



**Resthaven**  
Incorporated

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Working together: outstanding care and support for older people and their carers

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# SUBMISSION TO:

## Australian Government Productivity Commission

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### Indirect employment in aged care (Issue Paper)

April 2022

Resthaven Incorporated

## About Resthaven

Established in 1935, Resthaven is an aged care community service of the Uniting Church in Australia. Resthaven offers a range of high quality, responsive community and residential care services for older South Australians and their carers.

## Statement of Purpose

Working together: outstanding care and support for older people and their carers.

## We Value:

- Trust
- Dignity
- Choice

Resthaven acknowledges the traditional owners of the lands on which its services are delivered. We pay our respects to elders, past, present and future.

Resthaven is a richly diverse South Australian community founded on the principles of inclusion and unity, embracing and respecting each person's beliefs, culture, language, sexual orientation, gender identity, lifestyle, life experience and values.

Any enquiries about the content of this submission should be directed to:  
Sylvia Powell, Executive Manager People and Culture (Resthaven Inc):

Resthaven is a provider of the following Australian Government funded aged care services in South Australia:

- Residential Care and residential Respite (1290 places)
- Home Care Packages (over 2200 clients)
- Commonwealth Home Support Programme (approximately 10,000 clients per annum)
- Short Term Restorative Care (49 places)
- Veterans' Home Care and Veterans' Community Nursing (over 700 clients in 2021)

## Background

Australia has an ageing population, making aged care a priority. The main driver of improvements in quality of care and services will be funding arrangements that enable improvements in wages and conditions, and measures that encourage innovation, to ensure the level of care our older Australians deserve. Improved salaries, and funding for greater levels of training and development, would significantly improve the benefits of working in aged care and create the employee value proposition for attraction and retention as employed workers in the aged care sector.

In order to pursue quality via a 'good fit' approach to staff selection, services must have the capacity to compete in the employment market for the best workers. Resthaven's key concerns in relation to this study of "indirect employment models" is the focus on resources, funding and enablement of a "new" model to assist aged care providers, when

investing time, resources and benefits to support aged care providers with existing “employed worker” models (as preferred by customers) will secure continuity of care.

Aged care providers like Resthaven will not rely on the further development of indirect employee workforce models as a backup to staff – rather, we will continue to actively pursue avenues for recruitment, including overseas appointments to fill our critical staffing needs. This will ensure we can deliver high quality services, in partnerships with and addressing the needs and preferences of our customers, through our preferred model of an employed workforce.

Resthaven agrees that all employment models, including labour hire agency workers, be included in this study.

Resthaven recommends that the study should also focus on:

- the benefits provided by direct employment of workers (continuity of care, relationship building, greater control/certainty over training/skill development, ability to monitor staff performance and address practice issues), to balance the other workforce arrangements: and
- the current barriers that restrict direct employment of workers, including low pay, increased focus on home care driving increased casualisation of the workforce, impact of fair work regulations (including minimum 2 hr shifts), impact of COVID and Government restrictions (e.g. restrictions on working across organisations/sites); and the impact of uncertainty related to aged care reform.

To ensure equity to older people living in rural areas, organisations such as Resthaven carry the costs and risks associated with needing to attract staff to difficult-to-fill posts and to ‘import’ temporary staff: An important feature of this study will be to make recommendations on how these risks might be addressed through development of alternative funding models and innovation.

## **Workforce data**

Resthaven’s preferred workforce model is employed workers (2,800 employed workers). We aim to keep utilisation of labour hire (agency) workers, and independent contractors, as low as possible (KPI in residential care of less than 5%, March 2022 usage was 5.6% of staff hours (9.1% of labour costs). Highest usage is in nursing staff (Registered Nurse agency staff accounted for 11% of hours, Enrolled Nurse 12% of hours). Platform workers as defined in this study are not being used in Resthaven residential aged care.

In community services, the KPI is 11% of labour costs attributed to agency/contracted workforce, with year to date 16% of labour cost attributed to the agency/contracted workforce (with the higher level attributed to the impact of COVID 19). Less than 1% of labour hire costs is attributed to client – requested workers from other organisations, with platform workers rarely used (nil currently).

Resthaven uses labour hire agencies (direct care, nursing, hospitality staff) and independent contractors (allied health, specialised clinical skills (Advanced Practice nursing), and garden maintenance – home care). Agency staff have largely been engaged for unplanned leave, generally with absence notification of less than 2 hours. In recent time during COVID, agency usage has increased to include backfill of workers who are furloughed due to COVID restrictions.

