The Future of Aged Care – Looking towards 2018

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Chair, Home Support Advisory Group, National Aged Care Alliance
ACS NSW & ACT CHSP Forum, Novotel Sydney, July 2015
Why reform at all?

• “It’s all too hard”
• “It won’t work”
• “Nothing ever really changes anyway”

So why are we bothering?

• Because:
  • HACC system was fundamentally flawed and not client friendly
    • Multiple assessments
    • Multiple service providers
    • Inconsistent and unfair fees
  • Relationship with Home Care Packages fractured
  • Reviews over 20 years have recommended reform
  • We asked for it to change!
Evolution or Revolution

• Aged care in Australia is undergoing a transformation
• Evolution not revolution
• Gradual shift towards
  • Individualised funding models
  • Increased user pays, with safety nets
  • Wellness and reablement focus
## Aged Care: NDIS comparison

<table>
<thead>
<tr>
<th>Aged Care</th>
<th>NDIS</th>
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<tbody>
<tr>
<td>Applies to people gaining disability aged 65+</td>
<td>Applies to people gaining disability before age 65</td>
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<tr>
<td>Individual budget only in HCP, with CDC budget handled by provider</td>
<td>Only individual budgets controlled by NDIA and person with a disability</td>
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<tr>
<td>Block funding remains in CHSP</td>
<td>Limited block funding in trial sites</td>
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<tr>
<td>Residential care remains, but reducing as proportion of aged care</td>
<td>Transition away from institutional care</td>
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<tr>
<td>Substantial co-contribution required with use of home asset for residential care; government funds safety net from general taxation</td>
<td>No co-contributions but choice to pay for extra services; mainly funded via 0.5% Medicare Levy increase and general taxation</td>
</tr>
<tr>
<td>Assessments by My Aged Care (ACAT and RAS)</td>
<td>Assessments by NDIA</td>
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Current aged care reforms
Current reforms: Quality

• Aged Care Complaints Scheme
  • Reports to Aged Care Commissioner from January 2016
• Quality indicators
  • First stage of voluntary National Aged Care Quality Indicators Program
  • Pilot in residential care of pressure injuries, unplanned weight loss, physical restraint and quality of life/consumer experience indicators
• Aged Care Quality Advisory Council
  • Working with Quality Agency on Quality Dialogue in August 2015
• Budget announcements
  • Full fees for residential care accreditation from July 2016
  • Potential competitive market for accreditation in future
Current reforms: My Aged Care

- Key implications
  - Separation of assessment from service provision
  - Regional Assessment Service role for Home Support services
    - Assessment
    - Short-term case management
    - Reablement
  - Aged Care Assessment Teams for Home Care and Residential Care services
  - Electronic aged care client record
    - Service provider portal
    - Consumer portal
    - Assessor portal
Current reforms: Home Care Packages

- Key implications
  - 4 levels of Home Care Package
    - Dementia & Cognition Supplement
    - Veterans Supplement
  - Income tested fees
    - Annual cap of up to $10,000
    - Lifetime cap of $60,000
    - Income testing via Department of Human Services
  - Consumer Directed Care (CDC)
    - All existing HCPs became CDC from 1 July 2015
    - Transition for clients with services above HCP levels
Current reforms: Commonwealth Home Support Programme

- Key implications
  - Consolidation of HACC, NRCP, DTC and ACHA
  - Retention of block (output) funding – contracts to 30 June 2018
  - Limit of service volume to less than Home Care Package
  - New restrictions on some services, e.g.
    - $500 (max $1,000) for equipment
    - $10,000 for home modification
  - Flexibility of up to 20% of outputs within sub-programmes
    - Community & Home Support
    - Care Relationships
    - Assistance with Care & Housing
    - Service System Development
  - Client contributions framework
    - No mandatory fees schedule – target of 15% of grant revenue
    - Greater transparency of user charges
    - Gradual move to national consistency
# New concepts

<table>
<thead>
<tr>
<th>Concept</th>
<th>Description</th>
<th>Service responsible</th>
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<tbody>
<tr>
<td>Wellness</td>
<td>A philosophy or approach across all services</td>
<td>CHSP, RAS, HCP</td>
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<tr>
<td>Reablement</td>
<td>A time-limited, goal-oriented intervention</td>
<td>RAS</td>
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<tr>
<td>Restorative care</td>
<td>An intensive short-term program to make a functional gain, led by allied health workers</td>
<td>CHSP</td>
</tr>
<tr>
<td>Consumer directed care</td>
<td>Consumer choice and control</td>
<td>CHSP, RAS</td>
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<tr>
<td></td>
<td>CDC with individual budget</td>
<td>HCP</td>
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But wait … there’s more!

