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## Productivity Commission

### Inquiry into Aged Care

Points to be presented at response hearings by Care Connect Limited

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#### ***Care Connect***

Care Connect is a major community care provider supporting people with care needs to remain independent in their community. We operate from 15 offices across Victoria, New South Wales and Queensland, supporting almost 5000 individuals each year through over 300 dedicated employees.

Care Connect operates on a brokerage model, leveraging case management and care co-ordination techniques. In effect, we work to understand our clients' needs, build care plans with them and then broker-in support services from providers of their choice.

Given Care Connect's focus, our comments will remain within the community care space.

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#### ***Key points from our response***

Overall, we support the vision embodied in the draft report, but make the following key points for the Commission's consideration.

<b><i>Key Point 1: Care Connect supports a market model of service provision and client centred funding</i></b>
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Care Connect supports the notion of client choice and client centred funding. We believe this change will maximise efficiency of the service system based on a "market model"

<b><i>Key Point 2: Care Connect supports individualised funding, but believes its success depends on the responsiveness of the proposed assessment system</i></b>
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In today's aged care system, care packages are allocated on demographic data rather than true market demand. These packages are difficult to move across geographic boundaries to accommodate demand. Further, the gap between CACPs and EACH / EACHD means that a deteriorating consumer may have significant unfunded needs before they reach the hurdle to qualify for EACH.

Care Connect understands the Commission's proposal for individual funding based on assessed needs and we believe this represents the ideal situation. However, the success of this model is heavily dependent on quick access to reassessment if needs change. We will use examples to illustrate this point during our presentation.

***Key Point 3: Care Connect supports an Aged Care Gateway for information and assessment, but believes that care co-ordination should remain independent, preserving the market principles inherent in the draft report***

There is no doubt that the current aged care system is complex and that a single source of information will prove indispensable for those entering, navigating and re-navigating the system.

Further, as highlighted by the Commission, assessments must be consistent for social equity reasons. It is therefore logical that they be performed in a government operated Gateway.

The draft report envisages, however, that the Gateway will also provide initial care co-ordination services. *We should not underestimate the demand for care co-ordination services in an aged care setting.*

Although there is strong support for “self directed funding” our experience shows that seniors, without good informal carers, rely heavily on care co-ordination services. Indeed, there is compelling research emerging in Australia showing that only a small minority of seniors would choose to genuinely self direct their funding.

If it is the Gateway that is providing the vital care co-ordination function, then this implies that these resources will be centrally planned. Since this would constitute a government “monopoly”, a client will have no choice but to stick with the gateway co-ordinator, irrespective of quality, or pay extra for the service externally. The resultant loss of competition may lead to substandard co-ordination services.

Finally, care co-ordination establishes the initial provider relationship for many clients. Whether they like it or not, care co-ordinators are key influencers in client choice of providers. If care co-ordination is a government function, then government risks the perception that it is favouring one provider over another.

In summary, if care co-ordination is a function of the gateway then it will be:

1. centrally planned and less likely to flex up and down in line with market needs;
2. in competition with market care co-ordination services, but will have monopoly funding;
3. contrary to the concept of consumer choice embodied in the draft report; and
4. risks criticism that the government Gateway is biased towards some providers over others.

Care Connect proposes, therefore, that care co-ordination functions be provided by “the market”. In that case the client’s funding would include an amount for procuring care co-ordination from the provider of their choice.

***Key Point 4: Care Connect expresses caution at the statement that “The proposed Australian Seniors Gateway should cater for diversity by providing interpreter services and diagnostic tools that are culturally appropriate...”***

Care Connect’s experience with Aboriginal, CALD and LGBTI groups shows that diversity, particularly in relation to the matters of health and ageing, is a complex subject. For example, amongst our Aboriginal clients in urban settings, it has taken years of relationship and trust building through community elders before their

community declares the needs of particular members. Up until that time, those needs remain invisible.

It seems doubtful, therefore, that the provision of a Gateway with interpreter capabilities will, in itself, build the trust necessary to identify and respond to the aged care needs of these groups.

As an alternative, Care Connect has had considerable success in establishing outreach services which build trust with these groups and has become effective facilitators to mainstream services.

***Key Point 5: Care Connect supports independent determination of co-contributions, but this requires CentreLink to be resourced appropriately***

Co-contributions are amongst the most problematic of areas for service providers. Those drawn to the aged care profession are intrinsically caring. Despite the utmost professionalism, it is virtually impossible for a carer to avoid an empathy that influences their assessment of their client's ability to pay. As a result, co-contributions are managed in an inconsistent and inequitable manner across the aged care system.

The shift of this function to a third party would be a significant improvement. While CentreLink is an obvious choice, they face their own challenges and would need to be appropriately resourced. Delays in financial assessment should not be allowed to impede service provision. Similarly, we must ensure consumers are not caught up waiting for assessments as they cycle between the Gateway and CentreLink.

***Key Point 6: Care Connect believes the Commission should emphasise the cultural change needed for Australians to accept responsibility for their retirement accommodation and (partial) care services.***

Care Connect strongly supports the funding principles embodied in the report. The principle that consumers should pay for accommodation, and contribute to care services, is the only viable means of funding future aged care demands.

We believe, however, that the report should place greater emphasis on the cultural challenge implicit in this change. Historically, Australians have built wealth through the equity in their home; "The great Australian dream". Seniors have sought to preserve this wealth to pass it on to the next generation. In a similar fashion, we have become used to a strong public healthcare system and few people differentiate between public health services and aged care services – we believe they should be taxpayer funded.

Despite the importance of the required cultural shift, Care Connect recognises it presents a major political challenge. If not overcome, the system will simply be unable to fund the other vital recommendations contained in the Commissions report. We therefore believe that *the need to engage the community in accepting this change cannot be overstated.*