



Presbyterian Aged Care

# Aged Care Roadmap & Home Care & Support Reform

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# Feb 2017 & Aged Care Reform

- 2 main purposes of this opening address
  1. Provide an overview of the **Increasing Choice Stage 1** measures for Home Care Packages
  2. Place 27 February 2017 in the context of the **trajectory of aged care reform**
    - From 2011-2016
    - In 2017
    - From 2018 onwards
- To do this, we're going to
  - Start with the **destination** of reform
  - Examine the **themes** of reform
  - Place **detail** of Increasing Choice measures into **context**
  - Consider potential **next steps of reform** and how you can influence them in conjunction with ACSA

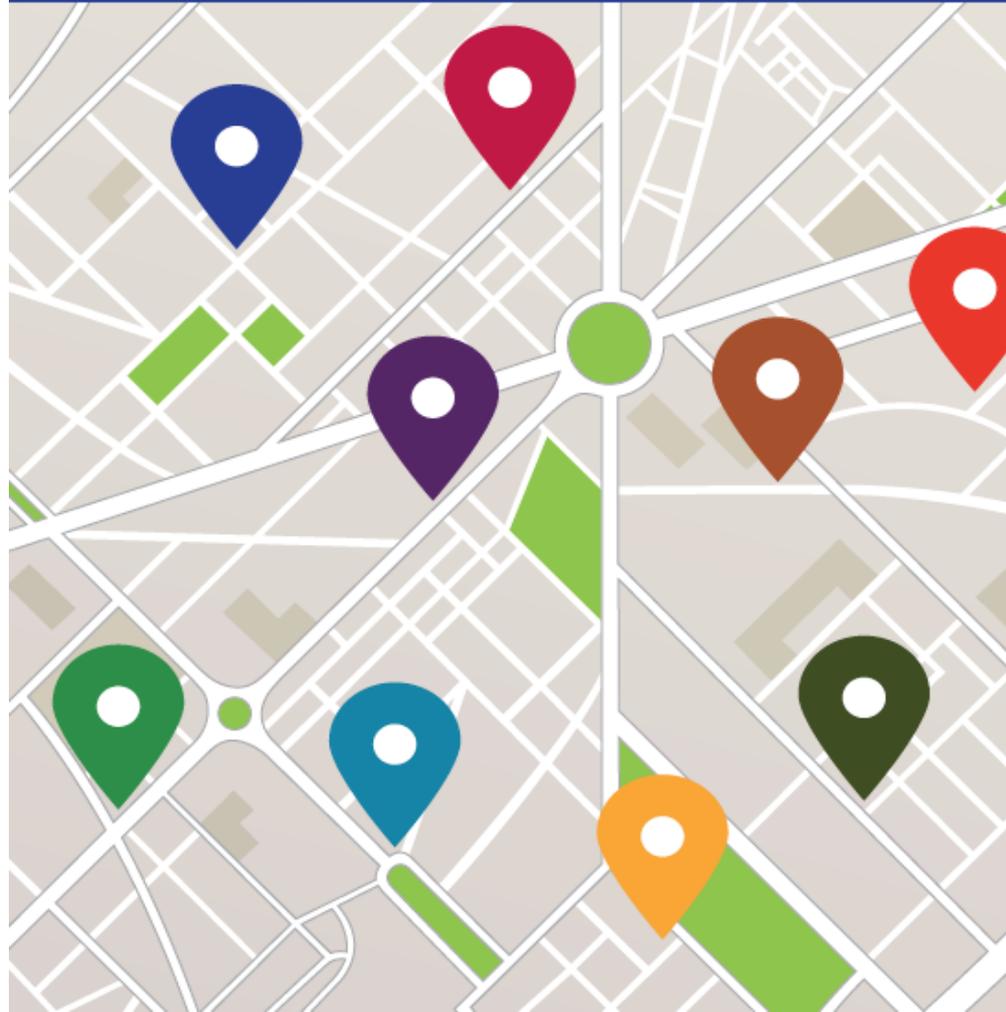
# Aged Care Sector Committee

- Key formal Government consultative committee with sector
- Key outputs so far:
  - Aged Care Sector Statement of Principles
  - Red Tape Reduction Plan
  - Aged Care Roadmap
  - <https://agedcare.health.gov.au/aged-care-reform/aged-care-sector-committee>
- Ministers Ley & Wyatt have supported directions in Roadmap and indicated it will guide future policy work

# Aged Care Roadmap

Aged Care Sector Committee

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# 1. How do consumers prepare for and engage with their aged care?

## Destination

- Consumers, their families and carers are proactive in preparing for their future care needs and are empowered to do so

## What needs to happen?

- *My Aged Care information platform improved and expanded [Underway]*
  - Becomes core of aged care market access
- Co-design strategies to support consumer empowerment
- Highlight individual benefits of talking and planning early and increasing awareness of home care services

## 2. How are eligibility and care needs assessed?

### Destination

- A single government operated assessment process that is independent and free, and includes assessment of eligibility, care needs, means and maximum funding level

### What needs to happen?

- *Rollout of national assessment framework*
- Establish an integrated assessment workforce
- Establish an assessment process for eligibility, needs and funding levels for new integrated care at home program
- Single assessment framework extended to cover residential and flexible care, and becomes service agnostic

# 3. How are consumers with different needs supported?

## Destination

- Regardless of cultural or linguistic background, sexuality, life circumstance or location, consumers can access the care and support that they need

## What needs to happen?

- Identify barriers that constrain access and choice for consumers and implement strategies to address these
- Identify information and support needs of providers serving consumers with different needs and develop information products to help them prepare
- Government and providers continue to monitor and adapt strategies that address barriers to access and choice for consumers

# 4. How do we make dementia core business throughout the system?

## Destination

- The community is dementia aware and dementia care is integrated as core business throughout the aged care system

## What needs to happen?

- *Consolidate existing dementia programs*
- Develop information products to assist people with dementia and their informal carers to prepare for long term
- Expand dementia training for the workforce
- Government to increase number of specialist dementia care units for people with extreme and very severe behavioural and psychological symptoms

