



# Mission Australia

**Submission to the Productivity Commission  
Inquiry  
*Caring for Older Australians***

**July 2010**

Mission Australia has been helping to transform the lives of Australians in need for more than 150 years. Our vision is to see a fairer Australia by enabling people in need to find pathways to a better life. We are committed to eliminating disadvantage and creating a fairer Australia. Through our programs and services we combat homelessness, assist families and children to overcome hardship, support disadvantaged young people and help unemployed people find work. With more than 450 services across metropolitan, rural and regional Australia, we assist more than 300,000 people each year.



## TABLE OF CONTENTS

---

### SECTIONS

#### Executive Summary

- 1. Disadvantaged older people – the unique situation of the homeless aged population**
- 2. Funding residential care facilities**
- 3. Assessments prior to older people entering residential aged care facilities**
- 4. Older people living in public housing**
- 5. Improving ease of access for older people to information and organising assistance**
- 6. Models of care for older people living in the community**
- 7. Choices for older people to move into supported care.**
- 8. Design of residential aged care facilities**
- 9. Funding the aged care system**
- 10. Workforce issues in aged care**
- 11. Too many choices available to older people needing residential or community care**
- 12. Opportunities for older isolated people in the community to interact within their community**
- 13. Ideal model of care for independent older people who are living at home or in retirement villages**

---

Charles Chambers Court is a fully accredited aged care facility accommodating 60 homeless, frail aged residents in Surry Hills, NSW. Mission Australia has recently received a \$16 million grant from the Department of Health and Ageing to build a similar facility in Redfern to provide permanent accommodation for homeless older people.



## EXECUTIVE SUMMARY

---

The rapid ageing of Australia's population justifies a review of the care options available to older people to ensure the availability of a quality formal aged care system that is accountable, integrated and easily accessible by older people. Presently, the system is fragmented, inadequately funded, and confusing to those needing to access care.

The aged care system fails to fully address the needs of the aged homeless. This group is difficult to access in the community and has immediate care needs due to the effects of social disadvantage, poor health and nutrition. The premature ageing of homeless older people requires 'old' and 'aged' to be redefined in order to address individual differences in the ageing process. Broadening the parameters of 'old' will facilitate inclusion of older homeless people to aged care services. A significant recent increase in the number of people 'sleeping rough' or in crisis accommodation centres highlights the need to formalise a process of inclusion for this group.

Establishing a formal interface between health providers, state housing and aged care providers will allow for the development of links to ensure support, assistance and monitoring of older residents in public housing. Without processes in place, the aged homeless may miss out on care entirely.

Reforms to the funding of residential aged care are necessary to provide quality care suited to the individual needs of each older person. Along with an increasingly aged population is an increase in the number of older people with mental health and behavioural issues, many of whom require residential care for medication and support. The Aged Care Funding Instrument (ACFI) inadequately funds the behavioural domain and favourably funds the physical needs of residents. Reviewing and adjusting the current funding arrangements for residential aged care facilities needs to address this inadequate and inequitable distribution of funds and financially compensate for the ongoing and persistent care needs of those with behavioural and mental health issues.

Reforms are required to review the process of ACAT assessments for older people requiring formal care. Currently, the ACAT assessments are not validated and the assessment may take just two hours. There is a feeling that the Department of Health and Ageing does not trust the assessment processes of the residential aged care facilities. Residential aged care facilities conduct the assessments over a four week period and as such are likely to be more accurate due to the longer assessment process yet must be validated. Retrospective financial penalties are incurred for overestimating the needs of a



Mission Australia  
Charles Chambers Court

resident, yet reimbursement for understating the care needs is never retrospective. This funding system requires review and reform.

Reducing the administrative burden that is required to meet Accreditation standards is vital to allow aged care services providers to focus on the priority of providing care.

Easier access to information is paramount for older people to be able to access and utilise the aged care industry. The 'one stop shop' (1300 Help Line) is recommended to achieve this. Simplifying the choices available to older people needing to access aged care is necessary to reduce stress and confusion.

Structural reform is required to ensure sustainable and flexible models of care that meet the needs of the aged, whether they reside in a formal care facility or receive care in the community. Care options that fail to provide for individual choice will not be accepted by the ageing generation of baby boomers. Enabling consumer choice, where appropriate and brokerage services for consumer directed care will enable people to age in place (in the place of their choosing).

