
Chapter 12: Aged care

The aged care system comprises all services specifically designed to meet the care and support needs of frail older Australians. The aged care chapter focuses on government funded residential and community based services for older people. Services designed for the carers of older people are also within the scope of this chapter. The services currently covered include:

- residential services, which include high care services, low care services, services providing a mixture of high and low care, and residential respite services
- community care services, which include Home and Community Care (HACC) program services, the Community Aged Care Package (CACP) program, the Extended Aged Care at Home (EACH) program and Veterans' Home Care (VHC)¹
- respite services, which include HACC respite and centre-based day care and the National Respite for Carers Program (NRCP)
- assessment services, which are provided by Aged Care Assessment Teams (ACATs).

Government funded aged care services covered in this chapter relate to the three levels of government (Australian, State and Territory, and some local) involved in service funding and delivery. The formal publicly funded services covered in this chapter represent a small proportion of total assistance provided to frail older people. Extended family and partners are the largest source of emotional, practical and financial support for older people. More than 90 per cent of older people living in the community in 1998 who required help with self care, mobility or communications received assistance from the informal care network of family, friends and neighbours (ABS 1999). Many people receive assistance from both formal aged care services and informal sources.

A range of privately funded services also provide support for older Australians. These services do not receive government support and are not within the scope of reporting in the chapter.

Services for older people are provided on the basis of the frailty or functional disability of the recipients rather than specific age criteria. Nevertheless, without more specific information, the Report uses people aged 70 years or over as a proxy for the likelihood of a person in the general population requiring these services. Certain groups (notably Indigenous people) may require various services at a younger age. For Indigenous people, those aged 50 years or over are used as a proxy for the likelihood of requiring aged care

¹ Unless otherwise stated, HACC expenditure excludes the Department of Veterans' Affairs expenditure on VHC.

services. The Australian Government also uses these age proxies for planning the allocation of residential care and CACPs.

Indigenous data in the aged care chapter

The aged care chapter in the *Report on Government Services 2004* contains the following data items on Indigenous people:

- Assessment rates per 1000 target population, 2001-02
- Characteristics of older Indigenous people
- Residents per 1000 target population, June 2003
- CACP recipients per 1000 target population, June 2003
- HACC service by recipient age and Indigenous status, 2002-03
- Standardised incidence ratio for CACP and permanent residential aged care (combined), 30 June 2001
- Age-specific usage rates of CACPs and permanent residential aged care, 30 June 2001
- Ratio of CACP recipients and permanent residential (combined) to 1000 target population, 30 June 2001.

Supporting tables

Supporting tables for data within the aged care chapter of the compendium are contained in the attachment to the compendium. These tables are identified in references throughout this chapter by an 'A' suffix (for example, table 12A.3 is table 3 in the aged care attachment to the compendium). As the data are directly sourced from the *Report on Government Services 2004*, the compendium also notes where the original table, figure or text in the *Report on Government Services 2004* can be found. For example, where the compendium refers to 'ROGS 2004, p. 12.15' this is page 15 of chapter 12 and 'ROGS 2004, 12A.2' is attachment table 2 of attachment 12 of the *Report on Government Services 2004*.