On the rare occasions clients receiving home care services have requested use of platform workers, this has been influenced primarily by television and social media advertising and is usually related to perceived flexibility (promise of service within two hours), or price.

## **Quality of Care**

### **Employed workers**

Resthaven consistently receives feedback from our customers, their families, and staff, that relational care is a critical factor in aged care services – that is, getting to know the person, so that their care is person-centred, delivered in the way the older person prefers. This continuity of care model has been the focus of aged care for the last two decades, moving to the next level of consumer directed care in community services in 2012 (Home Care Packages).

The benefits of using employed staff to provide client services includes:

- Ability to recruit workers with the right fit for the task (skills, function) and the right attitude for the role (culture)
- Ability to mandate specific training, at the quality we expect (e.g. infection control, client rights, Aged Care Standards), and monitor completion of training by all staff
- Cost effectiveness – generally using an employed workforce is more cost effective (to both the client, Resthaven) than outsourcing to more expensive labour hire/independent contractors
- Providing employee value proposition – being able to understand what employees want/need from an employer, and providing employee conditions and career pathways that attract and retain workers
- Providing consistent messaging to employed workers about expectations in terms of quality of care, and implementing process to check/monitor/correct as needed to ensure quality of service provision (and to avoid scenarios where lack of supervision/monitoring place the vulnerable person at risk – e.g. Anne Marie Smith, Disability Services).

### **Labour Hire Agencies**

Where Resthaven uses labour hire agencies, we have robust systems through contract management to ensure agencies understand the quality-of-care expectations, and the documentation/reporting requirements. We have systems of orientating new to the site/client agency workers, to ensure they are aware of client/resident care needs and preferences. We monitor, through peer worker and client/resident/family feedback, quality of care, and follow through with the Agency worker's employer any performance/practice issues.

### **Independent contractors**

Similarly, where Resthaven uses independent contractors, this is controlled through our contract management processes, ensuring contractors have appropriate professional qualifications, registrations, insurances, and criminal check processes. We often find that decision to use independent contractors is based on:

- Insufficient and variable service hours required per location that impact viability to employ a worker with specific skills (e.g. speech therapist. wound management specialist)
- Independent contractors having specific equipment and ability to manage the work health safety (WHS) risk requirements related to their specialised work (e.g. garden maintenance, tree lopping).

Through our contracting process, we ensure independent contractors are aware of quality-of-care expectations and safeguards for clients/residents. With contracted allied health workers/clinical staff, poor quality outcomes can be reported and managed via their registration bodies (e.g. AHRPRA).

Resthaven's complaints and feedback mechanisms enable clients/residents and families to raise issues with Resthaven, where the accountability for quality of care ultimately sits.

### **Digital Platform Workers**

Digital Platforms, such as Mable, encourage a client to directly engage a platform worker to provide services. Where this occurs, and where the client receives funding for services from the Commonwealth Government (e.g. Home Care Packages), then the service is ultimately paid for by funds held by Resthaven. There is minimal opportunity for Resthaven to have visibility of or monitor suitability of the worker, quality of care and worker practice to Aged Care Standards and WHS legislation. There is minimal, and often no, oversight of the platform workers providing direct care by the business who manages the platform.

The accountability for lapses in quality of care in these situations has not been robustly tested under law to determine who is accountable. This is the major detractor in organisations using, or encouraging clients to use, platform workers.

While the discussion paper cites the use by the Australian Government of Mable to fill staffing gaps under COVID 'surge workforce' arrangements, this placed organisations at risk in relation to compliance with standards such as infection control (quality of training undertaken, if any), single site employment responsibilities. and low visibility of poor or inappropriate performance of workers. In addition, there are challenges of confidentiality – the importance of continuous flow of information, transparency of communication and central storage of documentation may be limited due to restricted access and confidentiality of individual provider files. Logistically, this may be a significant factor in ensuring all care providers have access to the complete consumer records.

## **Regulation**

### **Employed workers**

Employed workers are protected in terms of wage and working conditions (including hours worked/shifts) through awards or enterprise bargaining regulated by Fair Work legislation. The recent changes to the award for community support workers (mandating minimum two-hour shifts) are evidence of community expectations that workers should not be required to absorb the costs of the flexibility that benefits consumers. There is currently a minimum wage hearing before the Fair Work Commission.

Resthaven agrees that 'remuneration for aged care workers is less than for similarly-qualified workers in comparative sectors' and there is considerable evidence of loss of aged care workers through direct competition with other care streams, including to other aged care organisations and other industries where they are better paid, and there is less demands on workers when compared to aged care, including from increasing compliance activities and the demands of heightened infection control measures. 'Retention bonuses' have not been received as adequate recognition of the underlying workforce challenges.

