

Australians deserve to



agewell

preparing for our future now

Blueprint for Aged Care Reform

February 2012

Contents

Introduction	1
1. The Alliance Vision - A foundation for aged care reform	2
2. Principles to underpin aged care reform	2
2.1 Older Australians are entitled to	2
2.2 Where older Australians require support or care, they will	2
3. The Alliance Blueprint requires fundamental reform of aged care	3
3.1 Ageing well and independently	3
3.2 Access and entitlement to flexible aged care services	4
3.3 Affordable, sustainable and equitably funded aged care services	5
3.4 A quality workforce	7
3.5 Support for informal carers and families	8
3.6 Support for people living with dementia	9
3.7 Dying well and with dignity	10
3.8 Aged care service and system quality	10
4. Reform commencing in 2012-13 Federal Budget	12
5. Implementation and sequencing	12
2012-13 Federal Budget	13
2013-14 Federal Budget	15
2014-15 Federal Budget	16
2015-16 and beyond	16
Conclusion	17

“I’m looking after my husband at home. Modern society is different from what the health system thinks. Modern families and neighbours work and we just can’t get people to help us. Having him at home is great but it’s tough work.”



Introduction

The National Aged Care Alliance (the Alliance) has developed this Blueprint for delivering positive aged care reform. It follows on from the Alliance’s Vision *Leading the Way – Our Vision for Support and Care of Older Australians*. The Vision was developed in 2009 and paints a broad picture of what needs to happen, across a number of policy areas, for people to be supported to age well.

Australia can have a world class aged care system. However, if reform does not start in 2012 the stresses and strains on the current system will amplify and result in it being increasingly compromised and falling well short of community expectations. The following factors mean aged care reform action is needed urgently:

- a growing number of older people;
- fewer informal or family carers available; and
- financial and structural challenges negatively impacting on service provision.

The Alliance’s Blueprint places the older person first and proposes how reform can create:

- more efficient and effective service responses for individuals; and
- improved affordability for Government and the Australian community as a whole.

Government is currently considering the reforms proposed by the Productivity Commission’s report *Caring for Older Australians*. This Blueprint outlines the action the Alliance expects the Government to implement and Parliament to support, commencing in the 2012-13 Federal Budget (refer to page 12).

The Alliance has also produced a number of papers providing more detail about some of the key reforms proposed – financing, palliative care, assessment and entitlement (including the Gateway), workforce issues, wellness approaches and quality – which are available on the Alliance website www.naca.asn.au.

The following organisations are members of the Alliance:

Aged and Community Services Australia, Aged Care Association Australia, Alzheimer’s Australia, Anglicare Australia, Australian Association of Gerontology, Australian General Practice Network, Association of Independent Retirees, Australian Healthcare and Hospitals Association, Australian Nursing Federation, Australian Physiotherapy Association, Australian and New Zealand Society for Geriatric Medicine, Baptist Care Australia, Carers’ Australia, Catholic Health Australia, COTA Australia, Diversional Therapy Australia, Health Services Union, Legacy Australia Council Inc, Lutheran Aged Care Australia, National Presbyterian Aged Care Network, Occupational Therapy 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, UnitingCare Australia and United Voice.

1

The Alliance Vision - A foundation for aged care reform

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

2

Principles to underpin aged care reform

2.1 Older Australians are entitled to:

- live active, contributory and fulfilling lives
- have their individual and collective needs fully and equitably considered when governments are making decisions about health, housing, transport and other community services
- make decisions for themselves, in conjunction with chosen family and friends where appropriate
- be treated with equity and fairness regardless of cultural background, geographic location, health, gender, sexuality, and capacity, including their capacity to communicate needs
- the removal of barriers and systemic limitations affecting the realisation of any of these principles

Some of these entitlements will be realised in a reformed aged care system. However, not everything an older person needs is covered by aged care. Many older people do not use aged care services but require access to affordable and accessible housing, good quality health care, fair and sustainable income support and a range of other services and support. Governments must ensure the full range of public policy and programs are designed to support people to age well.

