ROYAL COMMISSION INTO AGED CARE QUALITY AND SAFETY

HOME CARE SUBMISSION: Updated 02 April 2019

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ABOUT AGED & COMMUNITY SERVICES AUSTRALIA

Aged & Community Services Australia (ACSA) is a national peak body representing more than 700 church, charitable, not-for-profit and community-based services and organisations that provide home and residential care and retirement housing services to older Australians.

These organisations are responsible for providing services to the most disadvantaged and are a critical part of the social fabric of local communities – not only for the essential care and support they provide – but also as a valuable generator of jobs and growth.

ACSA welcomes the commitment of the Royal Commission into Aged Care Quality and Safety to address growing community concern about the quality of the care provided and as an opportunity to have an important national discussion about the care we want to provide to older Australians, as well as what must be done to make that possible. In that way, we can contribute to driving positive outcomes for older Australians and delivering high quality aged care services that are sustainable well into the future.

As at 30th June 2018, not-for-profit organisations delivered about 55.2% of residential aged care and 76.2% of Home Care Packages (HCPs - excluding state, territory and local governments)[1]

VISION FOR AGED CARE

ACSA and its members subscribe to the National Aged Care Alliance (NACA) vision for aged care in Australia 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.*

That means that as aged care providers we:

- have flexibility to change and adjust the services we offer and where we offer them to meet consumer preferences;
- operate under firm but fair outcome-based regulation that protects the safety of the individual while respecting their choices and dignity of risk; and

[1] Australian Government, 2017/18 Report on the Operation of the Aged Care Act 1997, 2018, pp., 29, 43. https://www.gen-agedcaredata.gov.au/Resources/Reports-and-publications/2018/November/2017%E2%80%9318-Report-on-the-Operation-of-the-Aged-Care-A

- are sustainably funded, through a mix of taxpayer funding and individual co-contributions from those with the capacity to contribute to the costs of their care.

ABOUT THIS SUBMISSION

This submission provides the Royal Commission with ACSA views on the final summation, as requested by Senior Counsel, which concluded Hearing Two held in Adelaide on 18th to 22nd March. This is in addition to our submission on home care made prior to Hearing Two and outlining ACSA views, issues and proposals for action on home care. [2]

In his closing remarks, Dr McEvoy observed seven issues emanating from Hearing Two, namely:

1. My Aged Care – accessibility, navigation and communication
2. Waitlists for Home Care Packages
3. Approvals of Providers
4. Quality and Safety Regulation
5. Fees and Charges
6. CDC and Unspent Funds
7. Workforce

MY AGED CARE

Dr McEvoy in his final remarks stated

My Aged Care is a real barrier for people who are not confident with online systems or cannot use a mobile phone, including those of diverse backgrounds. Reliance on these modes of communication means that older people are more reliant on technology-literate informed carers, often family members, to access information about their care[3]

ACSA, in its Home Care Submission dated 15th March 2019, presented several barriers for people in accessing My Aged Care (MAC). These barriers included:

- People receiving different information on the same query over multiple calls to the MAC;
- Limited understanding of eligibility for Programs by MAC staff, impacting on access for those under 65 years who are eligible to use aged care services including younger people with a disability and homeless people (e.g. for the ACH Program);
- Limited internet availability to access the website in some areas;
- Insistence that the MAC operator must speak to the person requiring the service, which excludes carers and advocates who often assist that person and can help with system understanding. This understanding is also impeded by having no face to face contact;
- People uncomfortable with phone contact are not reporting their full needs during eligibility /screening assessment;
- MAC letters sent to consumers outlining their eligibility and next steps for services to be provided are complex. Consumers often do not understand what is required of them or what they need to do next;
- Carers' needs are not being picked up, and

[2]ACSA Home Care Submission 15 March 2019 https://gallery.mailchimp.com/c25b191d301e2d7b312739c64/files/a78f6cb3-d22c-4b90-8404-79f1a5f66ba3/ACSA_Home_Care_Submission.pdf

[3] Commonwealth of Australia, Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety, 2019, pg., 1094. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

- Access issues for people who identify as Indigenous Australians, are from Culturally and Linguistically Diverse (CALD) backgrounds or have disability or special needs.

