Five Pillars over five years – Distilling the Reforms

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YourSide webinar, 29 November 2021

ACSA acknowledges the traditional custodians of the land on which we work and pay our respect to Elders past, present and emerging.

HOME CARE HISTORY

Home care history

1986 – Home and Community Care (HACC) Program

1991/93 – Aged Care Reform Strategy Mid Term Review and HACC Efficiency & Effectiveness Review

1992 – Home Care Package (HCP) forerunners start [CACP & EACH]

1997 – Aged Care Act

2004 – The Way Forward: Community Care Reform

2011 – Productivity Commission *Care of Older Australians* Report

2012 – Living Longer Living Better & Commonwealth HACC Program

2014 – Current HCP structure introduced

Home care history

2015 – Commonwealth Home Support Program (CHSP) and intent to merge CHSP & HCP by 2018

2017 – HCP funding to consumer

2018 – Further consultations on home care reform for 2020 deadline

2019 – Last State HACC Program (WA) transferred to CHSP

2019/21 – Aged Care Royal Commission

2020 – Government recommitted to merger of CHSP & HCP in response to ACRC Interim Report

2021 – CHSP extension to 2023 and intent to create Support at Home Program by 2023

Lessons from history

- HACC Program focus on funding individual providers each doing one service type didn't work for people with complex needs

- HCP model of 4 levels of funding is inflexible and over-allocates money to many individuals contributing to long waiting lists. Individual budgeting process is administratively complex

- Most older people don't want to self manage, but some want the option

- Don't do what NDIS did and eliminate block funding entirely, even for thin markets

- Access to support difficult for older people as they navigate complexities of My Aged Care and separate assessment processes for low and high care

AGED CARE ROYAL COMMISSION FINAL REPORT: KEY FINDINGS

ACRC Key Findings

- Around 30% of people using aged care services received substandard care at least once over their time in care

- "The extent of substandard care in the current aged care system is deeply concerning and unacceptable by any measure"

- 1997 Cabinet Memorandum shows current system is "the unenviable trade-off between health of older Australians and the desire to save on public expenditure for that help"

- Successive governments "consider aged care as a form of welfare for the very needy, to be provided to bare minimum extent required"

- Government underfunding amounts to $9.8 billion per annum (58% of 2018-19 expenditure)
  - Inadequate indexation has reduced Australian Government expenditure by 22.4%
  - Rationed supply has reduced Australian Government expenditure by 25.7%

ACRC Key Findings

- Systemic problems:
  - Absence of leadership and governance at a system level
  - Insecure, insufficient Government funding
  - Financing arrangements that do not support sustainability
  - Inequitable means testing
  - Inattention to market structure, evolution and local conditions
  - Piecemeal approach to reform
  - Variable provider governance, management and leadership
  - Undervalued aged care workforce

ACRC Key Findings

- Systemic problems (cont.):
  - Attitudes and assumptions about ageing and aged care
  - Reactive model of care
  - Lack of voices of older people and diverse communities
  - Ineffective regulation
  - Absence of transparency
  - Missed opportunities for research and innovation
  - Poor cooperation across health and aged care systems

Five Pillars of Aged Care Reform

Pillar 1:
Home care

2021
- 40,000 more home care packages.
- Senior Australians able to access assistance and information about aged care through 325 Services Australia Service Centres, and aged care specialists in 70 Service Australia centres.
- Extra support for informal carers.

2022
- 40,000 more home care packages.
- Respite services for 8,400 additional clients every year.

2023
- 500 local Community Care Finders provide targeted, specialist face-to-face support to vulnerable senior Australians to help them access aged care and connect with other health and social supports.
- Senior Australians can access a new support at home program.
- Single assessment workforce will expand to the new support at home program.

2024
- New support at home program supports senior Australians to stay in their homes and keep connected to their communities.
- Single assessment workforce will continue assessments for the new support at home program.

Pillar 2:
Residential aged care services and sustainability

2021
- Supplement of $10 per resident per day.
- Continuation of the increases to the homeless and viability supplements.
- New prudential monitoring, compliance and intervention to help providers build financial sustainability, capability and resilience.
- Independent Hospital and Aged Care Pricing Authority established, extending role of existing hospitals pricing authority to include aged care advisory function.