2.2 Where older Australians require support or care, they will:

- have access to services in their own communities and homes that:
 - are readily available, affordable and client-directed
 - promote wellness and wellbeing, and assist them in realising their aspirations
 - provide genuine choice to meet the aspirations, needs and preferences of a diverse older population
 - 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.

“Sometimes people are not ready to enter nursing homes but there is not enough community care packages to support people stay at home.”



3

The Alliance Blueprint requires fundamental reform of aged care

Fundamental reform is necessary to create a world class aged care service system and to address the major structural issues. To date, these issues have appeared as increasingly significant strains and stresses. The system cannot continue as is without failing to meet community expectations and compromising the quality of care provided to older Australians. We have to start reform now to avoid more costly intervention in the years to come because we are currently dealing with:

- a rapidly ageing population;
- a stretched aged care workforce;
- ageing infrastructure;
- inflexible, outdated service and funding models; and
- extensive lead times to implement change.

If major reform does not begin in the 2012-13 Federal Budget, the Government will still need to apply expensive and less effective bandaid measures. These measures will not address the underlying problems or satisfy community expectations for better aged care services. This approach makes no sense when a comprehensive solution is available now.

The Alliance Blueprint outlines the major reforms needed and how they can responsibly commence from 2012-13.

3.1 Ageing well and independently

The Productivity Commission recommends a major paradigm shift in aged care FROM *a rationed provider-led dependency and deficit model* TO *an individual entitlement model designed to support wellness and independence*. This shift, along with other Government initiatives to appoint an Age Discrimination Commissioner and the recommendations of the Panel on the Economic Potential of Senior Australians (EPSA), represent an essential first step in creating a society which supports people to age well and maintain independence.

Accepting and implementing the paradigm shift as the basis for aged care reform requires the following:

- Developing and implementing a wellness policy framework as a central pillar of public policy.
- Implementing a broad-based healthy and active ageing community education campaign targeting lifestyle changes, and other prevention strategies, that can be adopted throughout a person’s life to improve quality of life.

- Piloting and evaluating reablement and sub-acute service provision in residential care designed to restore an individual's capacity to live at home for as long as possible.
- Creating regional networks of providers of older persons services to consolidate and maximise local provision of reablement and positive ageing services.
- Conducting a research program to identify service models and services which most effectively assist individuals experiencing different sorts of difficulties, maximise their independence and ability to remain living at home as long as possible.

Benefits of reform

- ✓ A wellness approach, comprehensive assessment and services (offered as a choice before and/or in conjunction with ongoing support) that restore or maintain people's independence for longer, will:
 - enable the most effective use of Government funding; and
 - increase people's wellbeing and dignity.

3.2 Access and entitlement to flexible aged care services

One of the major complaints about the existing system is problems with accessibility and timeliness of information, services and support people need. Other major complaints include not being able to get a service as a result of rationing and having varied and multiple assessments. This creates inconsistent and inequitable outcomes (service and financial) for individuals, and inefficient use of Government funds.

To overcome these issues the following reforms are needed:

- Introducing an entitlement to care and support based on comprehensively-assessed need. An individual could choose to use the entitlement in their own home, a residential service, or seniors living accommodation. This would include the individual receiving a level of resources to assist them meet their needs however they choose to do so.
- Establishing the Gateway agency including a national network of regional Gateway Centres providing information and advice on healthy, positive ageing and aged care services.
- Developing and introducing a consistent and comprehensive wellness-based assessment process that is implemented by multidisciplinary teams through the regional Gateway outlets. The Gateway must be both locally relevant and responsive while also being well-resourced to provide timely assessments which achieve consistent and equitable outcomes.
- Flexible respite to respond to family carers' varying circumstances and older people's needs. Respite is particularly important to carers of people with dementia.
- Removing the current regulatory restrictions on the quantity and type of services providers can offer. This would enable providers to be more responsive to older people's needs and preferences. This reform would be introduced gradually with an initial focus on freeing up the provision of community care, including introducing a mid-level package between CACPs and EACH/D.