Currently, the invaluable contribution made by informal carers is neither adequately recognised nor remunerated, yet restrictive models of care and inadequate funding of the formal aged care system will put pressure on families to take on the carer role, whether they be appropriate to provide that care or not. The obligation to ensure the safety and optimal health of the older person cannot be traded for cost savings to the community.

A reformed aged care system will facilitate a streamlined, easily accessible and connected service for older Australians.



## **PRODUCTIVITY COMMISSION INQUIRY INTO CARING FOR OLDER AUSTRALIANS**

**JULY 2010**

---

### **1. Disadvantaged older people – the unique situation of the homeless aged population**

- The needs of the growing homeless aged population needs to be addressed as a priority issue. The 2006 street count of homeless persons found 10,708 persons over 55 years of age, and 7,400 persons over 65 years either ‘sleeping rough’ or in overnight crisis accommodation nationally, an increase of 36% and 23% respectively between 2001 and 2006.<sup>1</sup> These figures highlight the urgent need for an increase in the number of residential aged care beds and facilities catering for the unique needs of this group who age prematurely due to poor health and nutrition. The majority of these aged homeless were living in inner Sydney in the Woolloomooloo/Kings Cross area<sup>2</sup>, necessitating a proportionally higher number of permanent aged care accommodation be made available in the inner city area.
- Further funds for beds specifically for the aged homeless were provided in 2009 to Mission Australia’s Redfern Project, for a 72 bed facility for the aged homeless, for which we are thankful. However further funding is needed.
- There are few systems in place to refer the growing number of aged homeless to the aged care system. Crisis teams and outreach services are able to access many, but not all of the homeless and socially isolated aged. Those who move from place to place may well be missed.
- Many homeless residents are only able to access aged care assessment processes and providers after a medical crisis leading to hospital presentation.
- Formal systems need to be established between crisis accommodation teams/outreach services, health providers and the aged care system – referral systems may avoid the misfortune of older homeless people returning to the streets.
- Older homeless people (primary or secondary homelessness) are unable to access community CACP/EACH programs as there is no “place” for these providers to reach them reliably. Improved systems are needed to alert community care teams of new

---

<sup>1</sup> Department of Families, Housing, Community Services and Indigenous Affairs, table from ABS Census 2001 and 2006 data, reproduced in ‘Homelessness in NSW’ Briefing Paper No 03/09, Kathryn Simon, NSW Parliamentary Library Research Service 2009.

<sup>2</sup> The City of Sydney “City Street Count finds more rough sleepers” Media Release, 25 February 2010



living locations and a reliable contact person (if available) so these people don't 'fall through the loop'.

- Older homeless people usually have no family/friends as advocates. When moving in to a residential facility, Aged Care Facilities are obligated to then take on the role of advocate to act in the person's best interests. Acting on the resident's behalf when there is no family support involves escorting the resident to appointments (with a driver and a personal care worker), hospital visitations by staff, organising funerals and contact with the Public Trustee. This is a demanding but necessary time consuming role yet no funding is available to compensate the facility.
- Older homeless people (and those in public housing) need support and social interaction but without available low care facilities they will be left alone and unsupported. The enhancement of community aged care services will worsen the financial situation of aged care facilities when fewer people are needing low care residential facilities.
- Evidence is available from Charles Chambers Court, Surry Hills NSW (a residential aged care facility) to show the health improvements that occur when disadvantaged (homeless) older people enter residential low care facilities. Improved nutrition, socialisation and access to health care enables such a person to achieve improved health and wellbeing. The cost benefit to the community and Government over the longer term must be considered.

## **2. Funding residential care facilities**

- Under the current funding arrangements for residential care providers (ACFI) there is a financial disincentive for facilities to improve the health and independence of older people. Allowing residents to become more dependent increases the funds going to facilities. A facility that enables mobilisation, independence in activities of daily living through physical rehabilitation and provides for frequent medical intervention to improve the residents' health will progressively receive reduced funding for their efforts. It is feasible that some facilities use the higher funding for dependence in physical needs to the detriment of their residents.
- Low care facilities: decreasing demand for beds due to improved community care leads to uncertain sustainability of low care facilities and reduced investment.
- The ACFI is unfairly weighted away from challenging behaviours which are on the increase. Dealing with these challenging behaviours is consistently labour intensive. The increased incidence of dementia in an ageing Australia necessitates recognition of the 'burden of care' faced by aged care facilities accommodating residents with behavioural issues. Caring for residents with behavioural issues consistently demands more ongoing staff time and education than providing for the physical needs of residents, yet with ACFI, less funds are given for this type of care.