2022
- New funding model to improve quality of care for 240,000 people using residential care and 67,000 people using residential respite care each year.
- Average care minutes for each resident increased to 200 minutes per day, including 40 minutes of registered nurse time.
- Registered nurse on site for a minimum of 16 hours per day.
- Structural Adjustment Program delivers increased provider viability and a strengthened aged care market.
- Single assessment workforce introduced to improve the experience of senior Australians in residential care.
- Better reporting, including through Star Ratings, to help senior Australians make easier comparisons and improve choice of care.

2023
- Minimum care time becomes mandatory.
- Annual funding increases and price setting take into account advice from the new Independent Hospital and Aged Care Pricing Authority.

2024
- Increased choice for senior Australians receiving residential care with care packages assigned to consumers, not providers.
- New residential aged care accommodation framework gives senior Australians more choice and improves accessibility and dementia-friendly accommodation.
- Aged Care Approval Round discontinued.

2025
- Improved service suitability that ensures the care needs and preferences of senior Australians in residential aged care are met.

Pillar 3:
Residential aged care quality and safety

2021
- Immediate improvements to the quality of care in dementia, diversity, food and nutrition services.
- Stronger clinical care standards developed by the Australian Commission on Safety and Quality in Health Care.
- Up to 120,000 additional GP services through boosted Aged Care Access Incentive.
- Increasing dementia care capability delivers better outcomes for people living with dementia.
- Palliative care services expanded to support end-of-life care at home.

2022
- Residents access improved care through Primary Health Networks facilitating telehealth and out-of-hours triage services.
- Expansion of the Serious Incident Response Scheme gives 1 million senior Australians receiving home and community care greater protection.
- Stronger presence of Aged Care Quality and Safety Commission in facilities with an extra 1,500 site audits.
- Providers to report regularly to residents and families on care and commencement of Star Rating system.

2023
- Improved support and training in dementia care and minimising restraint (restrictive practices).

2024
- National Aged Care Data Strategy improves the information that is available to senior Australians about the quality in aged care.
- New independent regulatory authority established following review of the Aged Care Quality and Safety Commission.

2025
- Senior Australians receive high quality, compassionate care.
- Confidence in aged care is rebuilt.

Pillar 4:
Workforce

2021
- Up to 6,000 new personal care workers in workplaces.
- Surge locum workforce capacity in regional and rural locations.
- Improved training in dementia care and minimising restraint (restrictive practices).

2022
- Up to 7,000 new personal care workers in workplaces.
- 33,800 additional training places rolled out over two years for personal care workers to attain a Certificate III in Individual Support (Ageing).
- More registered nurses in workplaces due to nurse incentive and financial support schemes.
- Single assessment workforce in place to conduct assessments across residential and home care.

2023
- Additional training places for personal care workers to attain a Certificate III in Individual Support (Ageing).

2024
- Continued growth of the aged care workforce and a demonstrable increase in registered nurses choosing aged care as their career.

2025
- Tangible improvements seen in staffing levels, skill mix and training of the care workforce.
- Workforce continues to meet the demand for aged care services, particularly in home care.

Pillar 5:
Governance

2021
- Initial rollout of expanded regional network to improve local planning and understanding of needs.
- Council of Elders established to provide a direct voice to Government.
- National Aged Care Advisory Council established to provide expert advice to Government.
- Expanded capital infrastructure grants available to improve access to better quality aged care services for First Nations people and those in rural and remote locations, or who are homeless or at risk of homelessness.
- Improved services and health outcomes for people in remote and Indigenous communities as a result of additional aged care funding.

2022
- New workforce of trusted First Nations people to assist Older First Nations people navigate and access aged and disability care.

2023
- Introduction of a new, values based Aged Care Act.

2025
- Strong and effective governance of aged care is in place with senior Australians at the centre and improved care outcomes consistently delivered.

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Five Pillars + One

1. Home Care

2. Residential Care Sustainability

3. Residential Care Quality*

4. Workforce

5. Governance

6. Housing & Retirement Living [ACSA]

Also includes home care quality issues as well as building models & regulations

FUTURE THROUGH PRISM OF THE 5+1 PILLARS

Future of aged care

Pillar	Major changes	Provider responses
Home Care	• CHSP & HCP payment in arrears • Support at Home Program • 80,000 HCPs • Care Finders	• Understand costs & service offerings • Integrate CHSP and HCP models • Take growth opportunities
Residential Care Sustainability	• AN-ACC funding replacing ACFI • Consumer control of residential care places • Independent pricing	• Prepare for new funding model • Market-based decisions on new and upgraded residential care • Possibly better funding of costs
Residential Care Quality	• Revised Quality Standards • Additional Quality Indicators • SIRS in home care • Star ratings • New building standards	• Respond to new standards and indicators • Greater reporting in home care • Transparency of performance • Small household buildings