For more information about how the Gateway can be established and operate effectively please see the Alliance Aged Care Reform Series paper *Assessment and Entitlement (including the Gateway)* available on the Alliance website.

“Community care is fantastic but I am only able to get 1 or 2 hours a week. I just need a little bit more. It should be simple and there would be savings to the system.”



Benefits of reform

- ✓ A move from a restricted range of rationed, standardised services to individually tailored and responsive services to create better outcomes for individuals and families.
- ✓ Regional Gateway services advise and support people to get the best out of the aged care system.
- ✓ Consistent needs assessment and targeted entitlements ensure the most efficient use of available Government resources and help manage Government’s financial risk.
- ✓ The focus on community care combines meeting consumer preferences with a more effective and efficient use of Government resources by enhancing a person’s capacity to stay at home.
- ✓ Community care services tend to cost less to deliver and may delay, or stop altogether, the need for more expensive services such as residential care and hospital-based services.

3.3 Affordable, sustainable and equitably funded aged care services

Who pays for aged care is a vexed public policy issue. The Productivity Commission has created a principles-based framework and system architecture that balances individual responsibility, support for those with the greatest need and affordability for taxpayers. The fundamental principles on which reform must be based are that individuals:

- are responsible, as they are throughout their adult life, for paying for their accommodation and everyday living expenses. Government will pay for anyone without the means to meet these costs; and
- who can afford to pay should make reasonable co-contributions to the cost of their care in proportion to their wealth, but on the basis that they are protected from excessive care costs. People with the same assessed needs and the same entitlement for support and care will pay the same wherever they live. Government will pay for those who cannot afford to contribute.

Reasonable contributions from individuals who can afford to pay are critical to ensuring proper funding for services, making the system fairer and more financially sustainable. However, Government would continue to pay the vast majority of total care costs for everyone. It is also critical that the right price, which reflects the real cost of delivering care and accommodation, is struck to create a sustainable aged care system. To ensure this the Alliance supports:

- Introducing consistent user contributions for care services across residential and community aged care. The contributions would be subject to a comprehensive means

test. Also, a modest cap (referred to as a stop loss limit) would be applied to how much one person would have to pay over their lifetime. Once an individual reaches the cap, Government would pay all of their care costs.

- Introducing the Australian Pensioner Savings Account and the Australian Aged Care Home Credit Scheme¹. This scheme would enable people to charge costs against the equity in their homes. People would have a choice of how they pay for their aged care services without having to sell their home, including flexibility to pay for accommodation on a periodic (rent) or refundable lump sum (bond) basis.
- Establishing the Australian Aged Care Commission (AACC). AACC would provide recommendations on independent and transparent pricing for:
 - nursing, personal care and support services; and
 - accommodation payments for supported residents, including appropriate indexation.
- Ensuring the AACC, when recommending prices, is required to take into account the need to pay fair and competitive wages and the additional costs of providing services for people with special needs (for example to people living with dementia, people with challenging behaviours, culturally and linguistically diverse communities and rural and remote services).
- Undertake an independent cost of care study to set initial prices for care entitlements pending establishment of the AACC.
- Apply special funding arrangements (such as block funded and flexible service models) for certain groups and communities including rural, remote and regional, indigenous communities and homeless older people for whom a system based on entitlement and choice would have limited applicability.

Benefits of reform

- ✓ Equitable fees and charges would result in people with the same means and assessed care needs contributing the same amount for their services regardless of where they live.
- ✓ Older Australians purchasing accommodation based on the cost of building, maintaining and managing the accommodation and reflecting market rates.
- ✓ Individuals having choices of the services they receive and how they pay for them, including not having to sell their home to pay for their aged care.
- ✓ Independent and transparent pricing would be more likely to deliver the funding required for quality aged care services.
- ✓ Older people feel confident that what they are asked to pay is fair and reasonable and is related to the cost of provision.
- ✓ An aged care system which balances individual and taxpayer funding responsibilities provides more sustainable financing for renewing and expanding quality aged care services for Australia's ageing population.

