



17<sup>th</sup> March 2011

**Seventh-day Adventist Aged Care Response on Productivity Commission Inquiry into Caring for Older Australians**

1. The overall draft report contains many excellent ideas and suggestions, but we believe that there is a serious omission in understanding the role of the Provider - particularly the provision of a stable financial system. There is an apparent lack of provision for Capital Expenditure needs.

The two things that enable a Provider to service capital requirements are:

- A. The ability to utilise the Retention amount (currently \$18,450.00 over a 5 year period).
- B. The ability to use the interest accrued from Accommodation Bond holdings loaned to us by Residents.

We therefore do not support the capping of bond amounts, the withdrawal of provision for taking retentions on bonds, or the establishment of a government-operated Pensioner-Bond scheme.

If these measures are implemented refurbishment and development of Care facilities would be greatly impaired.

- 2. The current system allows for the flexibility of Residents to pay an Accommodation Bond as a lump sum, Periodic Payments, or a combination of both. The Draft Report seems to indicate this is a new idea.
- 3. We agree with the need to provide competitive wages across the industry. However, if this is to be achieved by higher utilisation of volunteers this will place a considerable strain on quality care for Residents and Aged Care standards.
- 4. We are concerned over the many levels of governance that are proposed and the cost that will be involved.
- 5. If there is to be an increase in consumer advocacy this will add to the amount of vexatious and frivolous litigation that is already apparent in our dealings with Resident Representatives.
- 6. There seems to be a lack of clarity as to where the existing Aged Care Assessment Teams (ACAT) fit into the proposed new model.
- 7. There is an increasing need of care in Retirement Living facilities throughout Australia. The average age of entry is approximately 78 in the 4 facilities operated by Adventist Aged Care in South Queensland. The application and eligibility of CACPs and HACC services should be reviewed to cater for this development.

8. The report indicates that there will be an increase in need for rental and low-cost housing. Currently rental facilities are not recognised within state Retirement Living Legislation and there is no provision for rental accommodation within the Aged Care Act. This need should be a priority in upcoming amendments to Aged Care.

9. As Residents age, there is an increased emphasis in cultural and spiritual values. While the report does mention cultural concerns, spiritual values are not given consideration. We need to have individuals who are trained as Counsellors and Ministers, who will recognise the specific needs of this aging group.

10. When Residents shift to an Aged Care Facility, in the majority of cases their preference is to have a stable and familiar environment, without being subject to frequent changes rather than have the ability to “shop around” in the Consumer-Directed Care model proposed in this report.

11. We strongly support the co-location of Independent Living Units and Residential Care.

Thank you for the opportunity to contribute to this process

Yours sincerely

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