

31 March 2011

Caring for Older Australians  
Productivity Commission  
PO Box 1428  
Canberra City ACT 2601  
Email: [agedcare@pc.gov.au](mailto:agedcare@pc.gov.au)

## Response to the Draft Report<sup>1</sup> by the Productivity Commission resulting from the Inquiry, “Caring for Older Australians”

The primary focus of Aged Care Crisis relates to our concern that too many frail, aged Australians do not receive quality aged care. Every day we have correspondence from family members of residents in aged-care homes, and from staff who work in those homes, indicating that the current system fails many of those it seeks to protect.

We doubt that many other organisations have access to such a rich source of data on a range of aged-care issues as that provided by the many correspondents to us - through our web site, [www.agedcarecrisis.com](http://www.agedcarecrisis.com). This response to the Draft Report draws upon this data and relates primarily to residential aged care.

While we recognise that the Draft Report has made significant recommendations on the structure and funding of aged care, we do not see how these, in themselves, will improve the **quality** of care for those residents who are approaching the end of life. In fact, we believe that several of the Commission’s recommendations make achieving that goal even more difficult.

We are firmly of the view that there is a moral imperative to aged care that appears to be lacking in the Draft Report which focuses primarily on structures and funding. We must guard against viewing aged care primarily as a cost burden to public revenue.

We therefore make the following comment on the Draft Report, “*Caring for Older Australians*”.

- 1. Quality care is the critical issue.** Opening up residential aged care further to market forces in the name of greater choice, for frail aged consumers ignores the reality that frail people at the end of life are not ‘customers’ in the usual sense.

Decisions by older people and their family are generally made at a time of great trauma and stress – sometimes these decisions are, in fact, made by hospital social workers who generally work under the economic imperative of clearing costly hospital beds as soon as possible. The issue of location for the older person is usually paramount and the options are limited. Most importantly, the community has the right to expect that **all** aged-care homes receiving government subsidies provide a high standard of care.

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<sup>1</sup> Caring for Older Australians: Draft report : <http://www.pc.gov.au/projects/inquiry/aged-care/draft>

**2. Information and transparency.** While we applaud the notion of an independent regulator – such as the proposed Australian Aged Care Regulator – taking responsibility for control of complaints, assessments and accreditation, further details are needed on how this body will be truly independent. Much further consideration needs to be given to the following questions.

- How will office holders be appointed?
- What exactly will be measured?
- What will be reported publicly?
- What assessments will be made?
- What information about providers and aged care homes will be made available to potential residents and their families?

The publication of all relevant information is an essential part of achieving transparency. Privacy is always an important consideration, but **should not be used as an excuse or barrier to transparency and accountability** – or as a way to protect those who have the responsibility to care for vulnerable citizens.

**3. Staff/resident ratios.** One of the most significant factors in providing quality residential aged care is to ensure that there is sufficient skilled staff on hand to provide that care. **It seems extraordinary to us that the Draft Report does not recommend a mandated staff/resident ratio.**

Aged Care Crisis learns, almost daily, of instances of neglect within our aged-care system. Scandals relating to neglect and abuse of vulnerable, frail people are regularly featured in the media.

Nurses and carers frequently report that they are not able to care for residents properly, given the conditions and time restraints imposed on them. It is clear that providers of aged care generally strive to operate with the fewest staff possible – at times placing vulnerable residents at risk. Most settings which care for vulnerable individuals, for example hospitals and child care centres, operate within a mandated staff/person ratio. It is intolerable that frail, older people do not have this protection.

**4. Missing Review.** We have also asked why<sup>2</sup> the [Review of the Accreditation Process for Residential Aged Care](#)<sup>3</sup>, conducted by the Department of Health and Ageing did not inform the deliberations of the Commission. We note that one of the key terms of reference for the Commission's Inquiry was to:

*'... systematically examine the social, clinical and institutional aspects of aged care in Australia, building on the substantial base of existing reviews into this sector ...'*

We expected that this Review would have had some relevance to the composition of the Draft Report.