¹ The Home Credit Scheme should permit a protected resident (e.g. an adult son or daughter with a disability or a family carer) to stay in that residence or find more suitable alternative accommodation without having to repay the advance until they no longer need the asset.

“My mum was in residential care for 2 to 3 years and had dementia. Most of the staff were very good, there just needed to be more of them. People need more conversation and more time spent with them.”



3.4 A quality workforce

Quality of care is a critical issue for older people and depends greatly upon the aged care workforce. There are many workforce challenges in aged care, not least of which is being able to attract and retain sufficient workers due to inadequate pay. Personal carers and support staff earn less than they could if they worked in a supermarket. Nurses earn less than their counterparts in health service settings. The Federal Government recently committed to redress wage injustice in the female-dominated Social and Community Services (SACS) sector – the Alliance believes they must do the same for the equally female-dominated and low-paid aged care workforce.

Currently the annual turnover of aged care workers is anywhere in the range of 25-45%, depending on the location and type of worker. This is costly and more importantly, impacts on the quality and continuity of care provided to older Australians.

Ultimately the prices set, on the advice of the AACC, will need to enable payment of fair and competitive wages. However, action on pay cannot be delayed because every day aged care services lose workers to industries that can pay more and the workers who stay struggle financially.

To stem this flow and prepare a foundation for expanding and developing the workforce there is a need for:

- a bridging supplement for payment of fair and competitive wages for nurses, allied health professionals, personal carers and support staff;
- the Government, unions and provider representative organisations to sign a Heads of Agreement which ensures the bridging supplement is paid to aged care providers for increased wages; and
- incorporation of the wage increases into a registered industrial agreement to enable the supplement to be paid to individual aged care providers and ensure it is used solely to pay fair and competitive wages.

Wages are only one, albeit major, issue that needs to be addressed. Career structures, training (including in specialist areas such as dementia and palliative care), use of technology and flexible models of care to enhance service delivery efficiency and effectiveness must be considered as part of an overall aged care workforce strategy. To do this the Alliance recommends:

- Establishing a Ministerial Aged Care Workforce Taskforce including provider, union and consumer representatives.

Benefits of reform

- ✓ Better employment conditions including payment of fair and competitive wages and saving an estimated \$5.39 billion between now and 2050 in staff turnover costs (an unnecessary and avoidable cost to the Australian taxpayer).
- ✓ Sufficient numbers of skilled workers providing the quality of care so important to consumers.

3.5 Support for informal carers and families

Informal carers provide most of the care for older Australians. Carers are mainly family members, friends and neighbours. Over 350,000 are primary carers — the people who provide the most informal support. An even greater number of people contribute to care in other ways, such as by continuing the caring relationship when the older person moves into a residential aged care facility.

Caring can yield great rewards, particularly in terms of close relationships. However, caring also comes at a cost. Statistics show carers have poorer physical and mental health, less social support, more expenses and fewer opportunities for paid work than non-carers.

The lives of older Australians and their carers are closely intertwined. Consequently, the major changes being proposed – including improving access to information and assessment services, establishing needs-based entitlements to care and improving choice and quality of care services – would substantially impact not just on older people, but also on their families and carers. For many older people, including those with dementia, staying at home longer will depend on a family carer being available.

In future, the number of older Australians needing care will increase faster than the number of carers available to support them. There is also some evidence that, in general, family members' ability and willingness to provide care is diminishing.

The following aged care reform action will improve the circumstances of, and support for, carers:

- As part of assessing older people's care needs, the Gateway would assess carers' capacity and willingness to provide ongoing support.
- Carers' needs would also be assessed and, where appropriate, they would receive entitlements to respite and other essential carer services.
- Carer Support Centres would provide specialist carer support services such as education and training, emergency respite, counselling and peer group support and advocacy services.