- The financial burden of paying for the auditing processes required for the Aged Care Accreditation Agency and the NSW Food Authority is significant yet no extra funding is given to support the facility in this mandatory process.
  - The costs of attaining compliance for the aged care facilities (such as the NSW Food Authority) or of attaining best practice are high. There is no financial benefit for a facility that does not attract bond payments, but for facilities with 100% concessional residents there is no financial compensation.
- 3. Assessments prior to older people entering residential aged care facilities**
- ACAT assessments are often inaccurate. This is the result of assessments being conducted in the controlled environment of a hospital, or with insufficient time available for the assessment process. Other factors contributing to inaccurate ACAT assessments include older people often being poor historians and families hiding the true situation about their aged relative, particularly with mental health and behavioural problems.
- 4. Older people living in Public Housing**
- A formal interface between aged care services, health providers and state housing department is essential to ensure the safety and health of this at risk community. It is possible for older people to live in a state of squalor in a public housing unit (or in fact, be deceased, as reported by the media in recent years), yet the public housing authority may have no knowledge of or interest in this fact so long as the rent is being paid.
  - The public housing authority does not provide support, assistance or monitoring to older tenants. An older tenant in public housing without family or friends is in a vulnerable position.
  - Older people on the pension and in Public Housing are unable to access retirement village living (for financial reasons) so do require the opportunity to enter low care residential facilities for continuing support with health and daily living activities in addition to providing a safe secure and social environment.
- 5. Improving ease of access for older people to information and organising assistance**
- The use of a “One Stop” system (a 1300 Help Line) would assist older people to navigate the aged care system and to access required services and information.
  - To supplement the Help Line, a drop-in ‘One Stop Shop’ located at either Seniors’ Centres, the local council offices or at Centrelink (and staffed by Community Aged Liaison teams) could assist older people to access relevant information and services and ease the difficulty in accessing assistance.



- Presently, Centrelink advertisements ask the question “Do you need assistance to live at home?” Self funded retirees do not associate themselves with Centrelink thus a more useful advertisement would target all older people, not only those receiving the aged pension. Advertising the Older Persons’ Help Line mentioned above would give all older people the same opportunity to obtain information and assistance irrespective of income source.
- Access to the aged care sector is currently restricted by confusion resulting from these bureaucratic processes, multi level funding and multiple services. Information about services available to older people is difficult to find without comprehensive knowledge of the aged care system however this would be solved with the Help Line (above). For example, the ACAT assessment – how do older people learn of this? Only through GP’s (if offered) or during a hospital admission.

#### **6. Models of care for older people living in the community**

- To improve the continuity of care, visiting community workers who can fulfil most (or all) of the roles required by the older person is preferable for older people and affords savings from paying multiple visitors to make multiple trips to the one location. Much time and money is wasted by community staff driving to homes for one short visit. Under the current arrangements, many providers organise single service calls, be it for personal care, medications, meals, transport or home maintenance. The CACP and HACC services are fractured and not seamless; there are different providers tendering for different services.
- A collective of providers working together with a single funding source and a pool of employees would better serve the older person by utilisation of a one stop home visit. Some older people may not like so many visitors to their home each day.

#### **7. Choices for older people to move into supported care.**

- Low cost housing for able bodied pensioners who do not own their own home is generally unaffordable. Where do these people go when there is not enough money for rent? This group of older Australians is unable to access formal care or hostels due to not meeting the ACAT assessment criteria, yet may not be able to afford rental accommodation at market rates. Some older people would prefer a supported living environment to living alone (and ageing at home), yet are unable to do so. Such restriction ignores the preferences of the older person who need support with medications, daily hygiene or simply socialisation and medical attention.





## **8. Design of residential aged care facilities**

- The design layout of facilities needs to be of a size to allow residents to spend time with other people or to simply spend time alone. The provision of individual rooms with a bathroom is particularly important for residents with challenging behaviours. Having very large layouts with a high number of residents on each floor and a large shared dining area is unmanageable and cannot be described as a ‘home-like environment’.
- The layout needs to be free flowing with open spaces, light and fresh air. An environment free from the clutter of excess furniture will meet the demands of the sensory impaired, while rooms with external openings situated on floors close to ground level will cater to the needs of indigenous residents.
- The ambience of residential aged care facilities must provide for the cognitively impaired and support those with palliative care needs.
- A higher than average number of residents with behavioural issues, are lifelong smokers, so a separated smoking area in all aged care facilities is necessary, with the provision for staff to supervise residents smoking. This supports the right to choice of lifestyle and interests.

