



Inquiry into Caring for Older Australians
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

RE: *Caring for Older Australians* draft report

The Australian Institute of Health and Welfare (AIHW) welcomes the opportunity to make a submission in response to the *Caring for Older Australians* draft report.

The AIHW is a major national agency set up by the Australian Government under the Australian Institute of Health and Welfare Act to provide reliable, regular and relevant information and statistics on Australia's health and welfare. We are an independent statutory authority established in 1987, governed by a Management Board, and accountable to the Australian Parliament through the Health and Ageing portfolio.

Our aim is to improve the health and wellbeing of Australians through better health and welfare information and statistics. We collect and report information on a wide range of topics and issues, ranging from health and welfare expenditure, hospitals, disease and injury, and mental health, to ageing, homelessness, disability and child protection.

Our submission in response to the *Caring for Older Australians* draft report focuses specifically on draft recommendation 13.1, which relates to aged care policy research and evaluation. The specific recommendation reads:

To encourage transparency and independence in aged care policy research and evaluation, the proposed Australian Aged Care Regulation Commission (draft recommendation 12.1) should perform the role of a national 'clearinghouse' for aged care data. This will involve:

- *being the central repository for aged care data and coordinating its collection from various agencies and departments*
- *making these data sets publically available in a timely manner for research, evaluation and analysis, subject to conditions that manage confidentiality risks and other concerns about potential data misuse.*

To maximise the usefulness of aged care data sets, reform in the collection and reporting of data should be implemented through:

- *adopting common definitions, measures and collection protocols*
- *linking databases and investing in de-identification of new data sets*
- *developing, where practicable, outcomes based data standards as a better measure of service effectiveness.*

Research findings on aged care and trial and pilot program evaluations, including those undertaken by the Department of Health and Ageing, should be made public and released in a timely manner.

It is our view that the AIHW is better placed to perform the nominated roles and tasks in recommendation 13.1 than the proposed new Commission or any other organisation, for the following reasons:

1) Well established data collection and management infrastructure and expertise

Over time the AIHW has acquired considerable expertise and infrastructure allowing for the ongoing collection of administrative data across a range of related human services sectors including health, community services, disability and housing. Key elements of this capability include technical infrastructure, staff expertise and well-developed and longstanding internal processes for data processing and database management.

2) Legislated authority to collect, manage and disseminate information.

As mentioned, the activities of AIHW are guided by the Australian Institute of Health and Welfare Act of 1987. This act gives the AIHW legislated authority to perform the following functions as they related to health and welfare-related information: data standards development and maintenance, data collection and management, production of information and statistics, reporting to the Minister and the public, and dissemination of information and statistics to third parties.

3) A well-established and multi-faceted data supply chain.

AIHW has the experience of receiving and managing information from governments and NGOs, and has the flexibility to deal with a range of information collection types and processes, including both administrative and survey data. In order to efficiently gather the data we require in a timely and usable (i.e. standardised) manner, we collaborate closely and have effective data partnerships with many experts from around Australia, including the Australian Bureau of Statistics, governments at all levels, universities, research centres, and non-government organisations. A current development activity will lead to improved and more timely data on people who use homelessness services drawing on information from over 1,500 largely NGO service providers after 1 July this year.

4) Leadership in data standards development and maintenance

The AIHW plays a significant leadership role in developing and maintaining national metadata standards that are essential to the development of robust statistical collections. This is achieved through active participation and leadership in national committees and our maintenance of METeOR (Metadata electronic Online Repository), Australia's repository for national metadata standards for health, community services and housing assistance information. The Institute works closely with governments and non-government organisations to achieve greater adherence to these standards in administrative data collections to promote national consistency and comparability of data and reporting.

5) Major supplier of information to a range of stakeholders, in multiple formats

AIHW plays a significant role in the dissemination of data and information for public policy, public reporting, research and to inform community debate. The Institute produces around 150 reports each year, and provides information that is made

available to agencies for their own purposes, such as the COAG Reform Council (CRC) and the Report on Government Services (ROGS), as well as for broader research purposes.

Virtually everything that the Institute produces is publicly available and all our publications are available as free downloads from our website (www.aihw.gov.au), which had more than 1.3 million visits in 2009-10. Currently we are developing a more innovative presentation of hospitals information, the MyHospitals website (www.myhospitals.gov.au), and we have plans to release more of our products in an online format in the future.