The identified access, navigation and communication issues faced by many people, requires reliance on relatives to assist them. The entry point to the system that facilitates connection to assessments and approvals for services is within itself fraught with barriers that create co-dependency.

Potential improvements for accessibility to aged care services in the home already raised in the Commission's inquiries include (a) the addition of individual case managers, (b) establishing nationwide access to face-to-face assistance, and (c) making website and call centre improvements.[4]

ACSA understands that older people often express they would prefer more face to face contact to enable conversation and understanding about not only MAC but the broader system. ACSA would welcome case management and system navigation support for all clients, particularly for special needs groups such as those who identify as Culturally and Linguistically Diverse (CALD), Indigenous, people who are homeless, as well as older people who live with a disability.

Whilst a pilot of aged care navigation services is currently underway, ACSA advocates a progressive roll-out of the services around the country. ACSA is concerned that there is a risk the pilot could finish with no ongoing resources allocated nor changes to the MAC system.

In addition, ACSA advocates for the fast tracking of improvements to MAC which will support the individual's care and support needs.

WAITLISTS FOR HOME CARE PACKAGES

Dr McEvoy stated that "the long waiting lists are cruel, unfair, disrespectful and discriminatory against older Australians" (Royal Commission 22.3.19R1, pg., 1097) and continued "…in 2017/18, the average wait time was, for level 1 packages, seven months; for level 2 packages, 13 months; for level 3 packages, 16 months; and for level 4 packages, 22 months".[5]

The December Home Care Data Report, released by the Department of Health (the Department) indicated that as at December 2018 there were 73,978 people waiting for a Home care Package (HCP), including at a lower level. Of these, 69,476 had been provided approval to access the Commonwealth Home Support Programme (CHSP).[6]

ACSA identifies that there are numerous issues pertaining to these long wait times:

- Prolonged wait times for home care can lead to earlier admission into residential aged care and/or higher risk of long-term mortality.[7]
- Many people who are not in receipt of any HCP or at one less than the level of assessment, will either require assistance from family, pay privately for services or access CHSP services. For

[4] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety*, 2019, pg., 1096. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

[5] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety*, 2019, pg., 1098-1099. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

[6] Department of Health, *Home Care Packages Program Data Report 2nd Quarter 2018-19*; 1 October – 31 December 2018, March 2019, pg., 12. https://www.gen-agedcaredata.gov.au/www_aihwgen/media/Home_care_report/HCP-Data-Report-2018-19-2nd-Qtr.pdf

[7] Visvanathan, R, Amare, A.T, Wesselingh, S, Hearn, R, McKechinie, S, Mussared, J & Inacio, M.C, 2019 "Prolonged Wait Time Prior to Entry to Home Care Packages Increases the Risk of Mortality and Transition to Permanent Residential Aged Care Services: Findings from the Registry of Older South Australians (ROSA)" In *The Journal of Nutrition*, Health & Ageing, Vol., 23, Issue 3, pp., 271-280. https://link.springer.com/content/pdf/10.1007%2Fs12603-018-1145-y.pdf

people not in any HCP, but who access multiple CHSP services, like personal care, domestic assistance, social support, transport and nursing, the individual will need some level of case management to coordinate the services and communication that facilitates consumer safety and a quality and duty of care (e.g., incident reporting, training/oversight of support workers and oversight of client schedules to ensure that they are obtaining services as needed and requested) and this is not supported in the system.

- ACSA is concerned about the ramifications of the use of CHSP to top up the Home Care Packages Program. Namely, the capacity of the CHSP system to provide services to this volume of additional demand from people unable to get the level of package support required, prevents many people who genuinely need basic CHSP services to remain independent from accessing the system.

ACSA welcomes Dr McEvoy's suggestions that the following areas require analysis and review:

- *The existing shortfall in the availability of access to aged care services in the home*;
- *The cost of meeting the existing needs for aged care services in the home*;
- *Ascertaining the projected cost of aged care services into the future*;
- Defining what a *sustainable funding model [would] look like*[8].

