

**NATIONAL SENIORS AUSTRALIA KNOX BRANCH INC.
POLICY SUB COMMITTEE
DRAFT PRODUCTIVITY COMMISSION REPORT INTO AGED CARE
COMMENTS**

Knox Branch has a number of members who have had, and in some cases continue to have, responsibility for the financial welfare of relatives who are residents of aged care facilities, some in low care, others in high care. It goes without saying that they are also concerned about their relatives' physical, financial and emotional welfare.

Other members are not in this position, but are concerned for the welfare of such residents, realising that they too may become dependent on the aged care sector in their later years.

With these considerations in mind and on behalf of the other Branch members, the Sub Committee has examined the recommendations in the Draft Report, and comments as follows on them:

PAYING FOR AGED CARE

DRAFT RECOMMENDATION 1.1

We agree in principle. Although we add that aged care is the result of medical need, not an option on the part of residents of aged care facilities.

Policy settings must be based on personal need, not on straight business practices.

Those in aged care are not there by choice, and have little if any bargaining power.

DRAFT RECOMMENDATION 1.2

Dot point 1: This is already the case, with individuals paying **agreed** amounts **depending on their taxable incomes**. It must not be used as a means for applying the user pays principle without limit.

Dot point 2: This statement appears to conflict with dot point 1, and is little more than a "motherhood statement". Specific existing funding policies need to be listed.

Dot point 3: "Capacity to pay" is a very subjective term, with its definition wide open to interpretation. We are in favour of people paying their way within their means, but we are **not** in favour of this impacting on their ability to pay for medical and associated costs (including health insurance premiums), **because a significant number of older people are not eligible for Age Pension concessions insofar as medical services are concerned.**

The term "catastrophic" is vague and ambiguous, and needs clear definition. The word "should" needs to be replaced with "must". This is not an option-people **must not be exposed to catastrophic costs of care under any circumstances.**

DRAFT RECOMMENDATION 1.3

We agree in principle.

DRAFT RECOMMENDATION 1.4

We have serious reservations with this Recommendation, and consider it to be very poorly thought out. Our concerns are:

- Removing the cap on high care accommodation charges would be a retrograde step from the point of view of residents who must pay them, and may well result in a debt on their estates to be met by their executors.
- The statement that “providers offer an accommodation bond that is equivalent to, but no more than, the relevant periodic accommodation charge” appears to be devoid of logic. Without the benefit of reading the full report (which we do not possess) we are not aware of the definition of “periodic accommodation charge” which we assume is a set amount, though our dot point above casts doubt on this.

We assume that the amount paid in periodic accommodation charges is purely time based, so unless the accommodation bond is equal to a set number of years of periodic charges, then the bond amount cannot be calculated.

It would seem reasonable for the statistical national average duration of residence in an aged care facility to be a prime determinant in calculating a bond.

We are also very uneasy about the real purposes of an accommodation bond, as coupling payment of a bond with means tested daily care payments could leave a resident with no cash reserves for payment of medical bills etc.

We are of the firm view that the method of setting and refunding bonds must be uniform throughout the aged care sector, and strongly suggest that this requirement be included in the final Report.

- Accommodation charges and their bond equivalents **must** be published by the residential aged care facility. “Should” is an option, and is totally unacceptable in a recommendation of this nature.

DRAFT RECOMMENDATION 1.5

We agree that providers should continue to be obliged to make available a proportion of their accommodation to supported residents, however we are very concerned that this would not apply to existing providers who are currently not obliged to make accommodation available to supported residents.

This may be acceptable if the providers in question are entirely self funded, but it is unacceptable if they receive any form of government financial assistance.

We have great difficulty accepting the concept of competitive tendering for provision of accommodation to supported residents as this will inevitably lead to acceptance of

the lowest tender unless there is a rigorous performance specification in place for the assessment of tenders, and for the ongoing monitoring of contract performance. All such specifications must be based on nationally accepted standards of care and accommodation in aged care facilities, and these standards need to be community determined.

We need to be convinced that such a tendering system would **not** lead to two levels of aged care namely for

- Residents with private income
- Residents dependent on the age Pension

The Recommendation in no way convinces us!

DRAFT RECOMMENDATION 1.6

The proposed Australian Pensioners Bond scheme sounds reasonable in principle, however “the devil will be in the detail”.

We cannot give full support to the Recommendation without knowing a lot more about the practicability of its application. For example, what happens when only one partner needs to go into care while the other is still capably living in the family home?

