

NURSING HOME SUBSIDIES

DISCUSSION POINTS

3. Basic subsidy rates should be linked to the cost of providing the benchmark level of care in an efficient sized facility using an average input mix. Additional funding in rural and remote areas should come from a special needs funding pool.

Given that the basic subsidy rate and the benchmark level of care, or what constitutes an efficient sized facility is not clearly defined, it is difficult to determine how an efficient sized facility would deliver a fixed standard of care if staffed to an average input mix. This does not allow for circumstances where the care needs of individual residents change swiftly and require additional skilled care i.e. (Registered Nurse) input. How is the average input mix to be arrived at and maintained in a rapidly changing environment.

Whilst the impact of consumer demand for single and two bedded wards on operational costs for heating cooling cleaning lighting etc is recognised, the additional demands placed on caregivers appears to have been overlooked.. Is the cost of the delivery of adequate care to a highly dependent resident in a single room going to be met by a basic subsidy rate eg if a resident falls how long before they are found. The likelihood of someone walking into a single room is four times less than someone walking into a four bedded ward therefore staffing levels have to increase.

The industry cost base should reflect nursing wage rates and conditions applicable in the aged care sector rather than in the acute care sector.

Whilst it is recognised that nursing wages lag significantly behind the acute care sector, it is questionable as to what nursing wage rates and conditions are applicable to the aged care sector (many would claim that it should be higher). The inequity of the wage situation currently in WA makes it extremely difficult to recruit even the most inexperienced Registered Nurse. If a facility is to meet Accreditation standards or indeed minimal standards of care the loss of experienced Nursing staff needs to be stemmed. However, if incentives cannot be offered in the form of wages and conditions equitable or better than those within the acute sector, how is this migration of skilled professional staff from the industry to be reduced, halted or replaced. The cost of training and retaining non skilled staff is also prohibitive.

Question:

What constitutes an efficient sized facility?

How will an average input mix be arrived at?

Will the benchmark level of care be determined by analysing actual care needs or by the money available in the funding pool.?

How will the: introduction of single ensuite impact on the benchmark level of care and the ability of staff to deliver adequate care and meet Accreditation standards?

What is the industry cost base applicable to the aged care sector for nursing wages? How will this be arrived at if not based on the acute sector?

4. Increases in basic subsidies, under the new regime should be based on annual increases in the cost of the standardised input bundle necessary to deliver the benchmark level of care, less a productivity discount.

Question:

What *is* the standardised input bundle necessary to deliver the benchmark level of care less a productivity discount?. Can it be assumed that this is the equivalent of Case Mix or is it to be derived from the use of a Patient Classification System. If Case mix is how the standardised input bundle is determined how is a productivity

5. The pensioner, oxygen, enteral feeding, respite and hardship supplements should be retained in their current form in the new subsidy regime.

The proposal does not seem to recognise the inadequacies of the current subsidy system in the areas of oxygen, dietary supplements, continence aids and dressings. Currently if a resident requires a prescribed dressing which costs \$275.00 per month, or dietary supplements which do not fall under the category of enteral feeding, oxygen that is not delivered other than by a concentrator and continence aids there is no provision in any of the supplements to cover these extra costs when they are incurred by an individual who is unable to bear the additional cost.

Assisted resident supplement

Is there any plans to address the anomalies where the total contribution for an assisted resident can be as low as \$4.50 per day compared to the concessional resident supplement or the accommodation charge

Question:

Will the new basic subsidy rate increase significantly to take into account these anomalies or should there be an additional special care needs care subsidy ?

13. Subject to any recommendation from the Residential Aged Care Review for an increase in total Commonwealth funding for residential aged care, funds earmarked for indexing current subsidies should be redirected to increasing basic rates for the currently low subsidy States.

On page 70 it is stated

"the Commission sees its, proposal as: Supporting a uniform quality of care across Australia at the level required to meet the accreditation and certification requirements" There is no mention within 5.4 and 5.5 of the affects on WA.

Question:

How does the Commission see this affecting WA?
Is WA considered a low subsidy state?