# 5. What care is available?

## Destination

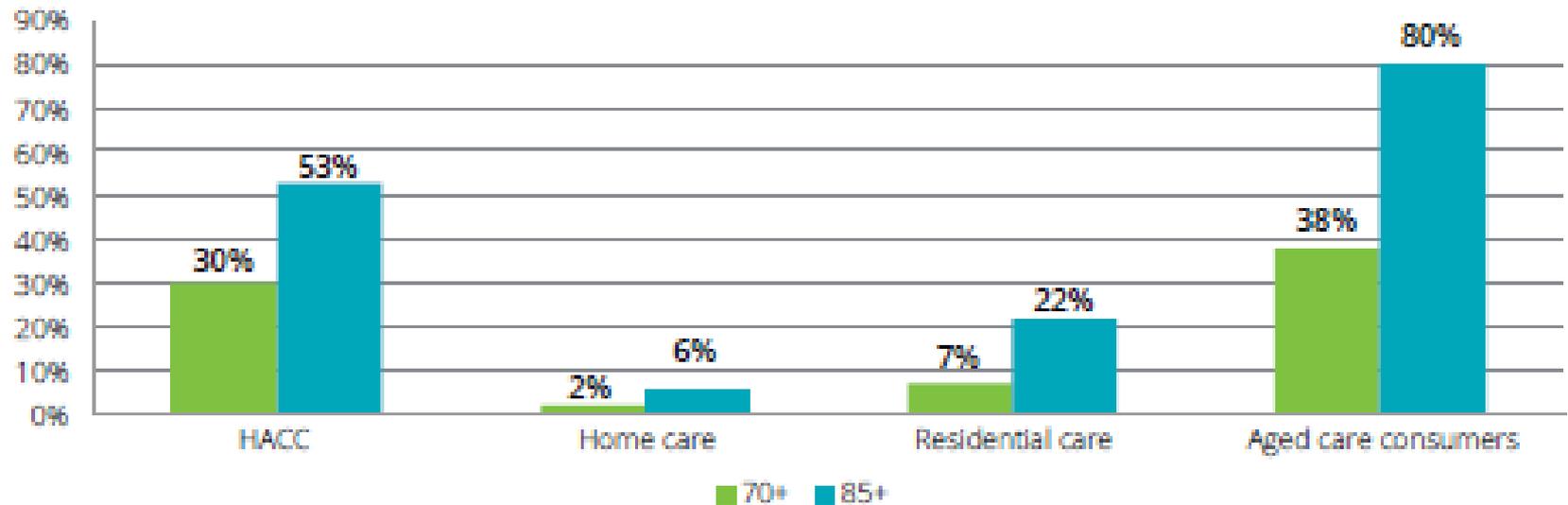
- A single aged care and support system that is market based and consumer driven, with access based on assessed need

## What needs to happen?

- *HCP consumers choose any provider to deliver care and packages are portable*
- *Amalgamate CHSP & HCP to form an integrated care at home program with individualised funding*
- Cease allocation process for residential care places
- Remove distinction between care at home and residential care – system agnostic as to where care is received
- Uncap supply

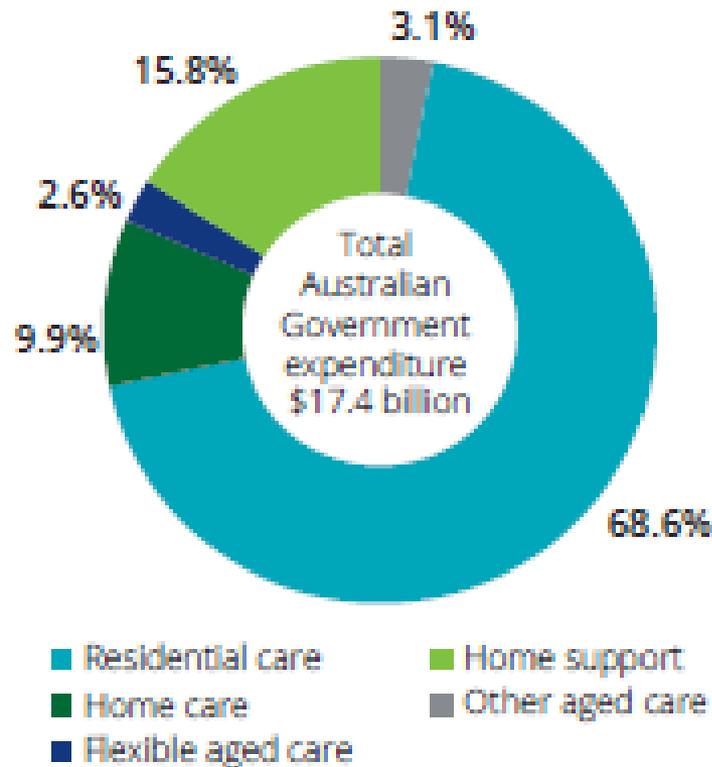
# Aged Care Consumers

Chart iii: Proportion of people 70+ and 85+ accessing aged care at 30 June 2015



# Aged Care Expenditure

Chart 2.6: Australian Government total budgeted aged care expenditure 2016-17



# 6. Who provides care?

## Destination

- A single provider registration scheme that recognises organisations registered or accredited in similar systems, and that has a staged approach to registration depending on the scope of practice of the providers

## What needs to happen?

- *Streamline process for approved providers of one type of care to apply to provide another type of care*
- Establish categories of registration for providers
  - Support CHSP and HCP providers transition to care at home registered providers
  - Transition all approved providers to registered providers
- Implement capacity for 'mutual recognition' of similar registration/accreditation systems

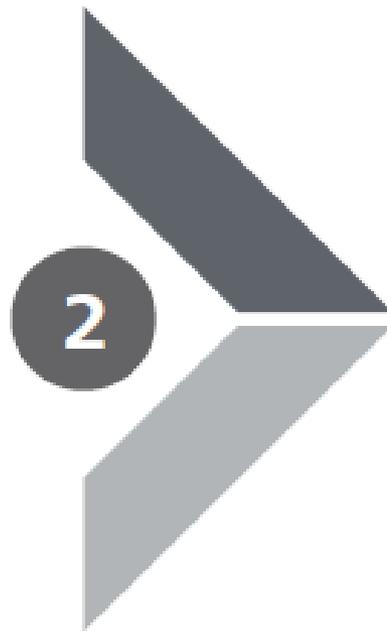
# Sustainable Industry

Figure 2.4: Principles for a sustainable aged care industry



## Existing providers

Current providers will be viable enough to continue to maintain a quality service for consumers and replace their capital stock as needed.



## Growth

Well run providers who wish to grow to help meet the increasing demand for aged care will be able to attract the finance, equity and staff needed to enable them to expand.