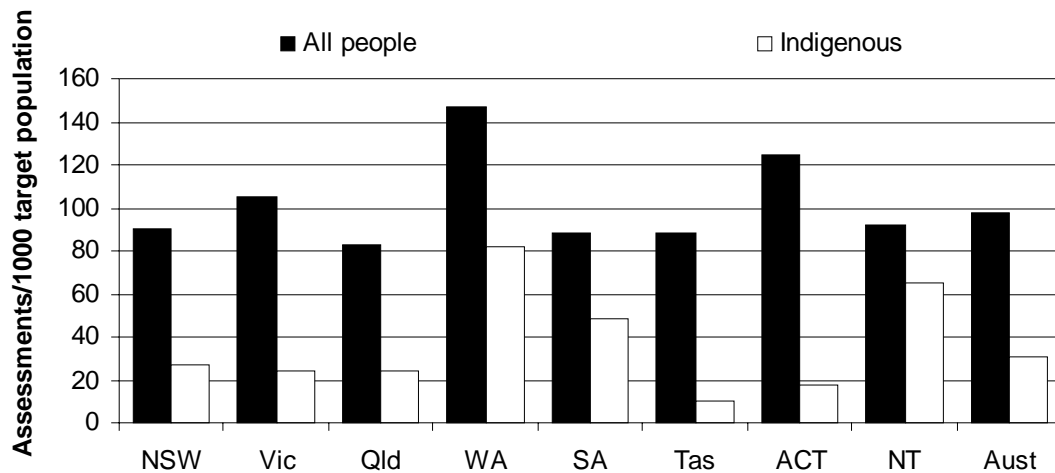
Assessment services

The Australian Government established the Aged Care Assessment Program (ACAP) in 1984, based on the assessment processes used by State and Territory Area Health Services to determine eligibility for admission into residential care and the level of care required (and thus the subsidy paid to such services). The core objective of the ACAP is to assess

the needs of frail older people and recommend appropriate services. Assessment and recommendation by ACATs are mandatory for admission to residential care or receipt of a CACP or an EACH package.

The number of assessments per 1000 target population varied across jurisdictions in 2001-02. WA had the highest assessments of people aged 70 years or over per 1000 people aged 70 years or over (146.9) and the highest rate for Indigenous assessments per 1000 Indigenous people aged 50 years or over (81.5).² The lowest rate of assessment for all people during 2001-02 was in Queensland (82.9), while Tasmania had the lowest rate of Indigenous assessments per 1000 Indigenous people aged 50 years or over (10.0) during the same period (figure 12.1).

Figure 12.1 **ACAT assessment rates, 2001-02^{a, b, c}**



^a Includes ACAT assessments for all services. ^b 'All people' includes all assessments of people aged 70 or over per 1000 people aged 70 or over. ^c 'Indigenous' includes all Indigenous assessments per 1000 Indigenous people aged 50 or over.

Source: Lincoln Gerontology Centre (2003); ROGS 2004, p. 12.5; Table 12A.1.

Indigenous specific and flexibly funded services

Flexible models of care are provided under the Aboriginal and Torres Strait Islander Aged Care Strategy. Services delivered under the Strategy are outside the Aged Care Act (DHA 2002). About 70 per cent of Indigenous Australians receiving residential aged care services have their needs met through the mainstream services covered by this chapter (DHA unpublished). A number of aged care residential services are targeted to Indigenous

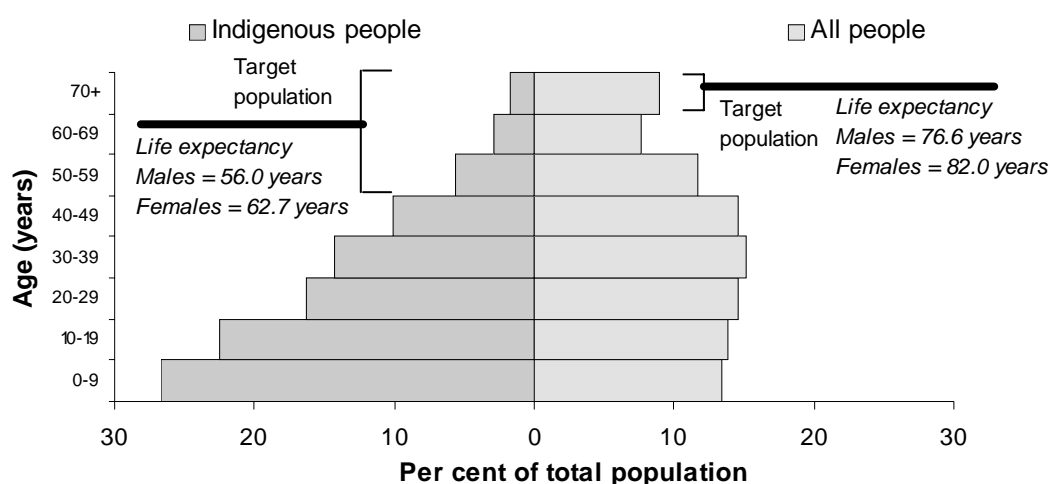
² Remote areas of WA often do not have other agencies and services in a position to perform 'comprehensive assessments' for many groups, so a higher rate of referral to ACATs than in metropolitan areas may occur.

people, and these services are funded under the Aged Care Act. The Australian Government also actively targets CACPs to Indigenous communities and contracts Aboriginal Hostels Limited to provide ongoing assistance to ensure services in rural and remote areas remain viable (DHA 2002).