ACSA suggests that the following should be considered in any analysis and review, and that in dealing with them, a number of issues would be addressed:

- Increased investment in home care, including more HCPs, in particular more level 3 and 4 HCPs, to directly reduce the number of clients waiting for care and support.
- Adequate resourcing of a skilled, integrated assessment service to ensure the prioritisation process is as effective and efficient as it can be.
- Reducing the decision-making period for activating an HCP from 56 to 28 days to increase the flow of HCPs to people on the waiting list.
- Continued growth and investment into CHSP, while integration planning is underway, recognising the importance of entry/low level support in keeping older people living safely in the community and delay or remove the need for higher-level support.
- Commitment to a timeframe for integration of the HCP/CHSP programs to provide certainty for providers and prevent the risk of system and service instability.

APPROVALS OF PROVIDERS IN HOME CARE

Dr McEvoy identified issues with the current process by which organisations apply to be an approved aged care provider. These applications are vetted and either declined or approved by the Department. Another highlighted issue was whether the Department approval of a provider and accreditation/compliance administered by the Commission were in sync with case studies at the Hearing highlighting sanctions applied to newly approved providers quite soon after they commenced operation.

With the release of additional HCPs, it will be important to ensure that there are enough aged care providers, as well as capacity for existing providers to supply these packages.

[8] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety,* 2019, pg., 1102. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

The approvals process requires review to ensure that there is clear information for those new providers applying, so that they are aware of their compliance requirements, and a robust assessment process. The information and guide provided for new National Disability Insurance Scheme (NDIS) providers may provide a model to assist in aged care.

The transfer of the approved provider approval process to the Aged Care Quality & Safety Commission (the Commission) in 2020 should address the seeming disconnect between an assessment of capacity, and the actual ability, to provide services that are compliant with all requirements and meet community expectations. In the interim, instituting some joint criteria/assessment techniques and training for Departmental and Quality & Safety Commission staff may assist.

QUALITY & SAFETY REGULATION OF HOME CARE PROVIDERS

Dr McEvoy's address noted several areas requiring attention regarding the regulation of home care providers.

Firstly, Dr McEvoy noted that current compliance processes can be "inconsistent"[9], which impacts approved providers and can mean the difference between a provider being sanctioned or not. The impact of sanctions can affect service provision and as the case studies at the Hearing demonstrated be costly for providers so they need to be applied fairly and consistently to providers who are not meeting the requirements.

Secondly, the final summation highlighted the need for clear definitions and articulation of the concepts 'quality' and 'safety' as used in home care auditing processes and in communication between the Department the Commission.

Thirdly, the use of "advisers"[10] by home care providers to improve their quality frameworks and ensure compliance. Dr McEvoy noted that this practice can cause issues for the providers and requires some review.

Evident from Witness testimony and Dr McEvoy's final comments is the potential for conflict where the Commission and the Department's roles intersect.

ACSA supports firm but fair regulation across all services including HCP and CHSP. ACSA advocates that regulation should be broad-based and outcomes-focused to support the personal human service culture that most individuals are seeking. Regulations should be focused on the individual and their needs.

ACSA is of the view that good regulation should minimise risk which would impact adversely on a person's quality of life and it should support an individual's right to make their own decisions to take reasonable risks. These are essential for dignity and self-esteem. Also noted by Dr McEvoy, "…the current regulatory process is heavily focussed on documents and systems but struggles to obtain any

[9] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety*, 2019, pg., 1105. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

[10] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety*, 2019, pg., 1106. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

evidence of on the ground care. This may also mean that administrative skills are valued over clinical skills".[11]

Research entitled *Improving the quality of residential care for older people: A study of government approaches in England and Australia* compared the quality models used in both Australia and England. Results were that in England there is a different focus whereby the quality and inspection/accreditation processes seek the experiences of the individual, the rights of the individual to live a good life and user ratings are given as opposed to a pass or fail.[12] This bears out the concern raised in the Hearing that the current Australian system focuses on paperwork and processes rather than outcomes and the care actually provided. While the new Standards can be seen to be moving in the direction of the United Kingdom there is much work to do to ensure that the assessment process matches and supports that intent.

ACSA supports a review of the role and systems of both the newly created Aged Care Quality and Safety Commission and the Department of Health with regards to the assessment, approval and review of providers to ensure there is a consistent approach.