## New investors and providers

New investors and providers will be attracted to the industry

# 7. Who pays?

## Destination

- Sustainable aged care sector financing arrangements where the market determines price, those that can contribute to their care do, and government acts as the 'safety net' and contributes when there is insufficient market response

## What needs to happen?

- Determine market-informed price government is prepared to pay
- *Integrate fee arrangements for HCP & CHSP*
- New financial products are available to support consumer choice
- Reform or replace the Bond Guarantee Scheme
- Means test all income and assets
- A consumer will receive same government contribution at home or in residential care

# Aged Care Revenue

Program	Government contribution	Consumer fees	Other sources
Home & Community Care	90%	10%	-
Home Care Packages	89%	10%	1%
Residential Care	66%	27%	7%

# 8. How will the formal and informal workforce be supported?

## Destination

- A well-led, well-trained workforce that is adept at adjusting care to meet the needs of older Australians

## What needs to happen?

- Clarify roles of government and providers on workforce matters
- Leverage government programs that will boost workforce supply
- Develop career structures and pathways within aged care and across care and community services sectors
- Develop and implement integrated plan for carer support services

# 9. How will quality be achieved?

## Destination

- Greater consumer choice drives quality and innovation, responsive providers and increased competition, supported by an agile and proportionate regulatory framework

## What needs to happen?

- *Government co-designs, pilots and implements a single set of core aged care standards*
- Publish differentiated performance information on core standards and quality indicators on My Aged Care
- Fully implement co-regulation and earned autonomy
- Government does not regulate beyond consumer protections (core standards)

## Enhancing the quality of life of older people through better support and care

NACA Blueprint Series

June 2015



# Consultation with NACA

- Government continues to consult with NACA as major sector representative group
- Home Support Advisory Group continues
  - Hasn't met since early in the 2016, but may meet early 2017
- 3 main NACA Advisory Groups currently
  - Quality & Compliance
  - Gateway (My Aged Care)
  - Home Care Reform [*Paul Sadler Chair*]
    - Focus is HCP to consumer Feb 2017

# Reform Themes

1. **Separating assessment from service provision**
2. **Independent assessment of funding levels**
3. **Shift to home care**
4. **User pays**
5. **Consumer choice**
6. **Wellness & reablement**
7. **Workforce**

# Separation of assessment from service provision



Australian Government



myagedcare

- Call centre 1800 200 422
- Web: <http://www.myagedcare.gov.au/>
- Key components
  - Information about aged care services
  - Regional Assessment Services for Home Support services
  - Aged Care Assessment Teams for Home Care and Residential Care services
  - Electronic aged care client record
    - Service provider portal
    - Consumer portal
    - Assessor portal

# Issues: My Aged Care

- So far My Aged Care has been a very mixed experience for older people
  - Structural issue of two different assessment processes: RAS and ACAT
- Who measures quality if you can't get into aged care in the first place?
  - Especially for ATSI or CALD groups
- Who assesses the quality of My Aged Care?

# Independent assessment of funding levels

# ACFI Review

- Government has announced cuts to Aged Care Funding Instrument (ACFI) to reduce over expenditure against Budget estimates
- ACFI review commissioned
  - Undertaken by Australian Institute of Health Services Research at University of Wollongong
  - Will include looking at options for assessment of funding levels independent from residential care providers
  - Will need to examine two main cohorts that now make up residential care population:
    1. People with dementia with average 2-3 years stay
    2. People with complex health care needs and palliative care with average stay of less than 1 year

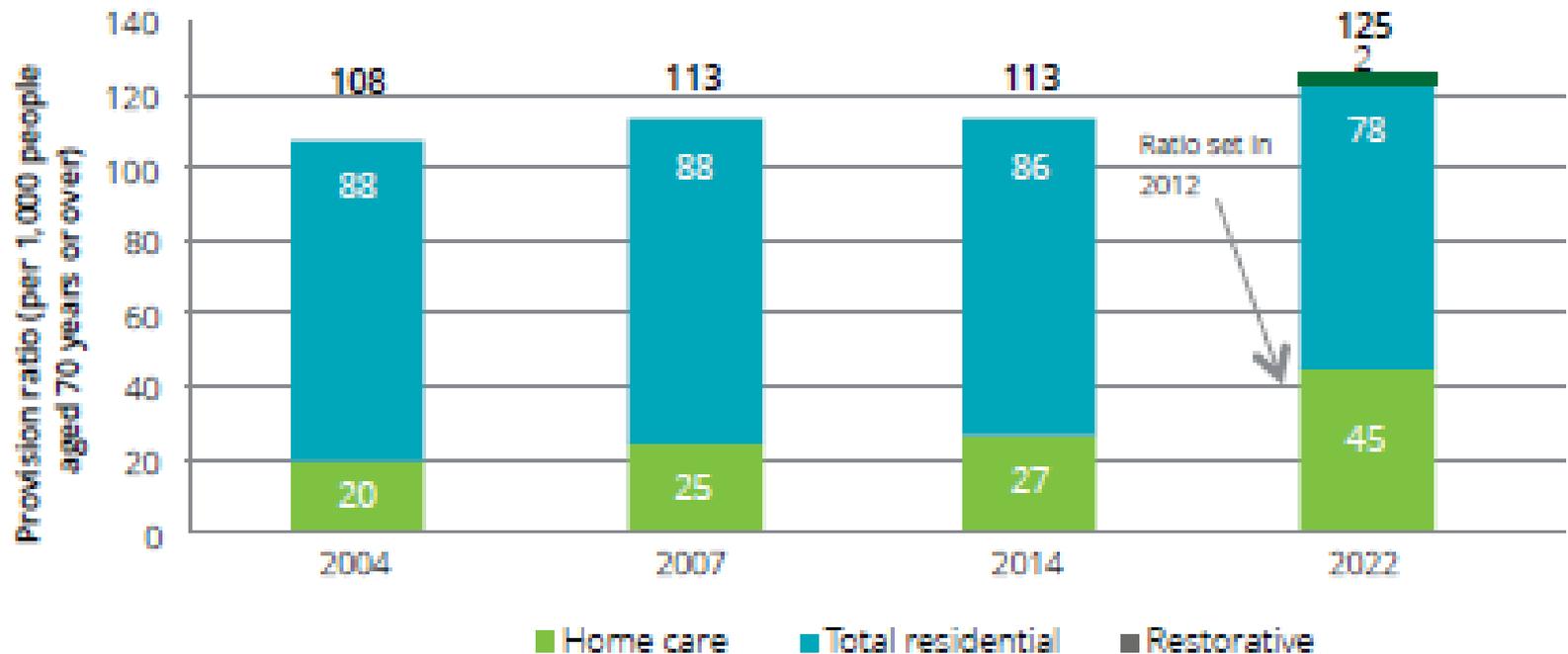
# Issues: Aged Care Funding

- Can you assess people's needs for residential care accurately before they enter?
- Can a new funding instrument do better at capturing the funding needs of people with dementia?
- Can a new funding tool incentivize:
  - Reablement
  - Avoidance of inappropriate use of medications and transfers to and from hospital
  - Better outcomes for older people?
- Will the Government fund the system properly, whatever the new tool looks like?