Benefits of reform

- ✓ Carers receive services they need to improve their lives and better support them to continue to provide care.

“Home care is preferable but sometimes people with dementia can’t be cared for at home because their carer has to work. That means the person has to go into residential care. There may be a need for more hours of respite to support working carers.”



3.6 Support for people living with dementia

Over 60% of people with dementia live in the community — many with no support from funded programs. The majority of individuals in residential aged care experience some form of cognitive impairment and it is one of the most common triggers for entry into residential aged care. Dementia can no longer be considered an issue affecting a small population of older adults in aged care. In fact, it will be key to the business model adopted by aged care providers and community and residential services design.

Dementia is core business of aged care. To be successful, aged care reform must have dementia at its centre. People with dementia will benefit from the reforms of aged care but only if their special needs are recognised. These needs include:

- Respite care that benefits both the family carer (enabling them to take a break and maintain paid employment) and the person with dementia (through social engagement).
- Transport services when driving is no longer possible.
- Culturally appropriate care.
- Support that caters for severe behavioural and psychological symptoms.
- Aged care pricing that reflects the true cost of caring for people with complex needs.
- Age appropriate services for younger people with dementia.
- A workforce equipped to improve the quality of dementia care through knowledge translation and workforce training.

The journey with dementia also requires action through health reform, in particular:

- Investing in dementia research and prevention to reduce the numbers of people with dementia in the future.
- Acting to achieve timely diagnosis.
- Acting to make hospitals safer places for people with dementia.

Benefits of reform

- ✓ Provision of high quality, flexible services to individuals with dementia, including individuals:
 - with younger onset dementia;
 - from diverse backgrounds; and
 - with severe behavioural and psychological symptoms.

3.7 Dying well and with dignity

Death and dying are often taboo subjects; much more open discussion and planning is needed. Over the course of consultations with older people on aged care reform, palliative care and dying with dignity have ranked as major issues. Older people and their families want to have access to high quality palliative care and to have as much control over their death as possible. The majority of older people would prefer to die at home.

Although aged care services are provided towards the end of life and death and dying are no strangers to aged care, the provision of quality palliative care in residential and community care settings is the exception rather than the norm (particularly for the majority of people who have dementia — 53% with a diagnosis in residential care; AIHW 2011). To support quality palliative care provision at home or in residential care the following reform action is required:

- Executing a COAG agreement to make palliative care and support in residential and community aged care services a funding priority. This will limit unnecessary, undesirable and costly hospital admissions and usage.
- Providing Federal Government funding (supporting state action in this area) to create systemic linkages between residential and community aged care providers and local specialist palliative care services.
- Removing existing barriers to an individual's ability to simultaneously access community aged care services (HACC and packaged care) and specialist palliative care services. This will require having clearer Federal, State and Territory policy and funding guidelines.
- Changes to palliative care ACFI requirements. It must be recognised that not all older people dying in residential care experience pain (this is often the case for people with dementia). Thus, appropriately qualified staff in the residential facility (not just GPs and specialist nurses) should be able to direct palliative care provision.
- Ensuring the Gateway provides information and support to access advance care planning and palliative care services at points along the care continuum.

Benefits of reform

- ✓ Information and linkages to palliative care services and advance care plans through the Gateway assists people to prepare for a dignified death.
- ✓ More people supported in residential and community care with palliative care services, avoiding the use of costly hospital services and medical interventions.

3.8 Aged care service and system quality

Quality is at the heart of everyone's desires for aged care service provision. Consumers and families expect the highest quality care to be provided. Service providers want to provide the best quality care. The community expects the highest quality of care to be provided to vulnerable older Australians. Government has a responsibility to ensure such quality is delivered.

“People want to die at home, not in hospital. Palliative care should be core business for aged care services.”