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<sup>2</sup> Letter to Productivity Commission, 1 March 2011 (included in Appendix)

<sup>3</sup> Review of the Accreditation Process for Residential Aged Care (DOHA, 29 May 2009)  
- Department of Health and Ageing - Office of Aged Care Quality and Compliance (OACQC)  
[www.health.gov.au/internet/main/publishing.nsf/content/ageing-mailfax-2009-2905a.htm](http://www.health.gov.au/internet/main/publishing.nsf/content/ageing-mailfax-2009-2905a.htm)

**In conclusion.** The further privatisation and deregulation of residential aged-care homes heralded in this Draft Report as providing increased choice and diversity, fails to give real protection and security for vulnerable frail, older people. Ensuring that future aged care can be adequately funded is absolutely critical, but this cannot be achieved in isolation from the many issues which affect the quality of care.

Aged Care Crisis believes we have a collective responsibility to protect the welfare of the frail aged, one of the most vulnerable groups in our society. That collective responsibility conflicts with the notion of exposing people at the end of life to the market economy.

The market, as exemplified in the Draft Report, regards vulnerable older people as customers who, in theory, but not in reality, are able to pick and choose from a range of commercial providers. Their unique situation is devalued and their real needs ignored.

Because a market perspective has now become the reality for our community, our sense of responsibility has atrophied. Market models should not drive public policy in this sector. We believe that the welfare of residents should drive public policy.

We call on the Commissioners to give far more attention to the interests of residents and the quality of care they receive.

On behalf of **Aged Care Crisis**,

Linda Sparrow, Rodney Lewis, Lynda Saltarelli and Dr J.M. Wynne.

web: [www.agedcarecrisis.com](http://www.agedcarecrisis.com)

### *Related links:*

- Aged Care Crisis initial submission to Productivity Commission Inquiry [Caring for Older Australians](http://www.pc.gov.au/data/assets/pdf_file/0008/102140/sub433.pdf) [http://www.pc.gov.au/data/assets/pdf\\_file/0008/102140/sub433.pdf](http://www.pc.gov.au/data/assets/pdf_file/0008/102140/sub433.pdf)
- Productivity Commission fails frail, older Australians (Jan 2011): <http://bit.ly/euBOJr>
- Strangled by shower cord? (Apr 2011): <http://bit.ly/hm8e3k>
- Aged carers tell of poor pay, terrible conditions (Apr 2011): <http://bit.ly/q2rCpL>
- Nursing Home Deaths Probe (Mar 2011): <http://bit.ly/igJLV8>
- Coroner's Court says beloved mother was burned alive due to 'simply no measure of supervision'... (Mar 2011) - <http://bit.ly/if07Eh>
- Up to \$2.6m demanded for nursing home places (Feb 2011): <http://bit.ly/fwliEA>
- 7PM Project – Jennifer Byrne: Aged care in crisis (Feb 2011): <http://bit.ly/eYGg9o>
- Missing - Transparency in Aged Care: <http://bit.ly/aszFm6>
- Regulation and oversight deficiencies in Aged Care: <http://bit.ly/hKjOeG>
- Consumers: Nursing Home Transparency: <http://bit.ly/gIK8kM>
- Elder Abuse: Don't know, don't care, or both? (Mar 2011) : <http://bit.ly/gGNlno>
- Query over home's care Coroner finds on fatal fall (Oct, 2010): <http://bit.ly/fCOX18>
- Beware the Nursing Home Industry's "Grand Plan" (Aug 2010): <http://bit.ly/qt0tN4>
- Coroner criticises care of Salisbury nursing home resident (Oct 2009): <http://bit.ly/fZrebG>
- Our nursing homes in turmoil (May 2009): <http://bit.ly/gSlgg7>

## Appendix: Letter to Productivity Commission – 1 March, 2011



1 March 2011

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

Dear Commissioners,

**Re: Productivity Commission Inquiry “Caring for Older Australians”  
Request that the Commission ask the Minister for an extension**

We have studied your draft report and are impressed by the detailed and comprehensive way in which you have addressed the demands of aged care providers. While many will not be in full agreement with your proposals, there is more than enough information in the draft report to allow all parties to constructively comment on your funding proposals and then propose changes.

