

THE NOT-FOR-PROFIT DIFFERENCE: November 2015

Faith based, community and charitable aged care organisations play a significant role in the Australian community by providing care and support in a time of crisis and when help is most needed. Not-for-Profits (NFP) are committed to promoting choice, wellbeing and quality of life for older Australians.

The distinguishing responsibilities of ACSAs members are as custodians of values, leaders of innovation, champions of volunteerism, providers of pastoral care and proponents of wholesale community benefit. There is a commitment to people and values rather than investment and profit. Any surplus is reinvested in improving services, keeping people actively connected in civil society; delivering unprofitable services in unviable markets, and operating where there is no capacity for the disadvantaged in our society to receive care in existing markets.

ACSA and its members must continue to foster an environment that promotes innovation and ensures that effective programs and practices are implemented. We must advocate for prevention, wellness, palliative care and models of service that improve health and address cost; we must partner with new organisations that are aligned with our mission, values and imperatives and we must support research with particular emphasis on the needs of rural, remote and disadvantaged older populations.

ACSA members need to continue to lead the way in supporting initiatives that entice, develop and retain those staff responsible for service provision and governance within our organisations.

It is purpose that gives leaders in our sector their unique sense of duty. It's that purpose that lies at the very heart of devising organisational strategy, the manner in which our vital work is undertaken, and the way we hold ourselves accountable to our consumers, our patrons and society as a whole.

KEY FACTS¹

NFP aged care organisations deliver about 60 per cent of residential aged care services and about 85 per cent of all community aged care in Australia. These mission-based and NFP organisations are visible and highly accessible in the community resulting in the public relying on NFPs for service, support and care.

NFPs also provide greater accessibility of services in locations across Australia including remote, rural and regional areas.

- Nationally, 66% of aged care services are not-for-profit, 19.5% are for-profit services and government manages the remaining services.
- Not-for-profit facilities are located in all locations in Australia, while for-profit providers are concentrated in the major cities with smaller numbers in inner regional and outer regional locations.
- Not-for-profit providers deliver 60% of residential age care places in Australia. Small residential aged care facilities are predominately not-for-profit.
- Not-for-profit providers deliver 82% of home care places in the community. The not-for-profit sector is best positioned to implement government policies to support ageing in place through the expansion of community based care and support.
- The NFP sector operates approximately 64% of retirement villages and they are more accessible to people with low to moderate incomes requiring lower upfront fees and weekly rental.
- Not-for-profit providers deliver 83% of the National Aboriginal and Torres Strait Islander Flexible Aged Care Program.
- Donations: Not-for-profits have the capacity to draw income from other streams.

¹ SGS Economics and Planning for ACS NSW & ACT, Not for profit sector in the aged care industry, October 2014.
For review November 2016

CASE STUDIES

Case study 1: Cowra Retirement Village

As an example of the value of NFP aged care services, the paper highlights the Cowra Retirement Village which adds the following to its local community:

- \$12.5 million in value added (wages, salaries, supplements).
- 131 total jobs (including the 95 people employed at the facility).
- \$18.9 million in total output (including initial expenditure of \$10.8 million at the facility).

Case study 2: UnitingCare Queensland

- 9,000 volunteers contribute 1.2 million hours of effort equivalent to \$29.3 million.
- Supports 13,343 FTE jobs – 52% in regional Queensland.
- Blue Care looks after 13,000 home care clients per day leading to \$16 million in saved residential care costs per year.
- Accepts 1,774 new residential aged care clients per year saving \$18 million in health system costs.
- 73% of facilities are in 60% of Queensland's most disadvantaged areas.

Case study 3: HammondCare

- Devotes 2% of its income to research that provides an evidence base for better care.
- Pain Clinic and similar clinics were fully funded at a cost of \$1.3 million.
- 40% of residents in HammondCare's aged care facilities are financially disadvantaged.
- HammondCare are pioneering a dedicated residential care home for people with Younger Onset Dementia with a \$500,000 subsidy gap.
- 80% of HammondCare's residents in aged care facilities have dementia.
- Their vital Pastoral Care and Volunteer Services were fully funded by HammondCare at a cost of \$1.6 million.

Case study 4: McCusker Nurse Service, Amana Living WA

The McCusker Nurse program is an innovative free service that offers tailored one-on-one support, information and guidance to people living with dementia, their carer/s and family members.

The McCusker Nurse:

- is a specialist Registered Nurse with experience in dementia care who will offer guidance, advice, support and reassurance;
- will provide information about the resources available for living the second half of life with dementia from the time of diagnosis and support people to maximise their quality of life; and
- will guide people to existing dementia services so they can make the best choice.