# Shift to home care

# Shift to Home Care

Chart i: Increase in provision ratio, 2004-2022 (per 1,000 people aged 70 and over)



# Commonwealth Home Support Programme

- Includes former Home & Community Care Program
- Four sub-programmes
  - Community & Home Support, including
    - Home nursing, allied health, personal care, domestic assistance, meals, transport, home maintenance, social support
  - Care Relationships
  - Assistance with Care & Housing
  - Service System Development
- Limit of service volume to less than Home Care Package
  - Restrictions on some services, e.g.
    - \$500pa (max \$1,000) for equipment
    - \$10,000 for home modification
- Client contributions framework
  - No mandatory fees schedule – target of 15% of grant revenue
  - Greater transparency of user charges and gradual move to national consistency

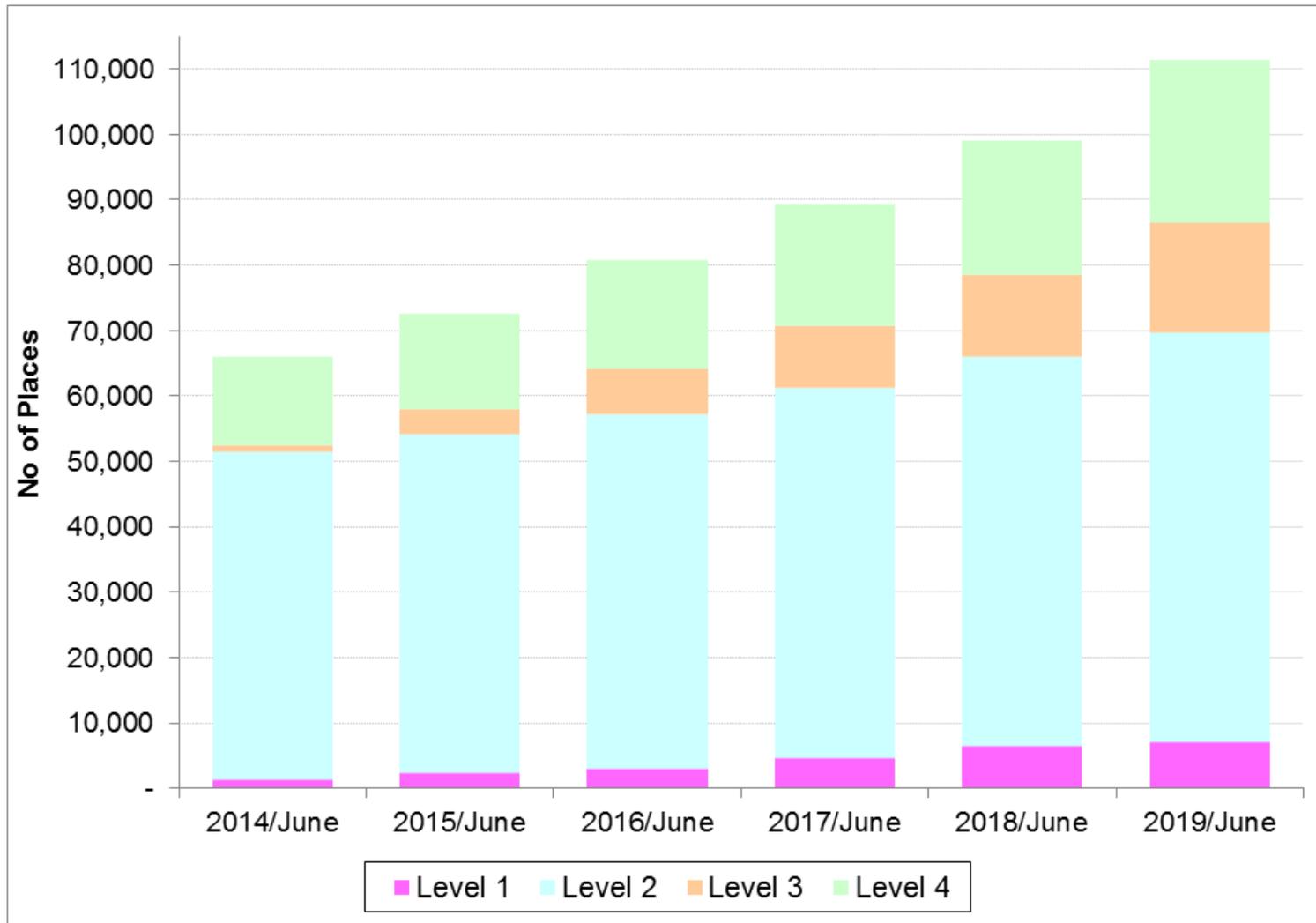
# Home Care Packages

- 4 levels of Home Care Package

Home Care Package	Annual Subsidy Level (2016-17)
Level 1	\$8,045
Level 2	\$14,633
Level 3	\$32,171
Level 4	\$48,906

- Dementia & Cognition Supplement
- Veterans Supplement
- All HCPs delivered as Consumer Directed Care (CDC) since July 2015

