Aged care industry facts (updated February 2014)

## Aged care context

1. Current life expectancy is M 80 and F 84; life expectancy if you are 65 now is M 84 and F 87 (*ABS, Jan 2012*)
2. By 2056: 25% of population 65+ and 7% will be 85+
10.3M live in NSW, of which 7M in Sydney (*ABS, Population projections 2008*)
3. 1 million aged care consumers now – 3.5m in 2050 (*Prod Com CFOA Vol 1 June 2011 pxxii*)
4. 298,000 Australians with dementia in 2011; 400,000 by 2020. Among Australians aged 85 and over, 3 in 10 (30%) had dementia (*Dementia in Australia, AIHW 2012*)
5. 112,000 people living with dementia in NSW in 2014, which is expected to grow to 132,000 people by 2021 (*Alzheimers Australia, Deloitte Access Economics report, 2014)*
6. Around $10B a year government spend nationally and expected to grow by $1B a year
7. Currently 0.8% GDP; expected to grow to 1.8% by 2050 – the same as on defence, close to the expenditure on education (*Intergenerational Report 2010)*
8. The aged care sector is subject to 144 state and federal statutes and reports to 19 government entities and 74 other agencies. (Holman Webb research, 2013 and ACSA National Report 2009)
9. One fifth of all homeless people are aged 55+ (*homelessnessclearinghouse.govspace.gov.au*)
10. Currently there are 5 people working for every person over the age of 65 yrs. This is expected to be less than 3 people working in 2025 and only 2 people in 2050. *(Australia’s Future Tax System, Retirement Living Consultation paper, Chapter 6, 2008)*

## Work force

1. Health and Community Services represent the second-largest industry in Australia, employing more than 1,146,000 people as at February 2009 or 10.6% of the Australian workforce. Of these workers, approximately 22% work in the aged and community care sector.
2. 305,000 people employed in Australia representing 2.7% of the workforce. By 2050, 1 in 20 will work in aged care. *(DoHA, LLLB, p17)* (there are approx. 122,000 workers in NSW)
3. 15.3 per cent of all registered nurses and 21.9 per cent of all enrolled nurses nationally work in aged care.
4. 240,000 people employed as direct care givers, with personal care workers making up 68% in RACF and 81% of community care direct workers. *(2012 National Aged Care Workforce Census, DoHA)*
5. 12.9% of Australian population (2.56 million people) provide unpaid care (*Survey of Disability, Ageing and Carers*, ABS 2005)
6. Aged care has 25% turnover of staff pa, but not leaving aged care. *(Aged Care Workforce report 2012)*
7. 90% of the workforce is female; 72% work permanent part time; 25-30% want to work more hours (not RNs); median age is 48 yrs. *(Aged Care Workforce report 2012)*