The current system features comprehensive regulations to support quality care. However, current quality and complaints schemes are too focussed on processes rather than outcomes and quality of life for older people. There is some lack of consumer and community confidence in the existing arrangements — in part because they are not transparent and people do not understand how they work. Recent changes to the complaints scheme have been a step in the right direction and are in line with the proposed reforms.

To support quality service delivery the following aged care reform action is needed to increase the effectiveness of the current regulatory arrangements:

- Establish the AACC to manage transparent and independent accreditation and complaints management systems across both residential and community care. These systems should focus on ensuring quality of care, resolving problems and building consumer confidence.
- Developing, piloting and implementing community and residential care quality indicators (across process and outcomes) that are valid, reliable and meaningful for older people.
- Developing and implementing a strategy for publicly reporting on quality indicators at the service level.
- Designing and implementing meaningful consumer involvement in quality and regulatory systems managed by the AACC. Older people and their carers will need education and support to make this as effective as possible.
- Expanding advocacy services which have an important role to play in increasing consumer input, feedback and confidence of older people and their families.

Benefits of reform

- ✓ Creating a separate AACC dedicated to aged care quality regulation, independent from the Department of Health and Ageing (whose primary focus would be to provide policy advice to the Government) would avoid conflicts of interest and give consumers and the community greater confidence in the process.
- ✓ Greater and more direct involvement of older people and their carers in quality and regulatory processes.
- ✓ Meaningful quality indicators published to support people to make informed choices about service provision.

4

Reform commencing in 2012-13 Federal Budget

Implementing these reforms has the support of stakeholders including (most importantly) representatives of and advocates for older people, aged care providers, unions and professionals working in aged care. All that is needed now is Federal Government action and Australian Parliamentary support.²

The Gillard Government has publicly stated its intention to reform aged care during this term of office. The Alliance is of the strongest possible view that reform needs to commence in the 2012-13 Federal Budget.

Government expenditure in this vital area will have to increase in coming years to meet the demands of an ageing Australia. This Blueprint includes measures which will:

- increase overall funding for aged care through a combination of Government funding and reasonable user contributions from older people based on their overall wealth;
- focus on community and wellness services that maintain a person's independence for as long as possible and minimise the need for more costly services;
- target services and support to individuals' needs, resulting in a more effective use of limited resources;
- reduce resource wastage on staff turnover and build a workforce able to meet the increasing challenges of providing care and support to older people; and
- improve affordability of aged care for the community through a reasonable balance between individual responsibilities, support for those most in need and taxpayer funding.

Older Australians deserve and are entitled to a care and support system that ensures them the same freedoms and choices as all other Australians. Action in the 2012-13 Federal Budget will commence the process of recognising and delivering on this entitlement.

5

Implementation and sequencing

The proposed reforms involve fundamental changes to the current system. Reform will therefore need to be implemented gradually and transparently. It is important to provide certainty for everyone so that change is not disruptive, especially for older people and their family carers.

Sequencing the reforms will also need to allow for implementation lead times of individual reforms, many of which will require considerable development and testing.

Given current budgetary constraints, prioritisation is essential. The immediate priority should be to make a start on developing and implementing the reforms that are most critical to laying the foundations for real change to occur and to respond to the more immediate pressures in the system. These are outlined on the following pages.

² This Blueprint sets out clear principles on which pricing, subsidies, wages, means tests and user fees and charges should be based. The Alliance members reserve final endorsement of such until government proposes detailed design and actual levels and these prove to be fair and just, and affordable, while providing the funds required for a sustainable aged care industry.

“We care for my mother at home and it took 4 professionals to work out the system. We are co-ordinating 18 different people who come to her home. There is a big co-ordination role. I am very pleased with the Gateway concept to address these issues.”



2012-13 Federal Budget

Commitment to implementing reform

- ✓ Make a public commitment to and announce an indicative timetable for the implementation of, an entitlement-based aged care service system that provides individual choice of services; and
- ✓ Establish a representative stakeholder group to work with Government on the development and implementation of aged care reform.