- **2016-17 – Restorative Care Program**
  - Merging Transition Care Program into new expanded short-term restorative care program
  - New program not only targeting people leaving hospital
  - New planning ratios of aged care places per 1,000 people aged 70+:
    - Residential care – 78 (drop from 80)
    - Home care – 45
    - Restorative care – 2
  - Places will be allocated via competitive process (ACAR?)
And even more!

- **February 2017** – Home Care Packages funding transfers to the consumer (*Increasing Choice* Budget measure)
  - No more allocated HCPs to approved providers
  - No more Aged Care Approvals Round for HCPs
  - Consumers will choose provider, who in turn then claim funding from government
  - Packages portable to another provider, including in another location
- **July 2018** – Integrated Care At Home Program
  - Amalgamation of CHSP and HCP into a single program
Aged Care Sector Committee

• Key formal Government consultative committee with sector
  • ACSA is represented, along with NACA Aged Care Reform Secretariat

• Key outputs so far:
  • Aged Care Sector Statement of Principles
  • Red Tape Reduction Plan

• Minister Fifield has given ACSC task of establishing road map for future reform by December 2015
  • Including extension of individual consumer funding model to residential care
  • Legislated review of aged care reforms in 2017
How should aged care be reformed?
The National Aged Care Alliance is the representative body of peak national organisations in aged care including consumer groups, providers, unions and professionals.
Enhancing the quality of life of older people through better support and care

NACA Blueprint Series
June 2015
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.

This vision places aged care in the broader context of ageing, and seeks quality aged care services that are consumer-driven, have a wellness and reablement focus, are affordable for the community and individuals, sustainably provided, and are inclusive of the diversity of older people according to their needs.
NACA: Implementing change

Initial Steps

1. Cross-party commitment to move to a consumer-led and demand-driven aged care system through a phased and transparent implementation process

2. Assessment of the fiscal and related risks of a demand-driven model and the identification of measures to manage risk
Next Steps

3. Incorporating individual funding across all aged care programs to provide the older person with choice and control
   • Integration of residential care, home care and home support into a single and equitable funding structure based on funding following the consumer
   • Effective safety nets for marginalised individuals and communities, and those who cannot meet the costs of care
   • Use of block funding or other mechanisms where an individual funding model does not work

4. Ensuring consumers are better informed
NACA: Implementing change

5. Developing financially sustainable aged care services
   • Reforming means testing to include full value of family home
   • Equitable care fees across residential care, home care and home support

6. Providing more appropriate care and support services for people with dementia

7. Delivering more appropriate palliative, end of life care and advance care planning for older people in the community and in residential care

8. Supporting informal carers
NACA: Implementing change

**Broader Reform Steps**

9. Ensuring an integrated approach to workforce planning and remuneration across health, aged care, disability and community service sectors

10. Reviewing and reforming retirement incomes

11. Aligning the interfaces between aged, health, disability, palliative care and community services

12. Securing access to affordable assistive technologies, aids and equipment

13. Preventing elder abuse

14. Improving access to appropriate housing for older people, within the broader context of liveable communities, including age friendly infrastructure and urban design
Consultation with NACA

• Minister Fifield committed to “deep and profound engagement” with NACA
• Ongoing Advisory Groups, largely focused on implementation of 2015 reforms
  • Quality
  • Gateway (My Aged Care)
  • Home Support
  • Home Care Packages (CDC)
• Probable new Advisory Groups
  • 2017 Home Care Package reforms
  • 2018 Integrated Care at Home program
What could an integrated care at home program look like?
Integrating CHSP and Home Care