# Projected Growth in Home Care Places



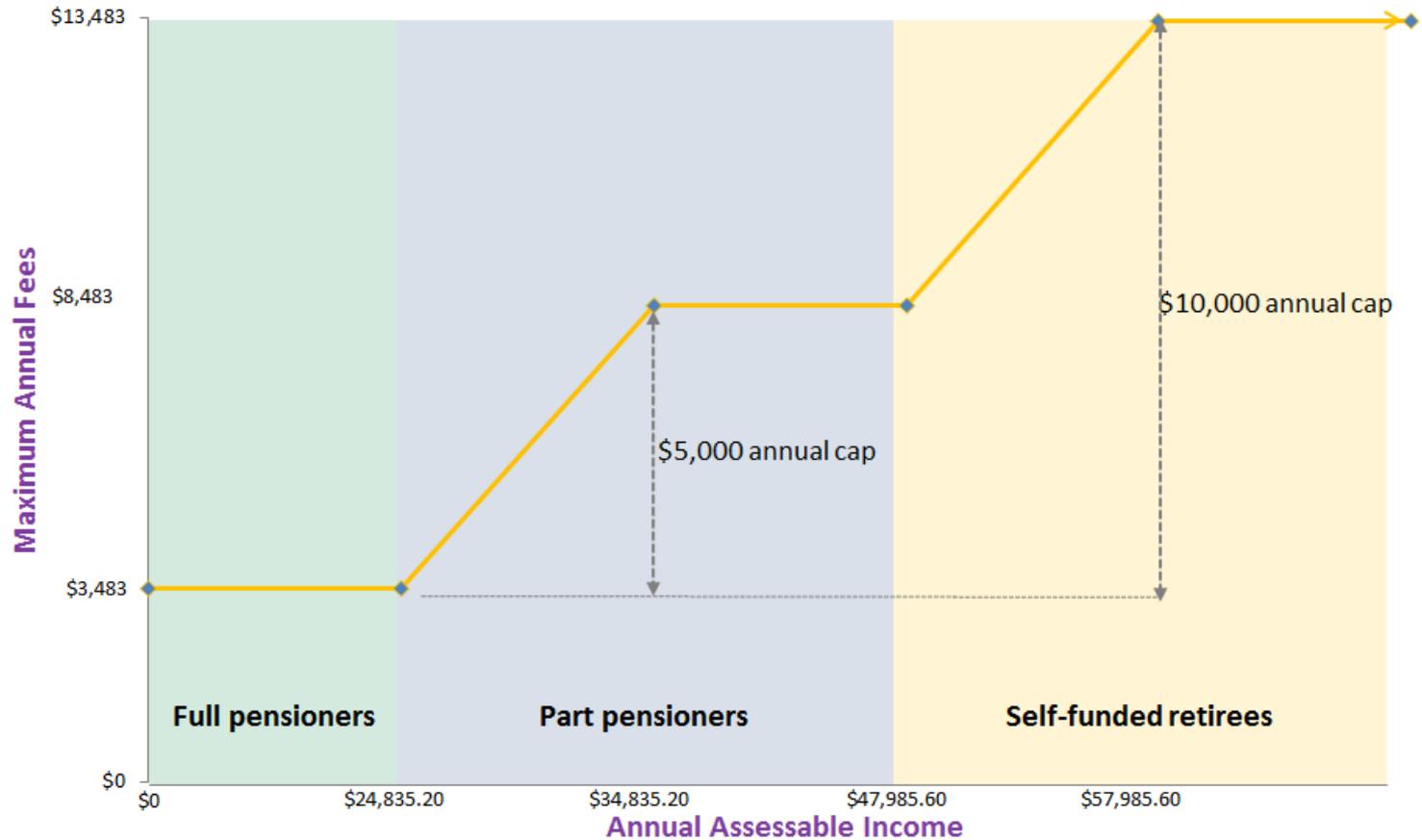
# Issues: Shift to Home Care

- While CHSP brought 4 separate programs together, there remains a chasm between it and Home Care Packages
- Different compliance levels
  - Home care & home support services achieve around 80% compliance with Home Care Standards
  - Residential care care services achieve around 98% compliance with Residential Care Accreditation Standards

User pays

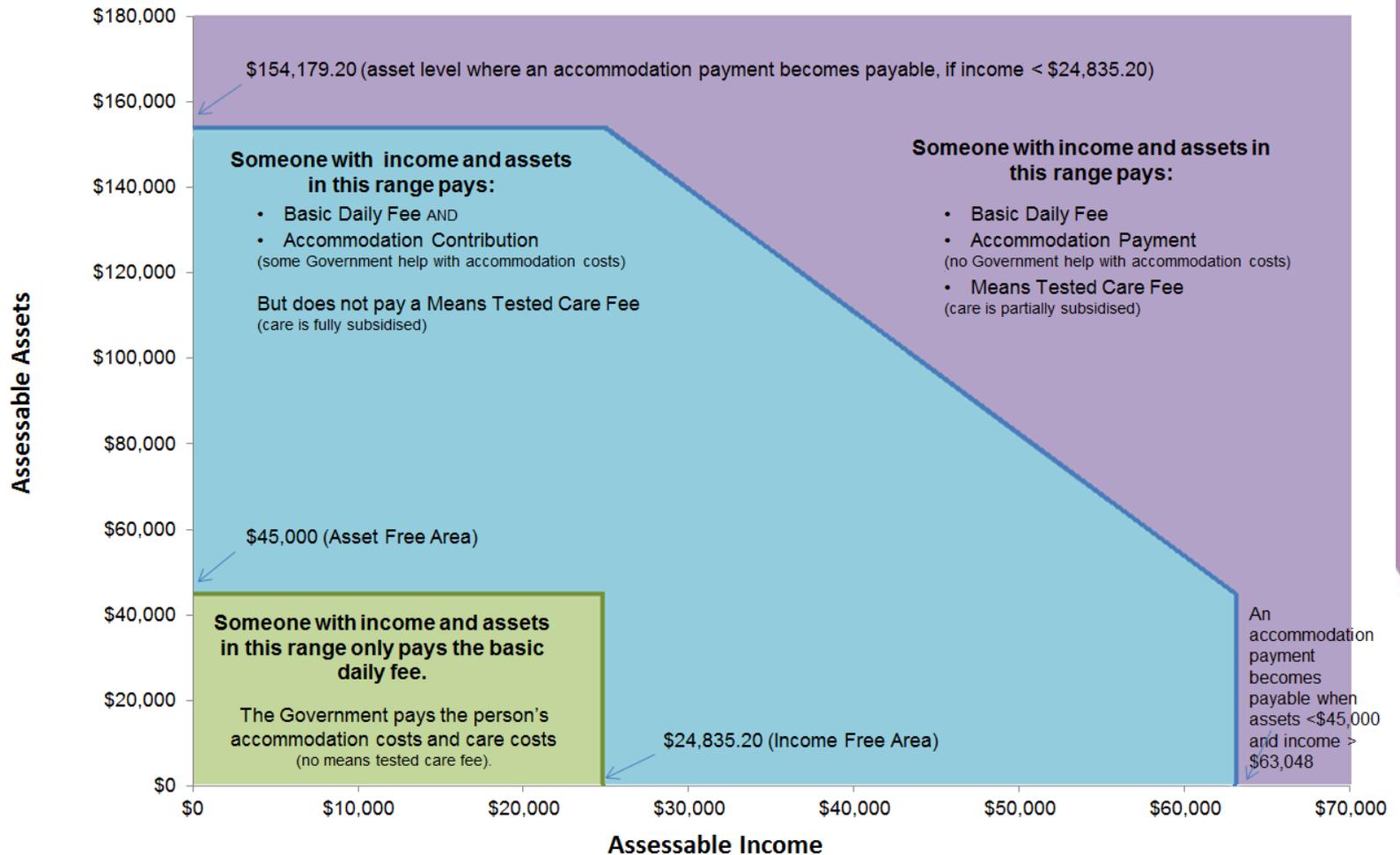
# Home Care income thresholds and caps

## Single person



Note: The thresholds current as of 1 July 2014

# New Residents from 1 July 2014



# Aged Care Revenue

Program	Government contribution	Consumer fees	Other sources
Home & Community Care	90%	10%	-
Home Care Packages	89%	10%	1%
Residential Care	66%	27%	7%