Access and entitlement to flexible aged care services

- ✓ Commence developing the entitlement-based system, including wellness-based assessment tools for older people and carers, an integrated funding model and integrating the HACC Program;
- ✓ Commence developing and establishing the Gateway, which will require legislation and a planning phase of 12 – 18 months to be fully operational;
- ✓ Trial flexible respite to respond to family carers' varying circumstances and older people's needs; and
- ✓ Recognise the increasing demand for care at home by continuing the phased increase in community care packages, particularly at the high needs level, along with the introduction of a mid-level package between CACPs and EACH/EACHD.

Affordable, sustainable and equitably funded aged care services

- ✓ Commence preparatory work for establishing the AACC;
- ✓ Commence the gradual increase in the Government accommodation payment for supported residents until it is reflective of the regional cost of construction as determined by the AACC;
- ✓ Establish the Australian Pensioners Savings Account and the Australian Aged Care Home Credit Scheme to give people greater flexibility in making aged care co-contributions, without having to sell their home;
- ✓ Allow providers to set accommodation prices for non-supported residents with flexibility to pay by periodic payment or equivalent fully refundable accommodation bond, with appropriate grand-parenting arrangements for existing residents and price monitoring by the AACC during a transition period;

- ✓ Create a refinancing facility for otherwise solvent providers who may face liquidity problems as a result of introducing flexibility to make accommodation payments by periodic payment or refundable bond;
- ✓ Introduce capped matching grants for smaller providers to seek business planning advice on their future in the reformed system;
- ✓ Remove the distinction between residential low and high care places in order to give service providers greater flexibility to adjust their service models and planning to meet local needs; and
- ✓ Undertake an independent cost of care study to set initial prices for care entitlements pending the establishment of the AACC.

A quality workforce

- ✓ Announce the wages bridging supplement, sign the Heads of Agreement, establish the payment mechanism and pay the first instalment; and
- ✓ Establish an Aged Care Workforce Ministerial Taskforce.

Support for people living with dementia

- ✓ Improve access to flexible respite which benefits family carers and people with dementia;
- ✓ Provide age-appropriate services for individuals with younger onset dementia;
- ✓ Provide adequate funding for services which support individuals with severe behavioural and psychological symptoms of dementia;
- ✓ Develop hospital systems which recognise individuals who have cognitive impairment and provide appropriate support;
- ✓ Act to achieve timely diagnosis and safer hospitals for people with dementia, through education and training for health care professionals; and
- ✓ Invest in dementia risk reduction and research to reduce the future numbers of people with dementia.

Dying well and with dignity

- ✓ Create and implement a National Palliative Care Plan, including priority for older people and focusing on community/home based provision for this target group. This will be:
 - agreed by COAG;
 - implemented with one off Federal Government grants to establish palliative/aged care service links; and
 - extending the use of best practice end of life care approaches and existing evidence based tools.
- ✓ Provide ongoing funding for the Palliative Care Australia equipment loans scheme.

“I’m a long term Carer, due for long service leave!”



2013-14 Federal Budget

Ageing well and independently

- ✓ Develop and adopt a wellness policy framework as a central pillar of public policy; and
- ✓ Provide seed funding to establish more reablement services and older persons’ regional service networks.

Access and entitlement to flexible aged care services

- ✓ Pilot, implement and embed sub-acute and other short term care in residential care (if demonstrated to be cost effective);
- ✓ Continue to expand community care places by ongoing lifting of the provision ratio;
- ✓ Complete developmental work for the Gateway and entitlement-based system; and
- ✓ Establish the AACC to make independent and transparent recommendations on pricing and commence improvements to quality and complaints systems and processes.

Affordable, sustainable and equitably funded aged care services

- ✓ Continue the gradual increase in the accommodation payment for supported residents until it reflects the regional cost of construction;
- ✓ Set the prices for care entitlements based on the results of the independent cost of care study; and
- ✓ Establish the AACC to make independent and transparent recommendations on the future price and indexation arrangements for care entitlements and accommodation payments for supported residents.