Organisations (such as Resthaven) are responsible under regulation for adhering to the Aged Care Quality Standards – this includes elements of quality of care, consumer choice, responding to complaints, and skills/qualifications and performance of workers. This is easier for organisations to manage and monitor where the worker is directly employed, and therefore governed by organisational policy/procedure, work instructions, and clear job descriptions/classifications.

### **Labour hire agencies**

Labour hire agencies are required to meet the award requirements for their employed workers. As part of our contracting arrangements, workers adhering to WHS, criminal checks, insurance are also managed and monitored. Where an agency is unable to meet these requirements, we would not engage with them.

It is critical to understand the embedded costs that traditional providers must absorb. For example, where agency worker models are adopted, there is a greater need for monitoring systems to be developed/implemented, with associated costs built into any operating/infrastructure budgets. We aim to manage the level of work provided by labour hire agencies due to the cost (noting in residential care, in March 2022, 5.6% of staff hours were provided by agency workers, but 9.1% of labour hire costs were attributable to use of agency workers).

### **Independent contractors**

While there is limited regulation that governs independent contractors in terms of minimum salary, WHS, and standards of practice, we build into our contracts Resthaven expectations of quality and practice that allows us to meet the Aged Care Quality Standards. Where an independent contractor is unable to meet these requirements, we would not engage (or only in limited situations, such as rural areas where there are no other options – and then safeguards and increased monitoring may be put in place).

In the majority of cases, independent contractors that are sole trader health professionals (allied health, nursing), must be registered with their professional association annually and adhere to strict codes of practice, including WHS and professional indemnity insurance – with risk to their reputation and registration if any issues were to be reported.

### **Digital Platform Workers**

There is currently no regulation in relation to digital platform workers.

A digital platform worker can often set a wage that appears to have parity with the employed worker: however, the effective hourly wage may be eroded by nil payment for

travel or waiting time between sporadic bookings, completing administrative work, and no entitlement to paid leave, superannuation or workers compensation.

There may be situations where there is a conflict of interest (e.g. client choosing to directly “employ” friend/family member), with no visibility to an aged care provider about these potential conflicts. There may be occasions where in a heavily regulated industry, recruitment controls (qualification, literacy, skills, attitudinal interviewing, functional/jobfit assessment) have precluded the worker from obtaining work as an employed worker, but they are able to bypass these regulatory controls on a digital worker platform. There may also be occasions where the client (or family) wish to “bypass” some of these regulatory controls put in place by organisations with an employed workforce, and they may seek the service from a digital platform worker. For example, where an organisation has deemed mobility assistance/transfers to require two workers (and therefore a cost to the client), yet the client/family may seek to get this service with a single worker through a digital platform, placing that worker at risk.

Currently, there is limited ability for providers to manage or monitor compliance of digital platform worker (selected from the platform by a client), with Aged Care Quality Standards, WHS, and expectations around standards of clinical care. There is no requirement for a platform worker to engage in appropriate reporting of and follow up to high-risk clinical events or deterioration in client condition.

Resthaven recommends legislation be developed to provide increased safety of the platform worker, and the client who receives services through the digital platform. We also recommend a minimum wage benchmark that matches the wage (and entitlement costs) of an employed worker, so there is transparent and fair parity of wages and services.

## **Aged Care Reform**

Resthaven urges this study to align with proposed aged care reforms, and to understand the current movement within aged care models. For example, the proposed Support at Home service model, which the Government is currently developing (timelines – released by October 2022, implemented July 2023) will impact on many of the features that platform workers feel they can “offer” as benefit to older people. In the proposed Support at Home program, the cost of services to the client will be controlled by a single pricing schedule, removing any cost-competition between providers, meaning the costs to the client will be the same whether using a platform worker or an organisation such as Resthaven. Administrative costs will be included in the fee schedule unit price. Case management (may) be a service with a consistent unit pricing. A new layer of care finders will provide support to older people to navigate the system and engage organisations/workers to provide services, based on assessed needs.

The proposed ‘unitised’ nature of home care is likely to increase the casualisation of staff to meet the ever-changing service profile and flexibility preferred by consumers. There is a significant difference between residential and home care settings. Within Resthaven (Dec 2021), 26% of community service workers are part time and 54% casual (compared to residential workers: 65% part time and 30% casual). This casual nature of workforce arrangements will be necessary so that providers limit their exposure to worker ‘downtime’. While a significant number of workers may choose to work part time, the Productivity Commission should investigate whether the rapid expansion in the number of home care providers may have accelerated this trend towards casualisation of the workforce, and the likelihood that this trend will only increase in a future Support at Home model. The

casualisation of the workforce makes labour hire and digital platform work more attractive to workers, as workers seek to access multiple employers to make up their salaried workload, particularly where an employer has only a small client load (including in rural areas).