As of 2014-15 financial year

# Issues: User pays

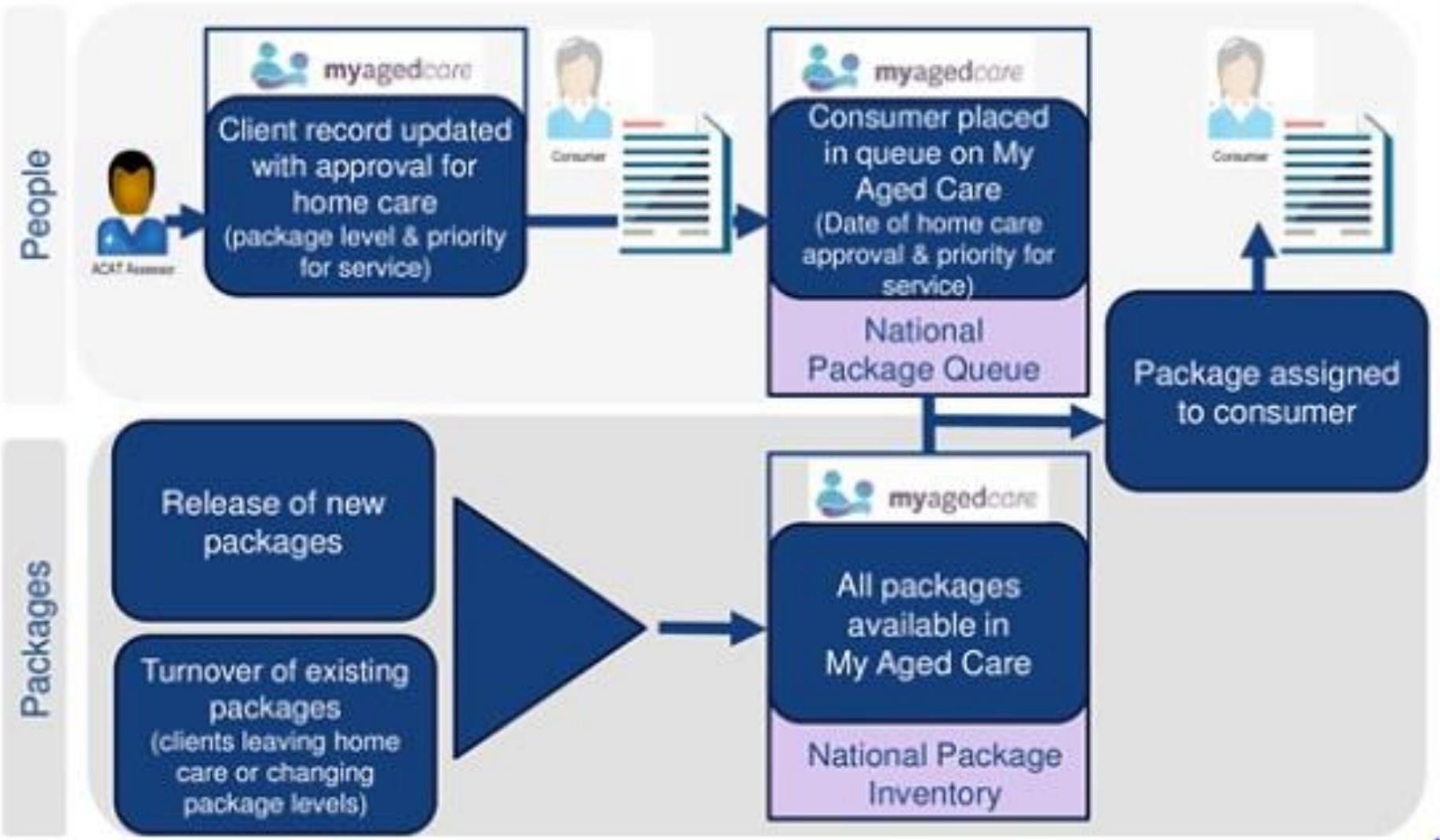
- Can we reduce the disincentives for people to move between CHSP and HCP caused by different contribution levels?
- Greater expectations of services as consumers pay more themselves
- Increase in finance-related complaints to the Aged Care Commissioner and approaches to advocacy services
- How do we protect older people (especially those with dementia) from financial elder abuse?

# Consumer choice

# Increasing Consumer Choice

- *Aged Care Legislation Amendment (Increasing Consumer Choice) Act 2016* passed Parliament on 3 March 2016
- On 27 February 2017 **Home Care Packages funding transfers to the consumer**
  - No more HCPs allocated to approved providers
  - Unallocated HCPs return to national pool
- National pool of HCPs with prioritisation process taking into account relative need and time waiting
  - New HCPs will be allocated throughout year
  - ACATs will assess for specific HCP Level