• Key features to keep
  • Focus on consumer choice and control
  • Focus on wellness and reablement
  • Engagement of local communities and volunteers (social capital)
  • Involvement of professionals (medical, nursing, allied health, social work)
  • Strong links with related sectors, e.g. health, housing, disability
  • Capacity for local flexibility
Focus:

Wellbeing of older Australians – promoting their independence, giving them choice and retaining their community engagement

Balance:

- Individual responsibility
- Affordability for taxpayers
- Safety net for those that need it
Services for Older Australians

Australian Government

The Aged Care System

Aged care services – (Entitlement based)
Gateway accessed with entitlements for Australians with age related needs

Services
- Personal care
- Domestic care
- Health/Nursing care
- Case management
- Reablement
- Palliative Care
- Residential aged care
- Planned respite
- Home modification
- Major aids and appliances

Aged care services
Other aged care services that can be accessed directly or via the Gateway

Services
- Specific purpose services
  - Homeless person aged care
  - Indigenous flexible aged care
  - Transitional care
- Individual advocacy

Characteristics
- Person-centred funding
- Entitlements subsidised by the Australian Government
- Entry through the Gateway
- Assessed based on need
- Referrals to community support services, health and disability supports and other services
- Client has choice over provider
- Co-contributions income/asset tested
- Co-contributions count toward stop loss
- Government sets the price of the services
- Rigorous quality assurance processes

Community and Carers support services
Services available to all older Australians in the community directly or via the Gateway

Community support services include
- Social activity programs
- Wellness programs
- Day therapy programs
- Community transport
- Meals delivery
- Information and general advocacy
- Other support services
  - Home maintenance
  - Low level aids

Carers support services include
- Carer Support Centres
  - Emergency respite

Characteristics
- Dual access – direct access or via a Gateway referral (or in complex cases an entitlement)
- Block-funded of fixed costs mainly by Australian Government
- State and local government can contribute funding
- Providers set user charges subject to funding guidelines
- Regulation of services limited to generic health and safety and consumer protection
- Funding reporting for accountability
- Meal services - beyond 12 weeks clients will require Gateway assessment
PC Vision for Aged Care System

- Aged Care Gateway
  - Information and referral
  - Single assessment process
  - Entitlement to funding level based on assessment
- Aged Care Services only accessible through Gateway assessment and entitlement process
  - Personal and domestic care
  - Health and nursing care
  - Case management services
  - Reablement services
  - Major aids and appliances
  - Planned respite
  - Palliative and end-of-life care
  - Home modification services
  - Residential aged care services
PC Vision for Aged Care System

• Aged Care Services which can be accessed through the Gateway or directly:
  • Specific needs services that provide integrated aged services for particular client groups who would otherwise find it difficult to access appropriate aged care services. This includes specific services for homeless older people and Indigenous flexible care services. Gateway assessment will be needed for care beyond 12 weeks.
  • Transitional care services
  • Individual care advocacy services
PC Vision for Aged Care System

- Community Support Services which can be accessed directly or by the Gateway providing an entitlement or general referral:
  - Information and general advocacy services
  - Social activity programs
  - Wellness programs
  - Day therapy programs
  - Community transport
  - Meals delivery, initially directly accessible, but home delivered service for greater than 12 weeks referred for Gateway assessment
  - Home maintenance services
PC Vision for Aged Care System

• Carer Support Services which can be accessed through the Gateway or directly:
  • Carer Support Centres including carer counselling, training and education, peer support and emergency or unplanned respite.
  • Additional carer supports through other community service providers and support groups, including Carers Associations
Implications

• Begin planning for the new world now
• How will you respond to
  • Increased competition?
  • New players in the market?
• What can you do yourself? What partnerships do you need to develop with other organisations?
• Know your market and communicate your point of difference
• Take opportunities to deliver a greater range of services
Conclusion

• **Be ready**
  • For the current CHSP changes
  • For the direction of future reform

• **Be engaged**
  • With your clients / staff / board
  • With your peak body
  • With ACSA and NACA

• **Be bold**
  • To advocate to government
  • To make changes