## **9. Funding the aged care system – a single funding provider is required (Federal Government only).**

- ALL services for older people, whether community based or residential based need a single funding source. This would allow for ease of access, continuity of care and ‘one stop’ service provision. The continuum of need from independent to dependent requires a non-fragmented transition of care. Single source of funding would improve this from the current system.
- Aged care needs to be funded entirely separately to health. Old people are not ‘unwell’ by virtue of their age, but may have symptoms of normal ageing processes. Along with separate funding, a smoother transition between the two is required.

## **10. Workforce issues in aged care**

- National registration is required for Personal Care Assistants and Assistants in Nursing.
- Certificate III Aged/Community Work minimum is needed to establish a minimum level of knowledge to perform safely and effectively in the important role of Personal Care Assistants and Assistants in Nursing.
- Insufficient funding of facilities and providers results in lower quality and quantity of care.
- The measurement of ‘adequate staffing’ generally is not able to be determined by the Department of Health and Ageing, or auditors or families during an isolated visit to



the facility. Staff-resident ratios required to meet the diagnostic profile of a facility, the design of the facility and the particular needs of the individual residents varies and can best be confirmed as 'adequate' by residents with sufficient cognitive abilities to assess this. Resident surveys and interviews capture one side of the picture.

- Attracting quality care staff, particularly Registered Nurses at current award rates is difficult and not likely to result in the best quality staff.
- Amongst health care workers, aged care is seen as the last choice, the least interesting and least rewarding. All aged care staff are directly responsible for the funding and viability of the facility which places a huge burden on these workers. This lessens the likelihood of nurses entering aged care as a career choice and may be attracting nurses to the system who have left the acute care system due to performance issues.
- Aged Care RN's are required to have the knowledge of the entire spectrum of all nursing and medical procedures, treatments and diagnoses covering health, ill- health and the normal ageing process. Knowledge is also required of existing legislation and regulations of the Aged Care Act 1997, WorkCover and the NSW Food Authority. Despite this, there is strong peer perception that Registered Nurses working in Aged Care are less competent and seen as 'not a real RN'.
- Residential aged care facilities do have greater scope to vary conditions and provide incentives for staff than do large public and private hospitals. At this facility (Mission Australia's Charles Chambers Court), staff retention is high due to several factors. Staff report job satisfaction from knowing they make a difference to the residents' quality of life on an ongoing basis, and seeing the results of their care contribution. Management provide staff with fixed rosters (rather than rotating rosters) to support family and social needs, rostered days off and hour bank options, relevant and tailored training and education and team building days which has resulted in low turnover and stable staff to ensure consistency of care. The facility does not use agency staff but is able to rely on a casual pool of staff and the goodwill of permanent staff to cover leave.

#### **11. Too many choices available to older people needing residential or community care**

- The number of services for older people (for community or residential care) is vast. Older people can have difficulty in distinguishing between the different services – private versus not for profit, those requiring bonds, security of tenure and ageing in place facilities – or the reason for the number and style of different services.
- Having so many aged care options can be a cause of stress and confusion for vulnerable older people confronted with such an important decision about their future care.



**12. Opportunities for older isolated people in the community to interact within their community – Government funded.**

- It is known that social isolation is disadvantageous to the mental and physical health of older people. Allowing for intermittent interaction with peers encourages interaction, enables activity and supports positive mental health. The interaction also provides a safety net for older people needing assistance by recommendation or informal referral to services. Improved access to day care activity centres for the aged can achieve these benefits; however transport to these facilities must be more readily available than is presently the case.

**13. Ideal model of care for independent older people who are living at home or in retirement villages**

- Consumer directed care with GP advice and aged services brokerage for those deemed competent and educated about the choices needs to be considered in view of the rapidly ageing population. Generational changes in the ‘baby boomers’ involvement with education, marriage, earning capacity and choice indicates a need to explore consumer directed care and funding to individuals rather than providers.
- The concept of social housing lacks integration with services. Social housing, while ideal in theory for some, does little to prevent isolation or ensure health maintenance and preventative care is in place.