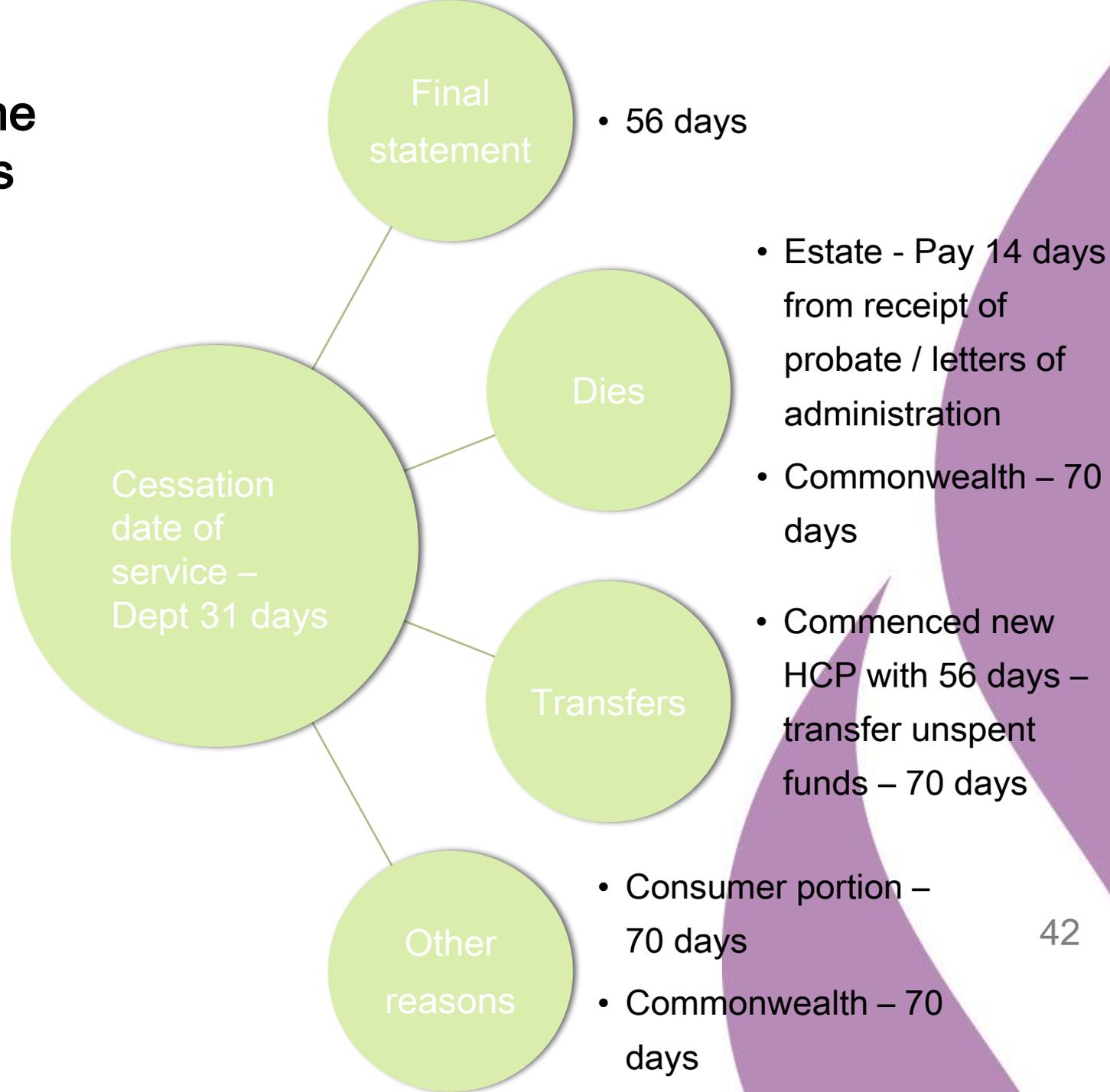
# Managing the prioritisation process – post Feb 2017



# Increasing Consumer Choice: Funding

- Consumers will choose provider, who in turn claims funding from government
- Packages/funding portable to another provider, including in another location
  - Any unspent funds will follow the consumer
- Any unspent amount in the HCP budget on exit will be returned to the Commonwealth and consumer
- Approved providers can charge an exit amount
  - Must be published on My Aged Care

# Unspent home care amounts



# Increasing Consumer Choice: Approved Providers

- Streamlined Approved Provider application for all - existing providers of residential care and flexible care will be able to 'opt in'
- Approved providers can deliver any package level in any area



## How do I apply to become an approved provider?

To seek approval to be an approved provider the organisation must:

- be incorporated
- have **no** disqualified individuals as key personnel
- demonstrate its suitability to provide aged care through an application process



Form A

Form B

Criteria

New applicants that are not approved to provide any type of aged care e.g. CHSP

Simplified form for existing approved providers – assessed on suitability to provide care for care type applying for

Process

1. Download form from Department's website
2. Print & email/ send into Approved Provider Section

<https://agedcare.health.gov.au/aged-care-funding/approved-provider-information>



## Becoming an approved provider after 27 Feb 2017

- New online smart form
- Less focus on an organisation's key personnel and more focus on an organisation's management systems and delivery of care:
  - Governance
  - Financial management
  - Changing clinical care needs



### Online smart form

#### Criteria

New applicants that are not approved to provide any type of aged care e.g. CHSP

Simplified form for existing approved providers e.g. flexible care provider looking to start delivering home care package services

#### Process

1. Access smart form from Department's website from 27 Feb 2017
2. Submit electronically to Approved Provider Section

# Increasing Choice - Principles and Determinations

- Principles were finalised in September 2016
  - Exit 'fee' changed to exit 'amount'
  - Clarification on unspent funds and exit amounts
  - New consumer responsibilities
  - Refinement to unspent home care amount calculator
  - Portability
  - Potential overlapping claims for subsidy
  - New Record Keeping Requirements

# Issues: Consumer choice

- Will MAC, that stunning success, work this time?
- With more choice comes more consumer responsibility for decisions
  - Providers cannot be held responsible for bad consumer choices!
- Consumer choice can be exercised well by articulate middle class
- Will system work for people with dementia or mental health conditions, people without English language skills, people disadvantaged for socio-economic or other reasons?

# Wellness & reablement

# New aged care concepts

Concept	Description	Service responsible
Wellness	A philosophy or approach focused on health and wellbeing	All services
Reablement	A time-limited, goal-oriented intervention	Home Support
Restorative care	An intensive short-term program to make a functional gain, led by allied health workers	Home Support; Transition Care
Consumer directed care (CDC)	Philosophy of person-centred care giving consumer choice and control	All services
	CDC with individual budget	Home Care Packages

# Issues: Wellness & reablement

- Little evidence promises of MAC and CHSP focus on wellness and reablement has borne fruit
- Wellness and reablement focuses on life goals and wellbeing
  - We need to measure quality of life, not just quality of care
- To date government quality systems have tended to focus on clinical care and risk aversion
- What happens if older people make choices which harm their health and wellbeing?
  - Again, providers cannot be held responsible for this, as long as informed consent is met

# Workforce

# Issues: Workforce

- Received little focus from current Government, yet workforce critical
  - Remember diversity of aged care workforce (professions, roles, ethnic makeup, volunteers and paid workers)
- Challenge of disruption models which claim to match individual workers direct with individual consumers
  - Where is role of case manager? Where is support for people who can't steer their own way through the system?
  - No insurance, no industrial protections
  - Is this exploitation of workers by ruthless middle men and rich consumers? Or is it inevitable destination of consumer choice and marks the end of a formal aged care system?

