

***CARRAMAR (STANHOPE) HOME FOR SENIOR  
CITIZENS ASSOCIATION***

*20 College Road, Stanhope 4380  
Telephone 07 46 81 1500 Fax 07 46 81 1512*

**TO: PRODUCTIVITY COMMISSION**

**FROM: Peter McKechnie**

**4 Pages (including this page)**

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*Telephone 07 46 81 1500 Fax 07 46 81 1512*

**SUBMISSION TO NURSING HOME SUBSIDY ENQUIRY  
PRODUCTIVITY COMMISSION  
P.O. BOX 80  
BELCONNEN  
ACT 2616**

**SUBMISSION PREPARED BY PETER McKECHNIE  
ADMINISTRATOR  
CARRAMAR (STANHOPE) HOME FOR SENIOR  
CITIZENS ASSOCIATION**

Thank you for the opportunity to lodge this submission.

Carramar is a 59 bed hostel registered under the Religious, Educational and Charitable Collections Act in Queensland. It commenced operation on 29-03-1976.

We receive funding from the Commonwealth Department of Health and Family Services under their Residential Aged Care Program.

Carramar has a purpose-built 11 bed dementia wing and we are currently spending approximately \$230,000.00 in converting an existing 10 bed wing into another purpose-built dementia facility. The majority of residents in the existing dementia wing are high care residents and we lose money on that section of our service. We will also lose money on the converted 10 bed facility when it is operational because most of its residents will be high care too. The reason for building another purpose built facility is that many of our residents in the main section of Carramar need to be accommodated in a more secure environment because their dementia is progressing.

The reason for the losses mentioned above is primarily the unfair subsidy rates paid by the Government to us, compared with the rates that are available to aged care facilities in States that receive higher daily subsidies.

We need our 21 dementia specific beds to provide for the needs of our community and, under current funding levels, we just have to meet the loss. This is unfair when facilities in other States are funded at higher rates of subsidy.

It is my understanding that Aged Care Queensland will address the need for higher funding rates for Queensland facilities either directly to the Commission, or through Aged Care Australia. I offer support for their submission rather than repeat what they will write.

My other concern is the high cost of maintaining residential care facilities in rural areas.

### **AREAS OF CONCERN RE HIGH COST OF CARE IN RURAL AREAS OF QUEENSLAND.**

1. The low subsidy rates paid to Queensland facilities compared with other states.
2. The inability to access reasonable Accommodation Charges because of the standard of living in most rural areas,
3. The size of rural facilities does not allow economics of scale in purchasing goods and services.
4. Carramar is 220 kms from Brisbane and we need to send staff there for training and to "keep up to date" by attending industry conferences. This involves costs not, placed on city facilities. ( Overnight accommodation, car costs and additional staff wages to do the work of people who are travelling for at least 5 hours)  
It has been said that we can sometimes travel to Toowoomba and that still involves 3 hours travelling per employee.  
Video training and tele-conferences have their place but they are a poor substitute for personal interaction with our peers and educators and conference speakers.
5. We need commercial washers, dryers & stoves to name but some, of the equipment that needs servicing by Brisbane trades-people and their travelling time is expensive. (Particularly if there is a major breakdown outside normal Service visits)  
Call bell systems are another example where we need Brisbane expertise.
6. We can not just walk in to a Brisbane show room and look at new equipment. We have to travel there, or travel to another facility that has what we think we want but then we do not see the alternatives.
7. There is a lack of competition between trades-people mid professional people in many rural areas. I am aware of Chemists that fill Webster Packs and Dosset boxes without charge for their services in some cities. Those services are not provided free in the country.  
We are lucky if we have access to a range of allied health services, let alone expect too much competition. This all adds to our costs compared with similar costs in the city.
8. Many of the long distance phone calls that we make, would be local calls for a city facility. Even 1800 numbers are of limited help because staff have to wait up to 20 minutes with the sound, of music in the background before somebody actually speaks to them.

9. The families of residents often take residents to the doctor, or shop for them, or do a number of other things for them. In “the bush” many sons and daughters have gone to the city years ago and the aged care facility often has to provide staff to provide the emotional support and practical help, that is often provided by families if they live nearby.

These are just some of my thoughts that I hope will be of assistance to you in your deliberations.

Yours Sincerely,

Peter McKechnie  
Administrator  
12-09-1998