

Caring for Older Australians Productivity Commission Draft Report

March 2011

The AHHA welcomes the key directions proposed by *Caring for Older Australians*. The draft report provides some long overdue strategies to improve how ageing is dealt with across a range of health and community care settings in Australia. Aged care is a 'sector' that has, for too long, existed as a silo within what should be an integrated system of community-based and, where necessary, facility-based care across the spectrum of maintaining health and wellbeing to providing palliative care at the end of life.

The AHHA is the only organisation in Australia that represents the public and non-profit healthcare sectors. Our members include state and territory departments of health, area health services, individual hospitals and health facilities and community-based providers. All of our members provide services to older Australians.

While the AHHA largely endorses the reform directions proposed by the Commission, there are some issues that we believe need more attention and consideration in preparation of the final report.

Broader reform agenda

Overall the AHHA views this as a good starting point to establish a reform agenda for aged care – an area involving a significant amount of health service activity and expenditure that has long been systemically neglected and one that highlights the real problems of integration and fragmentation.

It is somewhat concerning, therefore, that there is little detail on how the Productivity Commission foresees the proposed reforms connecting to or embedding in the broader health system reforms. The AHHA would recommend that more work be undertaken to identify mechanisms/incentives for integrating care and how these mechanisms manage the interface with other parts of the reforming health system.

The draft report proposes the following bodies as part of reforming aged care:

- A national gateway organisation with local branches ("regional delivery") to help older Australians and their families navigate the system; and
- A new national regulator to undertake accreditation, monitor standards and report data.

One issue that is not explicitly covered by the draft report is how the proposed reforms in aged care fit within the context of broader health reforms, particularly the establishment of two new local-level bodies – Local Hospital Networks and Medicare Locals. While this was one of the terms of reference, there is no link made to these new bodies and the so-called 'aged care one stop shops' or proposed national gateway agency. Considerably more detail is required on these relationships before the AHHA would endorse the approaches recommended by the Commission.

National standards, data and performance monitoring

We agree that outcome measures are ideal to assess the quality of care and effectiveness of aged care, and suggest that more work can be done to link data sets across various health care providers rather than maintain separate data collections in isolation from each other.

The performance of aged care providers as well as all other care providers should be consistently monitored and reported by the new National Health Performance Authority. Considerably more work needs to be done on improving the consistency of data collection, definitions and performance indicators before the AHHA would be fully satisfied with the proposed reforms. This also links directly to the need for more detailed evaluation of aged care reforms alongside broader health reforms.

Workforce

While we note that the Commission recognises problems with pay disparities between the aged care sector and other parts of the health system, there is little detail on how these disparities might be overcome without resulting in massive increases in the cost to families and older Australians themselves in obtaining necessary care.

As long as such disparities exist, this will be one of the largest barriers to achieving consistent and high quality health outcomes for older Australians. A number of our members are public hospitals which are cited as offering better pay and conditions than non-government providers of care. The Australian Government must engage with the full range of care providers in this space to develop a set of strategies to improve the pay levels and, in many cases, skills of people employed in aged care.

Palliative and end-of-life care

The recommendation around funding palliative care in residential and community settings through a casemix approach applied by the Independent Hospital Pricing Authority seems to be inappropriate and may reflect a poor understanding of the broader health reforms – as well, it does not seem to have been supported or suggested in any of the prior submissions to the Commission. On page 146 the report states that palliative services in aged care should be funded in the same way other primary health care is funded by covering universal needs free of charge or with a minor co-payment (ie. like Medicare). This is contradictory to the proposal to fund palliative care through a casemix model via the IHPA and obviously requires expert advice to resolve in the final report and recommendations.

In addition, while the AHHA supports the need for better access to specialist palliative care services; we would also like to see more emphasis placed on up-skilling a range of health professionals at all levels in palliative and end-of-life care.

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