DRAFT RECOMMENDATION 1.7

The words “should reflect” are vague and ambiguous.

We consider that the Australian Government contribution **must** cover a set proportion of the cost of providing the basic standard of accommodation for supported residents regardless of the location of the accommodation.

DRAFT RECOMMENDATION 1.8

We agree with this recommendation in principle subject to there being no reduction in the existing standards of care to any resident.

DRAFT RECOMMENDATION 1.9

First dot point: Please refer to our comments for Draft Recommendation 8.1

Second dot point: THIS IS VERY BADLY WRITTEN, AND SHOULD BE WITHDRAWN UNTIL IT IS INTELLIGABLE!

Third dot point: LITTLE BETTER THAN THE SECOND DOT POINT

Second paragraph: We agree with this in principle.

Third paragraph: We agree with this approach.

DRAFT RECOMMENDATION 1.10

First paragraph: We agree with this recommendation in principle, though we cannot see any reason for excluding accommodation costs.

Second paragraph: We cannot see any logic in this recommendation, and regard it as not in the fair interests of residents who are liable to pay income tax.

DRAFT RECOMMENDATION 1.11

We regard this as a sound recommendation.

However we are very concerned that it deals only with the financial aspects of aged care, and firmly consider that the role of the Aged Care Regulation Commission must be extended to include monitoring of all aspects of care standards (which include issues such as food quality and quantities, resident hygiene, accommodation cleanliness and comfort).

CARE AND SUPPORT

DRAFT RECOMMENDATION 8.1

We support the Recommendation in principle, however we see no need for a separate case manager in a residential aged care facility when case management is already the responsibility of the facility management.

DRAFT RECOMMENDATION 8.2

First and Second paragraphs:

We cannot support these parts of the Recommendation. In Victoria, HACC services are provided at Local Government level which has the big benefit of being the level of government closest to the “clients”.

As it stands, the Recommendation would simply add another layer of bureaucracy to the aged care system. Again, it appears that financial efficiency is being placed before the effective provision of aged care services to those who need them.

Third paragraph:

The term “scheduled price” strongly indicates that a surcharge may be requested by the service provider. There is nothing inherently wrong with this approach (in Victoria, HACC services are subsidised, with the client knowing what their out of pocket expenses will be for each service.

However the scheduled prices set must reflect actual market prices for the services concerned.

So the Recommendation needs to clearly explain what proportion of actual costs the clients will be expected to bear.

DRAFT RECOMMENDATION 8.3

We agree in principle.

DRAFT RECOMMENDATION 8.4

We are unable to offer any comment as we have difficulty in understanding what is actually meant in the recommendation.

DRAFT RECOMMENDATION 8.5

We agree in principle.

CATERING FOR DIVERSITY-CARING FOR SPECIAL NEEDS GROUPS

DRAFT RECOMMENDATION 9.1, 9.2, 9.3

We agree in principle.

AGE-FRIENDLY HOUSING AND RETIREMENT VILLAGES

DRAFT RECOMMENDATION 10.1

In our experience, this does not apply to retirement villages, however it would be applicable to owner occupied properties.

We support it in principle.

DRAFT RECOMMENDATION 10.2

We understand that these design standards are already catered for in the Universal Design Codes, however their value would be greatly enhanced by them being recognised as national standards.

DRAFT RECOMMENDATION 10.3

We strongly support this Recommendation, and would go further by suggesting that it be strengthened by replacing “should” with “must”.

There is a great need for housing of this type, especially single level housing. Many people over sixty five now have difficulty in using stairs between floors.

DRAFT RECOMMENDATION 10.4

We strongly disagree with the last part namely “-----, and should not be aligned with the regulation of aged care.”

Retirement villages are selling a lifestyle, and many of the residents are fit and healthy. However many others, while capable of still living independently, are elderly and have significant health problems which require them to live in facilities where help is available twenty four hours a day. Well run retirement villages provide such facilities so, like it or not, retirement villages are part of the aged care sector.

DRAFT RECOMMENDATION 10.5

We support this Recommendation, subject to legislative changes being informed by research jointly commissioned by government, the industry **and organisations representing residents and potential residents.**

Without residents, there would be no retirement village industry, so their representatives have as much right to influence legislation as does the industry.

DELIVERING CARE TO THE AGED - WORKFORCE ISSUES

DRAFT RECOMMENDATION 11.1

We support this Recommendation in principle, but we stress that this is often a highly emotive area where older carers need to be treated with care and respect, particularly those who are caring for partners with degenerative diseases or, what is often worse, disabled adult children.