FEES & CHARGES

Dr McEvoy's final remarks pertained to the HCP transparency for consumers. In the system, presently, fees and charges for home care can be confusing and non-transparent. Increased transparency around HCPs, and around pricing and fees, has been progressively introduced and will over time support better consumer knowledge about what and how much is available to support them. As at 1 July 2019, this will further improve as home care providers will be required to publish their fees and charges on the MAC Service Finder.

One of the issues that came up throughout the hearing was that consumers were perhaps not clear about what was being provided and why the cost of a home care package element was as it was. The following examples illustrates how this can occur:

Example 1: Medication Administration

- Mrs Smith requires daily medication administration as a part of her package.
- She does not have any clinical care needs. However, a provider must ensure that these medication visits are conducted in accordance with appropriate legislative requirements. This means that

  (a) the care staff have been trained in medication administration and that they receive ongoing training to ensure best practice; and

  (b) as this is a delegated authority from a Registered Nurse (RN), an RN would need to ensure that the client's medication authority is up-to-date, and medications correct to this authority.

[11] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety*, 2019, pg., 1110. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

[12] Trigg, L 2018 *Improving the quality of residential care for older people: a study of government approaches in England and Australia*, pp., 1-33. https://www.researchgate.net/publication/327220978_Improving_the_quality_of_residential_care_for_older_people_a_study_of_government_approaches_in_England_and_Australia

- Whilst the individual does not require direct clinical care from the RN, an RN is involved indirectly. The indirect care cost will need to be factored in to the provider's fees and charges.
- For optimal quality of care which complies with best practice and legislative requirements, providers must incorporate multiple levels of this indirect care that may not evident to the client. Understandably the client doesn't then factor these quality and safety costs into the cost of the service they are receiving.

Example 2: A Lifter

An example of hidden costs associated with direct care is where there is the need for a lifter.

- Mr Jones requires a lifter to get him in and out of bed.
- This requires two staff to operate. The service fee will therefore include training, travel and ongoing training to ensure correct equipment operation for two staff.

Increased transparency will allow consumers to understand all costs associated with their care and as such compare prices more accurately between providers. While the publication of service rates on MAC will assist, consumers will still require an understanding of what the services actually are and how they can be delivered. Greater explanation is needed to ensure clients understand exactly what they are paying for.

The move to unit costing is designed to simplify pricing for consumers and make it more comparable to any other goods or services an individual may purchase. ACSA proactively worked with Government and consumer groups to achieve transparent and meaningful information. This move is supported but there are some challenges for providers given variable costs, based on location and service models, that will need to be worked through to ensure services and prices accurately represent a provider's offering.

There is the need for a broader consideration of fees and charges across the HCP and CHSP programs.

The HCP and CHSP programs have very different fees and charges. This acts as a disincentive for people to move between the programs, particularly from CHSP (where the individual may receive more hours than a Level 1 HCP at a lower cost) to an HCP. The CHSP also suffers from its State-based history with people paying different fees for the same services depending upon the State.

ACSA advocates for a nationally consistent fee approach that spans entry through to high level HCPs to create the right incentives for a continuum to successfully operate.

CONSUMER DIRECTED CARE & UNSPENT FUNDS

Dr McEvoy noted that deregulation of the home care market on 27 February 2017, saw the removal of block funding to organisations as well as the introduction of individualised funding to aged care consumers. The provider is still responsible for the receipt, management and administration of the individual's funding for their home care package. Dr McEvoy commented that people's unspent funds can accumulate.

People on HCPs can keep funds in reserve as emergency/contingency funding and/or to save for a specific purpose – such as an extended period of respite care or a piece of equipment that would make a difference to their lives. This is a generation disciplined in not spending all their savings, to spend all their money would not be their generation's 'norm'. The Aged Care Funding Authority

(ACFA) recently reported a total of $329 million in unspent funds in the system and an average of $4,613 per HCP.[13]

ACSA is concerned about the amount of unspent funds in the system from which no individual is receiving beneficial services and which providers carry as a liability. The system of individualised budgets has only been in operation for three years so there are no clear trends or patterns re usage of these funds.

While we need to respect that people view and plan their services over the longer term, action needs to be taken to manage the growing pool of unspent funds. It is ACSA's position that monies that are being saved for a particular purpose should be segregated and indicated as being kept for a service yet to be provided. This will clarify funds intended for future spend and funds unutilised. Increased education to HCP recipients will also be required to ensure individuals understand the purpose of their HCP funding and use it accordingly.