# Legislated Review

# Aged Care Legislated Review

- David Tune (Chair of ACSC) conducting the review
- Key areas of investigation according to terms of reference:
  1. Whether **unmet demand** for residential and home care places has been reduced
  2. Whether **number and mix** of residential and home care places should **continue to be controlled**
  3. Whether further steps should be taken to change from a supply driven model to a **consumer demand driven model**
  4. Effectiveness of **means testing arrangements**, including alignment across residential and home care services
  5. Effectiveness of **pricing regulations**
  6. Effectiveness of **protections for equity of access**
  7. Effectiveness of **workforce strategies**
  8. Effectiveness of arrangements for **protecting refundable accommodation deposits**
  9. Effectiveness of arrangements for **facilitating access to aged care**
- Due to report by August 2017

What could an integrated care  
at home program look like?

# The Productivity Commission Report August 2011

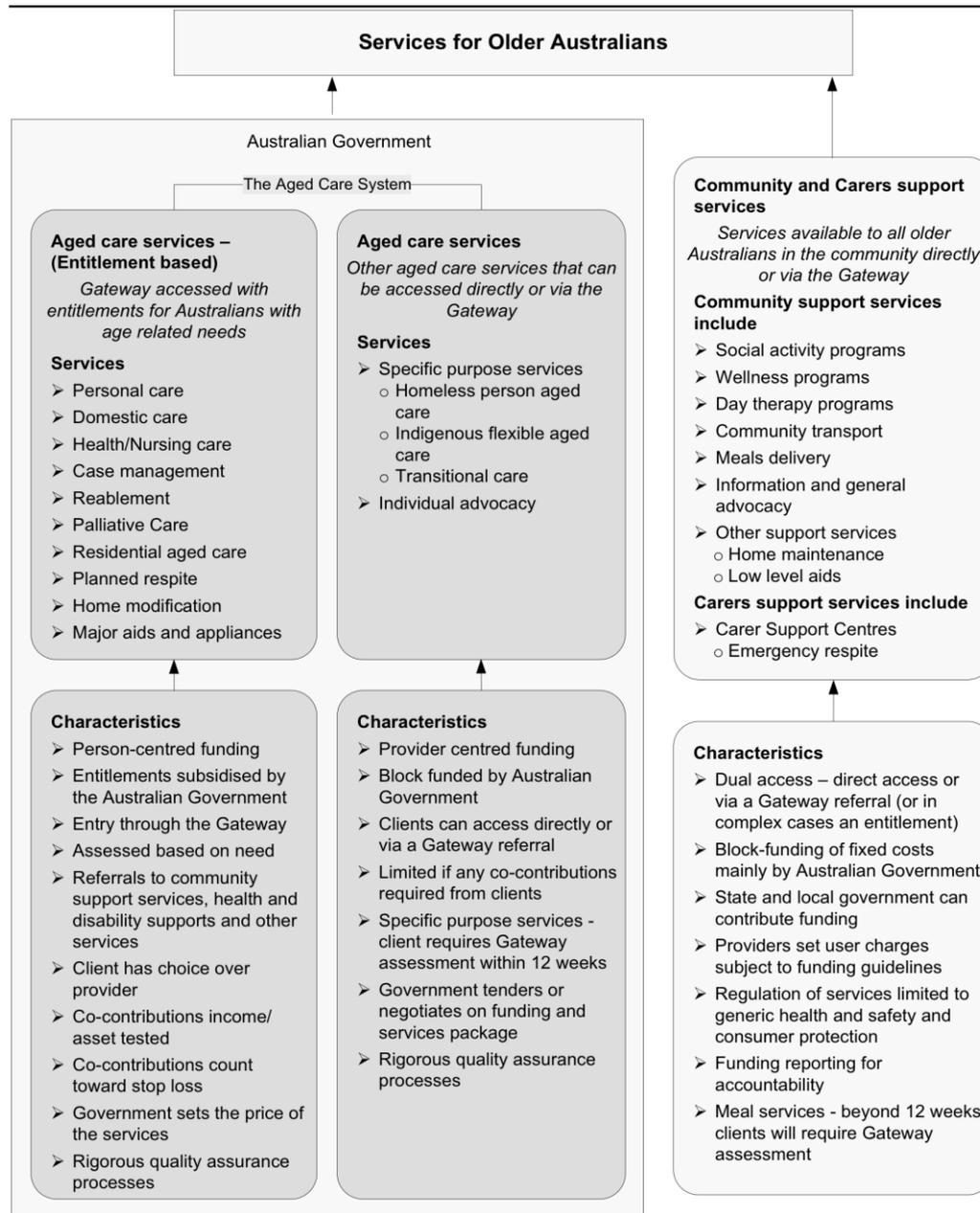
## *Focus:*

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





**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

**Characteristics**

- Provider centred funding
- Block funded by Australian Government
- Clients can access directly or via a Gateway referral
- Limited if any co-contributions required from clients
- Specific purpose services - client requires Gateway assessment within 12 weeks
- Government tenders or negotiates on funding and services package
- Rigorous quality assurance processes

**Characteristics**

- Dual access – direct access or via a Gateway referral (or in complex cases an entitlement)
- Block-funding 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

# Department of Health consultation approach

- DoH held consultation workshop on integrated care at home program with members of NACA Home Support & Home Care Reforms Advisory Groups on 14 October
- Potential future consultation mechanisms:
  - New NACA Advisory Group focused on integrated care at home program
  - Formal Federal, State & Territory Government forums
  - One-on-one meetings with key stakeholders (including those outside NACA)
  - Formal public consultations

- ACSA is taking a leadership role on home care and home support reform
- Michelle Newman has been appointed as Manager Home Support Reform
- ACSA is developing a position paper for industry input on the options for creation of an integrated home care and support program
- ACSA will be seeking input from across Australia, both from our members and other organisations

# Integrating CHSP and Home Care

- Work with ACSA to identify key features to keep, e.g.
  - Focus on consumer choice and control
  - Focus on wellness and reablement
  - Mix of individualised and block funding
  - 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

# Conclusion

- **Be ready**
  - For 27 February 2017
  - For the direction of future reform
- **Be engaged**
  - ACSA
  - NACA
  - Department of Health
- **Be bold**
  - To make changes to your personal practice, and to your organisational systems
  - To help get aged care reform right

*Your voice is never more needed as these fundamental changes occur. Make sure you are heard!*