The Government has identified the critical need to build the home care workforce. Tenders to support this closed in August 2021 and successful applicants were announced in April 2022 (already an 8-month time lapse). The models for attraction/recruitment/training of home care workers are integral to this study, and may well change the forecast of the number of workers available to be employed by organisations.

In residential aged care, there will be a need to meet the mandated “minutes of care per resident requirements”, and the management, cost and monitoring of this will favour employed workers, rather than agency workers or platform workers. Underlying these aged care reforms and the ability to support appropriate (and mandated) workforce models is the funding to support high quality, flexible aged care services – with this still an “unknown” in relation to residential care (and the impact of AN ACC) and the pricing schedule for the Support at Home program, including client contributions. In addition, the deregulation of allocation of places (from 2024 a residential care place will be allocated to the older person, rather than to provider) will mean less certainty about maintaining aged care numbers per site, with flow on impacts on labour costs, and service viability.

There have already been significant impacts on residential sites due to COVID and the need to restrict/manage movement of staff between sites/organisations.

## **Technology**

Technology in aged care is generally limited and needs to be improved, including the integration of reliable and accurate information/records. Provision of services by multiple providers will create a further impact of communication gaps with technological limitations across providers.

Many organisations, including Resthaven, are transforming business systems to enable digital rostering, scheduling, and transparent information available via mobile devices at point of care. This technology enables closer matching of client preferences to worker characteristics, greater timeliness and efficiencies in covering staff absences.

Client portals enable clients, with some digital abilities, to source information, and have greater control over how their services are delivered. In addition, technological advances enable efficiencies in recruitment, onboarding, on-line training of workers.

Digital and mobile solutions to care planning/service delivery are attractive to technology-literate workers.

However, it must still be understood that many older people experience difficulty with adjusting to technology and digital processes/use of digital platforms.

The prevalence of dementia and cognitive decline also needs to be considered. People’s capacity to engage in technology and direct and arrange their care may reduce over time, and this has the potential for poor outcomes. It is unclear what safeguards would exist if platform workers are the main form of engagement for a person with dementia.



The Disability, Ageing and Carers, Australia: Summary of Findings, 2018 found that among older people (65 years and over), 38.4% (or 1.4 million) had not used the Internet in the previous 3 months.

The proportion of people using the Internet in the previous 3 months by age group were:

- 74.5% of those aged 65-74 years
- 48.5% of those aged 75-84 years
- 26.7% of those aged 85 years and over.

## Conclusion

The aged care sector relies on the goodwill of its workers, with the key attraction to provide care for older people as a vocation and a commitment. Drivers to improve attraction and retention in aged care include an improved social campaign to promote the benefits of working in aged care and reduced negative media messages of 'neglect' that represent a marginal number of incidents (while acknowledging these are unacceptable cases).

Increased engagement of labour hire agency workers, independent contractors and digital platform workers has the potential to conflict workplace culture, training standards, delineation of roles and responsibilities and values and culture set by individual employers. In addition, collaboration across providers on care needs may be impacted by organisational differences, including delegations of authority, varying knowledge levels, teamwork/peer support and professional culture. There is a risk of fragmented care and delivery of services approached as an individual problem, rather than treatment of holistic care. The impact of reduced collaboration is likely to affect the clinical care for older people resulting in increased risks of poor health outcomes of critical clinical episodes.

The emerging Government model of Support at Home is encouraging increased use of digital platforms by clients to choose workers/self-manage their service "purchase" – this is of concern to the industry due to the evidence that many older people lack confidence/competence in use of technology, and may be even more vulnerable in situations where they have dementia.

When reviewing the content and focus of this issues paper, Resthaven strongly recommends the intent of the study will remain focused on:

- Supporting older people to receive high quality aged care services, including safe services from appropriately skilled and qualified workers, sufficient to meet their needs.
- In terms of the workers who are committed to providing these services, often in difficult situations, with low remuneration, (and during COVID, with expectations that they will be sufficiently committed to place themselves and their families at risk of infection); that the study focuses on safeguarding workers against exploitation, underpayment and under or insecure employment.
- Safeguarding employers by providing clear, fair and proportional responsibility for worker supervision, and service outcomes.