



MERCY AGED CARE SERVICES BRISBANE

**Submission in Response to the Productivity Commission Draft Report:
Caring for Older Australians.**

March 2011

SUBMISSION IN RESPONSE TO THE PRODUCTIVITY COMMISSION DRAFT REPORT: CARING FOR OLDER AUSTRALIANS

Mercy Aged Care Services supports the Commission's draft recommendations particularly relating to policy change based on maintenance of wellness and independence, person centred care, economic efficiency and enhanced consumer choice and control.

The service welcomes recognition of the higher care funding need for palliative care, for people with a disability who are ageing and for people with complex clinical and mental health conditions.

The service is concerned that choice for financially disadvantaged persons be improved and makes the following suggestions in relation to this group in response to draft recommendations 1.5 and 1.7.

Draft Recommendation 1.5

Regional supported resident (non transferable) quotas should be retained. The transfer of supported resident quotas and tendering arrangements are not supported because these options would limit the range of choice for financially disadvantaged residents.

If the Australian Government accommodation supplement for supported residents reflects the equivalent cost of a single room with ensuite (see below) supported residents should be as 'attractive' to providers in a competitive environment as non supported residents. The need for quota transfer options and tendering arrangements for supported resident places would largely be negated.

Draft Recommendation 1.7

The Australian Government's (supported resident) contribution for residential care accommodation should gradually increase to reflect the average cost of providing accommodation on the basis of a single room with ensuite. In conjunction with a transition to a higher supported resident accommodation supplement the government could review the eligibility criteria for supported resident status.

Single room accommodation reflects the construction standard for new aged care development and reflects client expectations. The introduction of a competitive accommodation charge will reduce the capacity of providers to cross subsidise supported resident accommodation. Since it is the intention of the Commission's recommendations to eliminate cross subsidies, and single room accommodation is the standard, then it is reasonable that Australian government accommodation payments for supported residents be based on this standard.

A number of people entering residential aged care who are financially disadvantaged have mental health conditions, are homeless and socially disadvantaged or are people with a disability who are ageing. Shared accommodation is generally not appropriate for this group who may have complex care needs including challenging behaviours that require a higher level of care, emotional support and privacy.

Establishing an accommodation standard for financially disadvantaged people, which is less than the standard for the wider community, would reinforce social disadvantage.