Unspent funds could also potentially be seen as an outcome of an individual being in a higher level package than they perhaps need to be, because of changed needs or being assessed at a time of crisis which now has passed. While it would make sense that a person no longer needing the higher-level HCP drops back to one at a lower level, there are reasons why this doesn't happen now that need to be addressed. We need a system that allows home care consumers the ability to easily be able to flex between levels, and if they do voluntarily give up a Level 3 or Level 4 package, they are able to get this back readily should their circumstances change.

ACSA advocates for the need for education/encouragement for individuals to spend the funds they have on needed services and a thorough examination of the reasons for, impacts, and potential unintended consequences of, funds being unspent prior to a policy solution being determined. Any solution also needs to guard against encouraging reckless spending or taking money away from individuals who may legitimately be saving it for a specific purpose.

WORKFORCE

Dr McEvoy's final remarks also noted workforce issues in the home care sector. As stated, "The aged care workforce performs a critical role in delivering high quality, safe, person-centred care".[14]

Some key issues raised at the Royal Commission included lack of guaranteed minimum hours, low renumeration, low numbers of full-time positions for care staff and training. ACSA acknowledges that there are significant aged care workforce challenges that must be met to meet the needs of older Australians. The current workforce of over 300,000 needs to triple by 2050 to meet anticipated demand.[15]

To deliver high quality care into the future we must attract "right fit" workers who have access to effective and suitable training.[16] Issues facing the home care workforce include the impact and management of CDC on working conditions, providers needing to balance consumer need with

[13] Aged Care Financing Authority, *Sixth report on the Funding and Financing of the Aged Care Sector July 2018*, 2018, pg., 25. https://agedcare.health.gov.au/sites/default/files/documents/08_2018/acfa-sixth-report-2018-short-report-fa.pdf
[14] Commonwealth of Australia, *Transcript of Proceedings, In the Matter of the Royal Commission into Aged Care Quality and Safety*, 2019, pg., 1114. https://agedcare.royalcommission.gov.au/hearings/Documents/transcripts-2019/transcript-22-march-2019.pdf

[15] Australian Government, *The aged care workforce: 2016*, Australian Institute of Health and Welfare, 2017. https://www.gen-agedcaredata.gov.au/www_aihwgen/media/Workforce/The-Aged-Care-Workforce-2016.pdf
[16] Australian Government, *A matter of care – Australia's Aged Care Workforce Strategy*, Department of Health, June 2018. https://apo.org.au/sites/default/files/resource-files/2018/09/apo-nid192246-1090301.pdf

Enterprise Agreements, organisational demands, Work, Health and Safety (WHS) needs and supply competition, most notably with the disability sector.

ACSA was involved in and welcomed the Aged Care Workforce Taskforce's report *A Matter of Care – A strategy for Australia's aged care workforce*. ACSA is working with other peaks on the creation of an Industry Workforce Council to implement the Strategy.

In addition, ACSA created its Workforce & Industry Development Unit and is working on the implementation of the Workforce Strategy which identifies the key challenges and issues that need action to ensure we have the workforce necessary for the future.

ACSA supports the workforce announcements in the 2017 Federal Budget and reaffirms its position:

- The needs of the sector in moving to a single assessment workforce;
- Mechanisms to encourage better coordination across the social services sectors (including health, aged care, disability and community services);
- Strategies for recruitment, retention, education, development and remuneration to ensure that the workforce needs of each of the sectors are met across all geographical areas; and
- Support for informal carers innovation – A program that encourages, supports and allows for innovative practices to drive better service delivery outcomes.

CONCLUSION

ACSA welcomes the Royal Commission into Aged Care as it provides the community with an opportunity to engage in a much-needed, constructive national discussion about the future of aged care, including how as a society we will deliver the quality services our growing ageing population will need and how it will be sustainably funded.

Current aged care policy enables older people to remain living in their own home and community independently for as long as possible, evidenced by the recent aged care reforms. But we must continue to invest, adjust and improve the system to ensure needs can be met.

ACSA advocates that there is a consideration of the applicability of the Resource Utilisation and Classification (RUCS) model for Home Care.