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Future of aged care

Pillar	Major changes	Provider responses
Workforce	• 200 care minutes per resident per day • RN & care worker retention • Home care worker recruitment • Wage increase (maybe) • Code of conduct	• Recruitment of new staff while there's a workforce crisis • Use government initiatives while promoting organisation • Ensure compliance
Governance	• New Board member & governance requirements	• Review Board membership & governance structures
Housing & Retirement Living	• Additional Retirement Village Act requirements • Opportunities for integrated housing & care models	• Ensure regulatory compliance • Expand integrated housing & care models

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Home Care

ACRC Recommendation	Budget Initiative	Implication
Eliminate Home Care Package (HCP) waiting list	$6.5B to provide an additional 80,000 HCPs: • 40,000 in 2021-22 • 40,000 in 2022-23	Continued significant growth in HCPs gives providers opportunities
Create single aged care program	Merger of HCP, Commonwealth Home Support Program (CHSP), Short-Term Restorative Care (STRC) and respite care into single in-home care program by July 2023. CHSP contracts extended by one year to 30 June 2023, with most CHSP providers transitioning to payment in arrears.	Funding model to be determined, but will include grant funding and possibly a classification model. Will be future growth opportunities

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Home Care

ACRC Recommendation	Budget Initiative	Implication
Improved access to carer support services	$798.3M to support 1.6 million informal carers, including additional CHSP respite services for 8,400 older Australians	Opportunity for growth in respite and other carer support services
Improved support for people accessing aged care, including introduction of care finders	$272.5M for enhanced support and face to face services to assist older Australians accessing and navigating the aged care system. Network of 500 local Care Finders in place by 2023	More help available for people to steer their way through aged care system
Elimination of user charges for in-home care	Not implemented. Will be reviewed as part of creation of new in-home care program	No change to CHSP/HCP consumer fees for next couple of years

ACRC Single Aged Care Program Model

Service categories	Purpose	Services	Funding Model
Respite supports	To improve the wellbeing of informal carers, increase their capacity to care, and support their social and economic participation	Respite in the home, in cottages, and in purpose-built facilities	Grant funded
Social supports	To improve social inclusion and community participation for the person's long term health and wellbeing	Social activities (alone and in groups) and including centre-based respite, transport (alone and community) and delivered meals	Grant funded
Assistive technologies and home modifications	To maximise a person's independence to perform tasks or activities of their daily lives and minimise any risk to their safety	Purchase and installation of goods, aids, equipment and services, including assistive technologies, minor modifications to the home and services to address squalor	Grant funded

ACRC Single Aged Care Program Model

Service categories	Purpose	Services	Funding model
Care at home	To support a person's independent living at home and in the community, providing care and support for assessed needs, including end-of-life	Personal care, clinical, enabling and therapeutic care, and palliative and end-of-life care. Living supports: cleaning, laundry, shopping for groceries, light gardening and home maintenance. Care management	Classification system (like residential care) or individual budget (like NDIS)
Care at a residential home	To preserve capacity for a person's dignified living and death in a residential home	Living supports (if appropriate), personal care, clinical, enabling and therapeutic care, and palliative and end-of-life care. Care management	Classification system (AN-ACC)

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New Support at Home Program

- Government has commenced consultation on critical design elements, including:

  - Improved assessment arrangements that are more consistent, more accurate, and recognise that not all consumers need intensive assessments

  - A modern classification and funding system to ensure the support senior Australians receive aligns with their assessed care needs

  - An increased choice of provider/s across all types and levels of aged care

  - A dedicated focus on care management in assessment and funding arrangements

  - Better support for informal carers, and

  - More support for early interventions to help people to remain independent at home for longer

- DoH developing model with electronic payment platform to allow fee for service payments in real time

DoH Support at Home consultation & research

- Research and consultation with senior Australians and their carers, assessors, home care providers and peak body organisations to inform the Support at Home program, including how to evaluate it

- Research to ensure current home care program benefits are maintained while issues are addressed and determine how best to support and inform consumers about the new program changes and design

- Consultation with stakeholders regarding business and service delivery model design

- A study with up to 4,000 senior Australians about the needs and associated costs of delivering home care. It aims to better match these needs with appropriate supports. The study builds on earlier work to identify and evaluate options for assessing consumers in a new home care model

