities and gaps in the Dementia initiative - the immediate priorities being timely diagnosis, additional funding through the National Dementia Support Program to promote access to dementia care for special groups, dementia risk reduction, safer hospitals for people with dementia and end life care for people with dementia.

The Aged Care Reform Agenda

The Alliance would like to see the 2011 Federal Budget contain a commitment to long term reform of aged care through a staged implementation process and the inclusion of the following recommendations.

Recommendation 7

Discharge of older persons from acute care be supported by additional restorative and rehabilitative services at home, residential care or in a Day Therapy Service consistent with consumer choice according to properly assessed clinical need.

Recommendation 8

The number of community and facility based transition, convalescent, rehabilitation/restorative and palliative care services be increased to reduce inappropriate use of acute care services and enable access to more appropriate pre and post-acute care.

Recommendation 9

Specific incentives need to be introduced to increase investment in information management and communication systems in aged care services to ensure 'e-health readiness' and ICT capacity to support improvements in quality and integration of health care provided by health professionals for care recipients of aged care services.

Recommendation 10

Increase the range, availability and funding of high quality in-home palliative and end-of-life support and care, and the access to specialist palliative care services for residential care.

Recommendation 11

The Government commission the development of a National Ageing Research Agenda to fund a broad array of ageing and aged care issues, including affordable housing options, culturally appropriate aged care for special needs groups, prevention and management of multi-factorial geriatric syndromes and geographic and demographic patterns of ageing.

The government funded research would aim to build an appropriate evidence base from which to develop policies and programs to meet the changing needs of the aged care sector.