

**SUBMISSION ON THE PRODUCTIVITY COMMISSION'S DRAFT REPORT ON
THE CARING FOR OLDER AUSTRALIANS INQUIRY**

on behalf of

St ANDREW'S VILLAGE CANBERRA

Introduction

St Andrews Village is a not-for-profit aged care facility built and operated under the supervision of the congregation of the Presbyterian Church of St Andrew, Canberra within the Presbyterian Church of NSW and the ACT. The first residents entered the Village in 1991.

The Village comprises 30 townhouse independent living units and a 176 low care residential place facility with an "Ageing in Place" policy. Five places are reserved for respite care. All residential care is in single ensuite rooms.

We support the Productivity Commission's conclusion that widespread reform of aged care services is necessary, particularly the reform of the system for accommodation bonds. We also support the Draft Recommendations with some variations on detail. In this submission we have also provided feedback on an issue of concern to many older members of the St Andrews and Canberra community who have war service in the Australian Defence Force.

The Productivity Commission's Draft Report Recommendations

As part of the Presbyterian Aged Care NSW & ACT we share the Presbyterian National Aged Care Network views on the Draft Report Recommendations outlined in its submission. In response to the Productivity Commission's request for feedback we have provided additional comment on future service provision for veterans.

St Andrews Village Board would like to highlight points that are having a particular effect on its operation in the ACT. We see reform in these aspects of care to be of a high priority. Accordingly we strongly support the Commission's recommendations that cover these issues.

Changing Balance of Entry between Low Care and High Care Entrants

Although the Village is operating successfully, and has been over many years, a major issue is that it is experiencing increasing difficulties, in line with other residential aged care facilities, with the shift of policy focus from low care residential care to low care community home care packages. This policy reduces the number of entrants to residential low care.

This also enables older people to remain longer in their homes but has the effect of delaying entry to residential care for many people until they need a high level of care. Current regulatory barriers preventing accommodation bonds being charged for the entry of residents to high care has a detrimental effect on the provision of high care service places which are increasingly in demand. Accommodation bonds are essential to the long term financial viability of the facility under the current regulatory conditions and potentially under any new regulatory system.

Development of high care facilities requires significant capital investment. The current distinction in bond arrangements is illogical, inequitable and counter-productive towards meeting the needs of potential high care residents.

Availability of Community Packages

St Andrews Village would like to offer community packages to residents in our townhouse independent living units, which are immediately adjacent to our residential facility. However we have been unable to access an allocation of the packages due to a shortage of supply. Providing community packages would be an extension of our current care services. This would be an effective and cost efficient way to deliver services on the same site, with potential savings for the Commonwealth in delaying entry to low or high care. In addition, it is considered vital that a more flexible approach be provided for the allocation and provision of Adult Respite Day Care places.

Feedback to the Commission

The Commission sought feedback on a number of points.

Inclusion of Veterans (including War Widows/Widowers) in Gateway (Chapter 9 - 9.4 pages 287 - 289)

Since St Andrew's Village opened in 1991, there has been a steady stream of veterans in its residential care as well as in its independent living townhouses. Canberra has a significant veteran community and it is likely that veterans will remain a significant group seeking placement in the St Andrew's Village community for many years.

As pointed out in the Commission's Draft Report, Veterans are classified as a Special Needs Group under the *Aged Care Act 1997*. Veterans differ from the other Special Needs Groups in one important respect, namely personal hardship as a result of war service on behalf of Australia. These can affect veterans and their dependants physically and psychologically, usually for the remainder of their lives. This has been recognised in Australian law for close on 100 years, with the Commonwealth sending forces to many wars in that period, which continues today.

Under the *Veterans' Entitlement Act 1986*, the Repatriation Commission is responsible for, amongst other responsibilities, providing treatment and other services for veterans. The Department of Veterans' Affairs (DVA) administers the Repatriation Commission's policies. The services are entitlements available for eligible veterans only and are in part compensation

for the damaging effect wars have on the physical and mental health of some members of the armed forces. These entitlements are not general community welfare measures and should not be confused with them.

The veteran entitlements cover a number of community aged care services which they can access depending on assessed need. Alternatively veterans can access mainstream aged care programs.

Many veterans will remain in the community and, as needed, access veterans' community services throughout their lives and may never enter residential care. The DVA programs, administered with understanding of the context of veterans' situations, are highly regarded by the veterans' community.

In the case of residential care, the Department of Health and Ageing (DOHA) administers services on behalf of DVA. The Productivity Commission Draft Report notes that a number of submissions raised difficulties associated with this arrangement where DVA services are no longer "on the ground" and veterans deal with DOHA.

This "hands off" approach by DVA to veterans' residential aged care services is plainly seen as problematic by veterans. Many veterans feel strongly that DVA programs should be directly provided through DVA, not through a mainstream agency. While there is logic in the Commission's proposal to establish a single independent statutory Gateway Agency, probably under the supervision of the Minister administering the Health and Aging portfolio, inclusion of responsibilities for the veteran community in it may exacerbate current difficulties and risk the loss of hard fought for, and long acknowledged, services for veterans.

Alternatives which could be considered are:

- establishment of a similar specialist Gateway under the control and funding of the Repatriation Commission, with similar responsibilities to the proposed Gateway, plus the additional functions provided for veterans, or
- creating the Gateway with responsibilities to two Ministers, those administering the Veterans Affairs portfolio and the Health and Aging portfolio, and with specialist Repatriation Commission funding and DVA staffing to cover veterans.

It is likely that veterans would strongly prefer the first alternative above, given the DVA specialist knowledge and understanding in the context of veterans' war experiences, developed over decades.

St Andrews Village thanks the Productivity Commission for this opportunity to comment on the Draft Report.