Few of these people need education and training, but what they do need is respite, both planned and emergency, and peer group support.

We speak from experience!

DRAFT RECOMMENDATION 11.2

We strongly support this Recommendation, but stress that for it to be effective, wages for nursing and ancillary staff need to be at parity throughout the entire health and welfare industry.

Most people who work in the aged care field are as every bit dedicated and skilful as those in other sectors of the industry, but their work is neither as appreciated nor financially rewarded as is that in other sectors.

However their efforts are certainly appreciated by those of us whose relatives are or were cared for by them.

DRAFT RECOMMENDATIONS 11.3, 11.4, 11.5

We fully support these Recommendations.

REGULATION – THE FUTURE DIRECTION

DRAFT RECOMMENDATION 12.1

We support this Recommendation in principle, however we have reservations about the following, and suggest that the final report address them:

- The possibility of a lack of cooperation and liaison between the Department of Health and Ageing and the proposed Aged Care Standards and Accreditation Agency regarding the preparation, review and amendment of quality standards in the aged care sector.

- Lack of reference to contact between the Agency and consumers and their agents other than through the complaints mechanism. It is highly probable that improvements may be identified by customers and/or their agents through direct contact or jointly with customers/agents and facility management.
- Clearly identifying who are stakeholders. We contend that customers and their agents are as much stakeholders as are facility owners, managers and staff.

DRAFT RECOMMENDATION 12.2

If the Office of the Aged Care Commissioner is abolished, then who will keep an eye on the AACRC?

The AAC role should be that of an Ombudsman, so we do not support the abolition of this Office. Nor do we support an Aged Care Division of the AAT. It may work, but we have considerable reservations.

DRAFT RECOMMENDATION 12.3

We are unable to offer any comment.

DRAFT RECOMMENDATION 12.4

We support this recommendation in principle.

DRAFT RECOMMENDATION 12.5

It is our understanding that the Victorian HACC standards are currently the highest in Australia, so we would not want to see any reduction in the Victorian standards.

Our only concern at present is that there is apparently undue weight given to OH&S aspects for the people providing home cleaning services. Regulations need to take into account the fact that home cleaning services are requested for work which the residents undertook without difficulty in their younger years. This work cannot be regarded as either difficult or arduous, and this needs to be reflected in regulation enforcement for that portion of HACC services.

DRAFT RECOMMENDATION 12.6

We are unable to offer any comment.

DRAFT RECOMMENDATION 12.7

We fundamentally disagree with this recommendation!

All care recipients, their authorised representatives, and all prospective care recipients and their representatives MUST receive this information automatically as a means of checking on the actual performance of providers.

WE REGARD THIS AS A DREADFUL EXAMPLE OF THE AGED CARE INDUSTRY TRYING TO AVOID ITS DUTIES OF CARE. IT IS LOBBYING OF THE WORST KIND.

DRAFT RECOMMENDATION 12.8

We see no justification for varying the reporting periods, so cannot support this Recommendation.

DRAFT RECOMMENDATION 12.9

We strongly oppose this Recommendation. There have been too many reports (at least in Victoria) of instances such as those listed in the Recommendation.

We would expect that Cononer and Food Inspector reports would provide adequate evidence in support of our opposition.

We cannot help but conclude that this is another instance of provider lobbying to dilute standards for their commercial benefit.

THE WELFARE OF THOSE IN CARE MUST ALWAYS TAKE PRECEDENCE OVER THE COMMERCIAL INTERESTS OF PROVIDERS.

DRAFT RECOMMENDATION 13.1

First paragraph, first dot point:

We fully support this recommendation.

First paragraph, second dot point:

This data would be expected to be of a statistical nature, so we have difficulty in accepting that confidentiality would be compromised in any way.

Restrictions on the stats. which can be published would be another matter, and we would expect that this would principally result from pressure brought to bear by provider interests.

SKEWED DATA WOULD EFFECTIVELY MISLEAD THOSE READING IT, SO IT MUST BE PREVENTED AT ALL COST.

We support all other parts of the Recommendation, though we ask what “de-identification” means!

DRAFT RECOMMENDATION 14.1

Second dot point:

We suggest that the inclusion of consumer organisations such as National Seniors Australia among those to be consulted would add considerably to the consultation process because they represent those not currently in the aged care system - **but who may be in the not too distant future.**

Sixth dot point:

We suggest that all stakeholders be included. The draft recommendation is ambiguous in this regard.