- Research comparing needs of senior Australians in residential aged care with those receiving support through a home care package. The research identifies where senior Australians with higher levels of need could be safely and cost-effectively supported at home instead of in residential aged care. This includes consideration of senior Australians with disabilities who may not be eligible for the National Disability Insurance Scheme (NDIS)

Assessment, Classification & Funding model

- HealthConsult reported to DoH in May 2020 on options for development of an **Assessment, Classification and Funding** (ACF) model for Home Care, with further costing work with selection of providers since then
    - An assessment model that tailors the level of assessment to the level of a consumer's need/expected resource use
    - A classification model that allows the consumer to be in **more than one class concurrently**
    - A funding model that incentivises the use of Tailored Service Bundles (TSBs) to maximise alignment between **support services delivered and support services needed** and as determined by the **independent assessment process**
    - A classification and funding approach that funds reablement episodes separate to ongoing episodes
- A trial to test and improve the assessment model will occur in the first half of 2022. An Advisory Group of up to 15 members will provide advice:
    - aged care service providers who deliver CHSP, HCP, STRC or residential respite services
    - experienced aged care assessors; geriatric and allied health professionals
    - senior Australians and their family and carers who have experience with home care services

CHSP Extension

Table 1 Implementation timeframes for the CHSP extension

Financial Year	2021-22				2022-23				2023-24
Calendar Year	2021		2022				2023		
Key work items	Jul – Sep	Oct – Dec	Jan – Mar	Apr – Jun	Jul – Sep	Oct – Dec	Jan – Mar	Apr - Jun	Jul – Sep
Contract negotiation with CHSP providers		▓	▓						
Transition support applications			▓						
Contract finalised				▓					
CHSP Extension					▓	▓	▓	▓	
Transition to Support at Home Program									▓

Table 2: 2022-23 CHSP National Unit Prices Ranges

CHSP Service Type	Output measure	2022-23 CHSP National Unit Price Ranges
Allied Health and Therapy Services	Hour	$95-$125
Assistance with Care and Housing	Hour	$61-$97
Centre-based Respite	Hour	$27-$51
Cottage Respite	Hour	$28-$53
Domestic Assistance	Hour	$48-$61
Flexible Respite	Hour	$51-$67
GEAT	Cost in dollars	*
Home Maintenance	Hour	$53-$75
Home Modifications	Cost in dollars	**
Meals	Meal	$7.50-$13
Nursing	Hour	$104-$129
Other Food Services	Hour	$25-$41
Personal Care	Hour	$51-$68
Social Support Group	Hour	$17-$27
Social Support Individual	Hour	$39-$60
Specialised Support Services	Hour	$76-$118
Transport	One-way trip	$18-$36

CURRENT MAJOR ISSUES

Workforce shortages

- Long-term chronic workforce issues have become acute crisis

- COVID-19 has shut borders, scared existing and potential staff, and increased competition with health sector

- Australian Aged Care Collaboration has proposed package of 6 short-term measures to government

- ACSA/LASA workforce survey

- Representation on unions' claim for a 25% pay increase in Fair Work Commission

Managing reform: an industry transformation plan

- Industry consolidation is real

  - While Home Care Package provider numbers have doubled in past 3 years, CHSP and residential care providers numbers have been steadily falling for a decade or more

- Government response to ACRC recommendations will increase regulatory pressure, even if there is an improvement to financial sustainability

- There's a need for a proper Aged Care Industry Plan

  - Clear role for Funder, Steward and Regulator

  - Responsibility for Provider Peak Bodies and individual providers

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COVID-19 response

- Current issues include:

    - Residential care visitation – revised Industry Visitation Code

    - Residential care booster shots

    - Home care worker vaccination

    - Managing outbreaks

- ACSA/LASA paper on moving to COVID normal

- Engaging with Federal and State/Territory Governments on regular basis on above

Support at Home Alliance

- Alliance of organisations passionate about the future of the home care system in Australia:

  - Aged & Community Services Australia

  - Community Transport Organisation (NSW)

  - Home Modifications Australia

  - Meals on Wheels Australia

  - NSW Neighbour Aid & Social Support Association

- A working party including representatives of the Support at Home Alliance, sector support & development projects and the Australian Health Services Research Institute, University of Wollongong contributed

Alliance *Seamless Aged Care* position paper

- Alliance position paper titled *Seamless Aged Care: How to set up Support at Home right, first time*

- Based on engagement with members of alliance partners who provide home and community care services, either through the Home Care Packages program, Commonwealth Home Support Program or both

- Intended as a contribution to development of the new Support at Home Program

- Alliance will continue policy development with a second paper describing potential design elements of Support at Home

WHY SEAMLESS AGED CARE?

