

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

## Submission to the Productivity Commission – Inquiry into Caring for Older Austrlians

Dear Sirs,

Tabulam and Templer Homes for the Aged (TTHA) is an ethno-specific German-speaking CALD Aged Care Facility situated in Bayswater/Victoria. The two parent societies of TTHA are the Temple Society Australia (TSA) and the Australian German Welfare Society (AGWS). Their older members are the prime target group.

TTHA offers Ageing in Place for 118 people in residential care and presently 53 people in Independent Living Units (ILU) with the prospect of extending that number. About 50% of all residents in residential care suffer from some kind of Dementia, 34 of them are placed in 2 secured wards.

TTHA sees care for people suffering from Dementia as one of the greatest challenges for the Australian society in the 21<sup>st</sup> century. According to reliable statistics the number of people suffering from dementia in Australia will quadruple in the next 40 years and reach some 750.000 by 2050. Unfortunately the present ACFI funding system does not reflect the requirements of giving proper care to people suffering from dementia provided the intention is to give this group of our society the same rights of being treated with decency, respect and dignity.

The ACFI funding in the "behaviour" (BEH) category is significantly lower than in the two other categories (ADL = Activities of Daily Living and CHC = Complex Health Care). But the BEH category is exactly the one which is relevant for people suffering from dementia. A "High" in BEH attracts \$30.25 per resident per day and thus even 7 Cents less than a "Low" in ADL (\$30.32). In comparison: A "High" in ADL attracts \$91.47 and thus three times more than a "High" in BEH. The "Low" in BEH went up from \$6.81 to \$6.93 per day on 1<sup>st</sup> July 2010, that is 12 Cents, a ridiculous amount of money when you consider the amount of care needed for residents suffering from dementia.

Every nurse on the floor can confirm how much attention, time and energy is required to properly care for people suffering from dementia. However, the present funding system does not honour these requirements.

In the long-term this may lead to a situation that Aged Care Facilities will try to avoid admitting people suffering from dementia who otherwise do not attract much subsidies (still physically quite fit, so no ADL and no or little CHC subsidy). Many of these people are assessed with a "High" in BEH (\$30.25) and possibly a "Low" in CHC (\$13.64), which adds up to \$43.89 per day. This is definitely not enough to cater appropriately for them.

In TTHA, for example, 50% of the people (59 out of 118) — conservatively speaking — suffer from some kind of dementia. 34 of them are in the secured wards. Many of them are cross-financed by those who are "High" in ADL and "High" in CHC for whom we get nearly \$150 per day. This, I believe, is an impossible situation. With the number of people suffering from dementia on a steep rise in the future, many of them will end up in "third-class" asylums. This affects people with a CALD background even more as still many of them are treated like people suffering from dementia, but in fact they have just lost their ability to speak English. I believe, at this point of time this is a more pressing problem than the question of the number of beds available in Aged Care Facilities. Here in the Eastern Region many Aged Care Facilities have now vacancies — TTHA is one of the few with full occupancy at any given point of time. One of the reasons is that we are not-for-profit and take people irrespective of their social, cultural, religious background, their financial situation and physical and mental condition.

We kindly ask the members of the Productivity Commission to seriously consider this submission and reflect on the implications for the Australian society in the future if no action is taken on this crucial point.

With kind regards

Johannes Achilles, CEO