6) Expertise in aging and aged care

AIHW has developed a solid understanding of the issues facing older Australians, particularly those in the aged care sector, through a range of research projects and information publications that we undertake each year. Most notably, *Aged Care Packages in the Community 2008-09: A Statistical Overview* and *Residential Aged Care in Australia 2008-09* are comprehensive information sources about health and other services being provided to older Australians in need in the community and in residential aged care settings. The AIHW flagship publications *Australia's Health* and *Australia's Welfare*, released in alternate years, have significant content about older Australians and are a comprehensive resource for information on health and welfare needs and services in Australia. Also, the Institute is currently participating as co-investigators on a National Health and Medical Research Council (NHMRC)-funded grant looking at services provided in hospital to persons with Dementia.

7) Expertise in data linkage

The Institute possesses significant expertise and has extensive experience in undertaking data linkage for research into a wide range of health and welfare policy and research work, including in the Aged Care area. For example, recent collaborative research on Pathways in Aged Care saw AIHW linking data from a range of aged care programs with data on hospitalisations to understand how various groups of the elderly experience the aged care and health systems. This work has led to a range of publications, both by AIHW and in refereed journals, and has important implications for resource allocation across the aged care and health systems.

In the context of the new Commonwealth data linkage framework, AIHW is looking to expand its capabilities in data linkage by becoming one of the first organisations accredited to undertake complex data linkage projects involving Commonwealth data. Accreditation will give assurance to data custodians and the public that high levels of security and strong governance processes are in place to protect the privacy of individuals, while maximizing the potential of available data sets held by the Institute to provide new insights into complex policy issues, thereby supporting better policy decisions.

8) Robust governance and oversight of information

AIHW has a long history of providing high quality information and data within an environment that protects the privacy of individuals. The AIHW is bound to the Privacy Act of 1988, which incorporates a series of Information Privacy Principles (IPPs) that regulate how the AIHW obtains, stores, uses and discloses personal

information. In addition, the AIHW Ethics Committee, established by the AIHW Act, provides oversight to the provision of data for research purposes, as well as to our internal activities including data linkage. Finally, in producing our reports and other information products the Institute employs numerous quality control checks to ensure the accuracy and the appropriate application of statistical approaches in the reporting of information.

9) Experience developing performance measures

One of our more recent key roles has been to develop, build and improve performance indicators and targets for national agreements between the Commonwealth and State and Territory governments; particularly in the areas of health care and hospitals, housing and homelessness, disability services and Indigenous health and welfare reform. In this work, the aim is to provide more outcome-based and “actionable” measures of impact and performance. This is taking place not only at the level of COAG and ROGS reporting, but also within individual sectors and programs where providers and policymakers alike, along with service recipients, are increasingly interested in this type of information.

10) Clearinghouse capability

AIHW has developed a clearinghouse capability in the form of the Closing the Gap initiative, which is an online repository of evidence-based research on overcoming disadvantage for Indigenous Australians. The Closing the Gap Clearinghouse is a COAG initiative jointly funded by all Australian Governments. It is being delivered by the AIHW in collaboration with the Australian Institute of Family Studies.

(www.aihw.gov.au/closingthegap)

In closing, we would like emphasise our view that implementation of recommendation 13.1 as described in the draft report presents several material issues that need to be considered and resolved. First, given our deep understanding of what is involved, there is a risk that a new body would not be able to obtain the necessary expertise or develop internal infrastructure to a sufficient level in a short period of time to be able to effectively carry out this task. Second, there is the real issue of duplication of infrastructure and expertise that is already held at the AIHW, meaning greater costs to governments and the community than would otherwise be necessary. Finally, there is significant potential for suggestions of conflicts of interest if the prospective Commission is given the dual responsibilities of regulating the sector and making all the data dissemination and reporting decisions.

More information about the Institute, in terms of its activities, capabilities and performance can be found on our Website (www.aihw.gov.au) or in our 2009-10 Annual Report. We would be pleased to discuss our submission in further detail, at your convenience.

Yours sincerely

Mr David Kalisch
Director
Australian Institute of Health and Welfare

13 May 2011