Strength of home and community care

- Home and community care programs are the bedrock of Australia's aged care system, supporting communities through provision of personal care services, meals, transport, community support, amongst others

- We are embedded in every local area across Australia, providing services and support to people regardless of where they live, their culture or their ability to pay

- Our aim is simple, to ensure the over 1 million older people we care for, are able to continue to live in their local communities, participate in everyday activities, for as long as possible

- We do this by drawing on the strengths of local communities, underpinned by lean infrastructures and overheads, and maximise our impact thanks to our vast armies of local volunteers

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Vision for Support at Home

- Built on existing network of local services, activities and supports
    - formal and informal
- Provides real choice for older people
    - Program based or self-managed – or mix of both
- Minimises burden on the older person
    - E.g. administration, rostering etc (unless it's their choice)
- Localised planning framework and capability development
    - Interface with health services
- A funding model that is equitable and sustainable

Mechanism to allow Seamless Aged Care

- We propose a new Support at Home Program that includes a classification and funding system, similar to the Australian National Aged Care Classification (AN-ACC) in residential aged care

- Importantly, this will support longer-term sustainability of the vital community supports and volunteer activities that our services provide

- It will provide real choice for older people as it will be designed around meeting their individualised needs

- It will also improve accountability of funding and build a platform for meaningful quality improvement across the sector

CONTENT OF *SEAMLESS AGED CARE* PAPER

Guiding Principles for Support at Home

- Experience of older people, e.g.
  - Is at the centre of the aged care system
  - Sees equity of access to services in the home
  - Focuses on wellness and reablement as a positive feature
- Eco-system of home care sector, e.g.
  - Accommodates the challenges and diverse needs of thin markets
  - Values the motivation and contribution of volunteers
  - Applies consistency of funding approaches across aged care

Experience of Older People

- Articulating key rights of older people, based on recent OPAN statement about human rights basis of new Aged Care Act

- Emphasising freely and competently exercised choice of care older people want

- Explicit information about limits placed on service availability due to funding constraints or requirement to pay for services

Funding Model for Support at Home

- Identifies alliance aspirations for a new funding model
  - Accommodates place-based service delivery (costed to recognise variance and complexity of place)
  - Mitigates unintended consequences of market responses as well as volatility in client base/service environment
  - Recognises that services need to be scalable and sustainable
  - Enables measurement of quality of life outcomes
- Uses concepts embedded in activity-based funding and AN-ACC
  - Classification system with classes that describe the characteristics of those receiving care rather than describing what they receive (casemix not service mix)
  - Payment model in which there is an explicit relationship between cost and price informed by regular costing studies

Funding Model for Support at Home

- AN-ACC funding model has three key design elements:

  1. A base care tariff (for the fixed care component)

  2. A variable payment (for the individual care needs of the resident as determined by the resident's AN-ACC class)

  3. A one-off adjustment payment when a resident enters residential aged care

- Applying this model to Support at Home program could yield benefits, in that it:

  - provides predictability through the fixed component

  - allows for a seamless and integrated consumer experience throughout the ageing journey

  - encourages providers to deliver beyond an 'output #'

  - is accountable based on monthly invoicing for services delivered (in arrears) for variable component

  - it allows for flexibility and is responsive, supporting an outcome focus

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Characteristics of Support at Home

- Paper identifies key characteristics the alliance believes should feature in the new Support at Home Program. These cover areas such as:

  – System design

  – Choice for older people

  – Quality and safety

  – Funding including high level care

  – Provider mix

  – Workforce and volunteers

  – Primary health and Reablement & wellbeing

  – Transition arrangements

LET US KNOW YOUR THOUGHTS

Seeking sector views

- *Seamless Aged Care* paper
  - Aiming to release paper by early December 2021
  - Will be keen to receive views from the sector
  - Alliance intends to engage with other provider peak bodies (e.g. via Australian Aged Care Collaboration) and consumer peak bodies
- Our paper informs response to government preparation for Support at Home Program
  - CHSP transition year
  - HealthConsult work on assessment, classification and funding model
  - Potential DoH discussion paper

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