

## Ashfield

### Baptist Homes Limited

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Administering Bethel Nursing  
Home and the A H Orr Lodge

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24 November, 1998

Fax: Ms Mar  
Nurses Association  
95503667

Attention: Chandia Leslie  
Marty French  
The Productivity Commission  
PO Box 80  
BELCONNEN ACT 2616

Dear Ms Leslie and Ms French

**Re: Coalescence subsidy rates for high care residents over a period of seven years.**

We can see the obvious advantages in having an equal amount of money distributed in each State. However, consideration must be given to different wage rates, location and cost of trading in different areas and varying state by state regulations.

In your Nursing Home Subsidy Position Paper you say "Government funds should be used to support a uniform quality of care across Australia". Will this uniform funding achieve that? I suggest not.

We have a not for profit organisation administering a 76 bed nursing home in the inner west area of Sydney, and have recently re-built the nursing home at a cost of almost seven million dollars; a large percentage of this amount coming from our own reserves.

We do work within the accepted budget and are able to make ends meet.

To do this we have to be efficient and accountable and at the same time give excellent service which is reflected in our three year waiting list and constant enquires for admission. However we are working up to and in some instances beyond our capacity. Any cut in finances to our organisation will result in a reduction to the care we are able to give our residents.

I believe there are many organisations such as ours who find the existing levels of funding inadequate and many are on the verge of collapse due to tight funding and the increasing demands and expectations of residents, relatives and government.

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*a local tradition of care*

The following are my reasons why I do not support coalescence of nursing home funding.

**State and Location and Staffing**

1. Different wage rates for different States.
2. Wage increases which are not being funded by increases in subsidiaries
3. Added administrative costs brought about by constant government changes to resident contributions.
4. Added costs of re-education of staff due to changes to the Resident Classification Scale and the need to document details and assessments of residents to obtain correct funding.
5. Enormous costs involved to achieve accreditation.
6. In our area of inner west we have a constant turn over of staff. This involves costs of continual staff re-education and administration.
7. Lack of available staff means greater costs in overtime and the use of agency staff.
8. Use of untrained staff places greater responsibility on trained and senior staff.

**Changes in Nursing Home Residents**

1. We have a more rapid turn over of residents now due to the greater advanced disease level before entry to nursing homes. This means more administrative and documentation requirements.
2. Greater expectation of residents and relatives and a greater risk for litigation and suspicion due to recent and continual adverse media coverage. This results again in more documentation, strict reporting regimes and continual education of staff.
3. Early release from hospital of often very ill residents places enormous strain on already scarce resources.

**General reasons**

All senior staff and administrative staff in nursing homes are working many more hours than their allocated hours trying to deal with:

continual changes brought in with little consultation and often very poor training on how to cope with these changes information overflow due to changes and due to the absolute urgency of keeping up to date continual threat from regulatory bodies, ie Fire Board, RCS inspections, state regulation inspections, WorkCover, accreditation, and the list goes on.

These changes and expectations are being imposed on an industry which I believe is on the verge of collapse. I know personally of a number of DONs who are planning to retire before being faced with accreditation and a number of nursing homes which are simply going to close before accreditation. What happens to the residents and staff of these facilities?

Any further erosion of funding to this sector we believe will see an industry that is already in crisis collapse.

Any suggestion of coalescence must be done at the highest rate so as not to disadvantage those states that currently receive higher levels of funding.

Yours faithfully,



Lorraine Read  
**Director of Nursing**