Aged care service and system quality

- ✓ Develop and publicly report on community and residential care quality indicators that are reliable, valid and meaningful for consumers; and
- ✓ Initiate processes to ensure greater consumer involvement in quality and regulatory processes and systems including advocacy services, quality and complaints through the AACC. This will require consumer education and support.

Support for informal carers and families

- ✓ Map, plan and establish a properly designed and integrated system of Carer Support Centres to provide specialist services such as education and training, emergency respite, counselling and peer group support and advocacy services.

A quality workforce

- ✓ Pay the second instalment of the wages bridging supplement.

Dying well and with dignity

- ✓ Increase access to home-based respite where palliative care is being delivered;
- ✓ Provide adequate funding for community specialist palliative care services; and
- ✓ Develop hospital admission/discharge processes which recognise and support dying at home (where this is the informed choice of the older person and their family).

2014-15 Federal Budget

Access and entitlement to flexible aged care services

- ✓ Commence Gateway operations;
- ✓ Introduce care entitlements based on assessed needs, but within provision ratio limits while the restraints continue to be gradually lifted;
- ✓ Continue to expand community care places by the ongoing lifting of the provision ratio; and
- ✓ Commence the gradual lifting of restraints on the supply of residential care, subject to ongoing review of the impact on occupancy rates of the increased supply of community care.

Affordable, sustainable and equitably funded aged care services

- ✓ Introduce consistent and reasonable care contributions across residential and community care (based on a comprehensive means test) with provision for a stop loss limit with appropriate grand-parenting arrangements for existing consumers; and
- ✓ Complete the gradual increase in the accommodation payment for supported residents so that it reflects the regional price of construction as determined by the AACC.

A quality workforce

- ✓ Pay the third instalment of the wages bridging supplement.

2015-16 and beyond

Consider the complete removal of the restraints on the supply of aged care services and set the timetable for their complete removal. This will be done subject to further monitoring and review of the impact of the gradual lifting of provision ratios on occupancy levels and service continuity.

There will be a need to continue monitoring and reviewing all aspects of the reforms as the new system settles and becomes fully operational. Adjustments may be needed as a result of ongoing review.

“It’s hard to find and get a nursing home, you have to look at them all.”



Conclusion

If major reform is not initiated in the 2012-13 Federal Budget, Government will still need to apply expensive and less effective bandaid measures. These measures will not instil confidence in the future sustainability of the aged care system among providers, nor encourage consumers’ confidence in the quality of aged care.

The impacts of continued bandaid measures applied to a system that needs major structural reform are already evident and will worsen if action is not taken now. Australia will see:

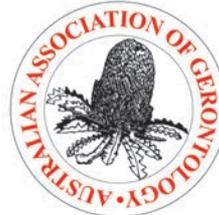
- consumer expectations for choice of high quality flexible aged care services continuing to be unfulfilled;
- reluctance of workers to stay in or enter the aged care industry;
- under-investment in renewing and expanding aged care services, especially high care services; and
- Ongoing and unsustainable pressures on government outlays as the population ages.

Future Governments will face even more difficulty in getting one of the most important service systems, the care of older people and carers (who represent 13.5% of the Australian community now and will represent 23% of the nation’s population in 2041) operating in an affordable way that meets people’s needs.

On the other hand, commencing reform in 2012 with a reform Blueprint laid out over the next five to eight years will instil community confidence, and create a platform to give Government and the sector the opportunity to progress evidence-based, well planned and sustainable reform to secure affordable quality aged care services for Australia’s ageing population.

It is clear that the only sensible and responsible choice is to commence reform in the 2012-13 Federal Budget to enable all Australians to age well.

Members of the Alliance





National Aged Care Alliance

PO Box 4239, Kingston ACT 2604

nacasecretariat@anf.org.au

www.naca.asn.au

Phone: 02 6232 6533

Fax: 02 6232 6610

www.agewellcampaign.com.au