## **Residential aged care**

1. 186,278 operational residential care places as at June 2013, 58% were provided by the not-for-profit church, charitable and community sector; 36% FP; 6% Gov. (*Report on Govt Services 2013 Table 13A.16)*
2. 216,477 beds allocated, 186,278 operational, therefore 30,199 (14%) not operational. (The Report on the Operation of the Aged Care Act 2012-13, end June 2013)
3. Around 65,000 operational RACF beds in NSW (35%) in June 2013. (2012-13 Report on the Operation of The Aged Care Act)
4. There are 2050 operational beds in ACT and 1178 packages or 3280 places, giving 115.5 places per 1000 over 70 years. (2012-13 Report on the Operation of The Aged Care Act, p29)
5. DSS predict another 90,000 beds needed in nursing homes by 2022. 190 new beds a week in Australia. (36,000 beds in NSW, $7.4B investment) (*DoHA LLLB, p10*)
6. Average cost of a RACF bed in 2012 was $220,000 (*Grant Thornton study*)
7. NSW has 885 facilities, of which 68% are not for profit, 28% FP and government 4% (*AIHW RAC A Statistical Overview 2010-11, Tables A1.2, A1.6*)
8. There are 2723 RACFs in Australia. (The Report on the Operation of the Aged Care Act 2012-13, end June 2013, p103)
9. 70% of residents are female, and 63% of them are over 85 years old (*AIHW, RAC Stats 2010-2011*)
10. 57% of all residents were over 85 years old in 2011, gradually increasing from 50% in 2000 (*AIHW, RAC Stats 2010-2011*)
11. 50% of residents have dementia (*AIHW, Dementia in Australia 2012*)
12. Average length of stay was 2.8 yrs – 2.1 yrs for males and 3.2 yrs for females (*AIHW, RAC Stats 2010-2011*)
13. 91% of discharges are due to death, 20% within 3 months and 40% before 9 months. (AIHW, depression in RACF report, 2013)
14. The Aged Care Funding Instrument (ACFI) is an extremely complex tool with 102 pages of regulations, 21 pages of business rules and 121 rating cut off points
15. According to The Report on the Operation of the Aged Care Act 2010-11, the average federal government care subsidy for a resident in a nursing home was just $128 a day to provide personal and nursing care. This included assistance with dressing, eating and toileting, bathing and moving around, and allied health services such as physiotherapy, occupational therapy, recreational therapy and podiatry. A hospital bed costs $1500 per day (*Report on Government Services 2012, Table 10A.3)*
16. Over one third of all deaths annually are from residential aged care facilities (*LLLB, Better Health Connections, p10)*
17. As at 30 June 2013, 57.6% of low care beds were being used for people requiring high care, as part of ageing in place. (The Report on the Operation of the Aged Care Act 2012-13, p56)
18. As at 30 June 2013, occupancy rates in Aust. averaged 92.7% (The Report on the Operation of the Aged Care Act 2012-13, p58)
19. 59% of residential aged care places in NSW and ACT were covered by ACS members (DoHA Service List 2012, ACS IMIS 2012)
20. As at June 2013, ACS members operate 23 High Care RACFs and 453 Low Care RACF in NSW; and 7 High care and 14 Low care RACFs in ACT. (DoHA Service List 2012, ACS IMIS 2013)
21. As at 30 June 2013, there were 143 MPS in Australia with 55 in NSW and nil in ACT. These a ‘Flexible care’ places. In NSW we have 706 High care beds, 235 low care beds and 119 community packages(The Report on the Operation of the Aged Care Act 2012-13, p82)

## Home Care/ Community Care and HACC

1. 71% of community care places in NSW and ACT were covered by ACS members (DoHA Service List 2012, ACS IMIS 2012)
2. 60,308 community packages in Aust – 84% NFP; 7% FP and 9% Gov (The Report on the Operation of the Aged Care Act 2012-13, end June 2013)
3. Commonwealth HACC funding is $501.1M in NSW and $20.3M in ACT *(2012-13 Report on the Operation of The Aged Care Act, p43)*
4. 18,839 community packages in NSW or 31% (The Report on the Operation of the Aged Care Act 2012-13, end June 2013)
5. 610,000 HACC; 80,000 Vets, 70,000 package care - people aged 70+ getting community support (*HACC Annual Report 2009, PC CFOA VOL 1 Section 2, p13,21*)
6. 44% of people aged over 85 receive HACC services in NSW, & 30% of people aged 80-84
7. 450 HACC NGO providers for aged care in NSW; 70 are ACS members; the next 10 biggest other than Homecare are ACS members (*ADHC and ACS records*)
8. 28% of people aged 70+ use HACC services (610k / 2,163.5k = 28.2%)
9. The 2013 HACC funding round produced 15% new entrants, 660 organisations applied with 331 successful; 4500 applications and only 1231 successful.

## Retirement Villages

1. There are over 610 retirement villages in NSW. 65% are NFP.
2. In NSW, 32 340 (3.6% of people aged 65+) (*ABS Census 2006)* live in a retirement village, average age 81 (*Stewart Brown survey 2010*)

## ACS

1. ACS NSW and ACT: 289 members ~ 85% of all NFP places; 11% FP places; 3.5% gov places (*DoHA, ACS records June 2012*).
2. ACS members have 78% of the low care places, 40% of the high care places, 71% community care places (*DoHA, ACS records June 2012*)