**Our primary interest is in the care (and protection) of older Australians**, and our main concerns relate to residential aged care. We welcome the recommendation to establish an independent regulatory body but are unable to comment constructively on this because of the lack of specific detail, specifically:

- how the office holders will be appointed;
- what would be measured and by whom;
- what will be reported publicly;
- what assessments will be made of the utility of the choices offered by providers;
- what information will be made available to potential residents; and
- how will its significance be explained to them.

Similar broadly-based recommendations have been repeatedly made in the past but were never implemented. We believe that you should be far more specific in your recommendations if they are to be adopted.

We believe that this lack of attention is partly because the many stakeholders you have consulted are focused primarily on their bottom line, partly because there has not been enough time left, and partly because you have not been given access to the unreleased *Review of the Accreditation Process for Residential Aged Care* conducted by the Department of Health and Ageing (DOHA)<sup>(1)</sup>. As a consequence, you have not met the first term of reference given to your Committee<sup>(2)</sup>.

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<sup>(1)</sup> **Review of the Accreditation Process for Residential Aged Care** (DOHA, 29 May 2009)  
- Department of Health and Ageing - Office of Aged Care Quality and Compliance (OACQC)  
[www.health.gov.au/internet/main/publishing.nsf/content/ageing-mailfax-2009-2905a.htm](http://www.health.gov.au/internet/main/publishing.nsf/content/ageing-mailfax-2009-2905a.htm)

<sup>(2)</sup> **Terms of Reference – Scope of the Inquiry:**

**The Commission is requested to:** “...1. Systematically examine the social, clinical and institutional aspects of aged care in Australia, building on the substantial base of existing reviews into this sector ...”

 <http://www.pc.gov.au/projects/inquiry/aged-care/terms-of-reference>

## Appendix: Letter to Productivity Commission (page 2) – 1 March, 2011

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The DOHA review is critical to the recommendations you must make to protect nursing home residents. Previous reviews that were conducted in 2003<sup>(3)</sup> and 2007<sup>(4)</sup> were unable to comment on many facets of the Accreditation Agency's operations because of the lack of concrete data. The many complaints made in previous reviews were never properly addressed.

The review by DOHA is therefore critically important and without its findings we too are unable to make constructive suggestions. Like many, we have made submissions to the *Review of the Accreditation Process for Residential Aged Care*<sup>(5)</sup> and our approach to your recommendations, when they are made, will be tempered by their report.

We therefore request and urge you to ask the government for an extension of the date for the release of your report until well after the release of the DOHA report.

A date should be set that allows you to examine that report, properly write your own recommendations and then allow public comment. The closing date for supplementary submissions should be adjusted accordingly.

We look forward to an early response to this letter.

Yours sincerely:

**On behalf of: Dr J.M. Wynne, Lynda Saltarelli, Linda Sparrow and Rodney Lewis**

*Aged Care Crisis Inc.*

*Signed copies to follow by post.*

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**(3) Managing Residential Aged Care Accreditation** (May 2003)

- Australian National Audit Office (ANAO)

<http://www.corpmedinfo.com/agereport2003.html>

**(4) Evaluation of the impact of accreditation on the delivery of quality of care and quality of life to residents in Australian Government subsidised residential aged care homes** (October 2007)

- Campbell Research & Consulting, DLA Phillips Fox Lawyers and Monash University

<http://www.corpmedinfo.com/agereport2007c.html>

**(5) Review of the Accreditation Process for Residential Aged Care** (DOHA, 29 May 2009)

- Department of Health and Ageing - Office of Aged Care Quality and Compliance (OACQC)

[www.health.gov.au/internet/main/publishing.nsf/content/ageing-mailfax-2009-2905a.htm](http://www.health.gov.au/internet/main/publishing.nsf/content/ageing-mailfax-2009-2905a.htm)