Characteristics of older Indigenous people

The ABS estimated that about 43 700 Indigenous people were aged 50 years or more in Australia at 30 June 2003. The majority were located in NSW (32.7 per cent), Queensland (26.5 per cent), WA (12.8 per cent) and the NT (10.3 per cent) (table 12A.2). Although the Indigenous population is also ageing, there are marked differences in the age profile and life expectancy of Indigenous Australians compared with the non-Indigenous population. The life expectancy of Indigenous males and females at June 2001 was nearly 20 years below that recorded for the total Australian population (figure 12.2). Indigenous people are likely to need aged care services earlier in life, compared with the general population.

Figure 12.2 **Age profiles, target populations and life expectancy differences between Indigenous and other Australians, June 2001**



Source: ABS (2001 and unpublished); ROGS 2004, p. 12.14.

Access to residential services by different groups

Special needs groups identified by the Aged Care Act are people from Indigenous communities, people from non-English speaking countries, people who live in rural or remote areas, people who are financially or socially disadvantaged, and veterans. A key national objective of the aged care system is to provide equitable access to residential services for all people who require these services. Indigenous people tend to require aged

care services at a younger age than the general population. Participation is therefore based on Indigenous people aged 50 years or over.

In all jurisdictions at 30 June 2003, on average, Indigenous people and people from mainly non-English speaking countries had lower rates of use of aged care residential services, compared with the rest of the population (figure 12.3).

Figure 12.3 Residents per 1000 target population, 30 June 2003^{a, b, c}



^a All residents data are per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years. ^b Indigenous residents data are per 1000 Indigenous people aged 50 years or over. ^c Data for residents from a non-English speaking country are per 1000 people from non-English speaking countries aged 70 years or over.

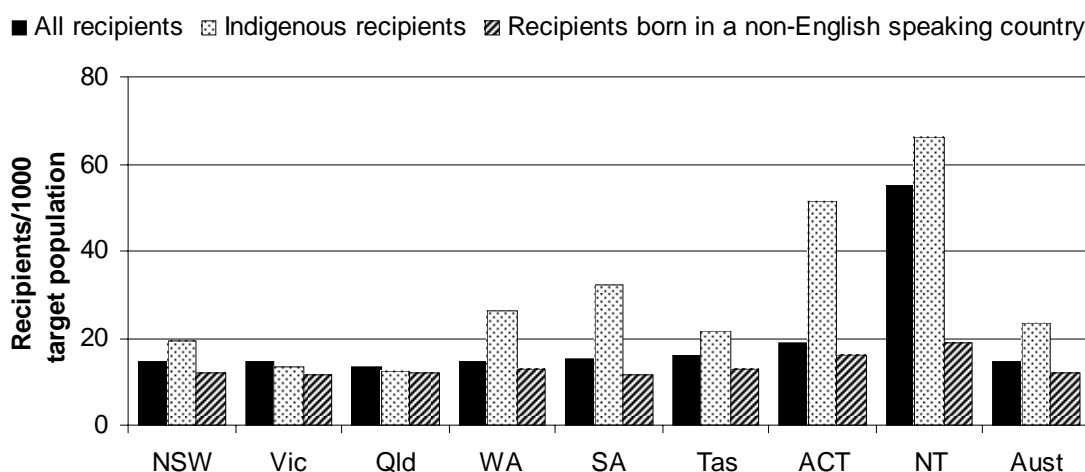
Source: DHA (unpublished); ROGS 2004, p. 12.22; Tables 12A.3 and 12A.4.

Access to CACPs by different groups

The number of CACP recipients per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years has grown in recent years, but was small relative to the total number of recipients of residential care at June 2003 (14.7 compared with 79.4 total recipients per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years) (table 12A.4).

Jurisdictions with smaller populations had higher proportions of CACP recipients per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years at June 2003. The NT had the highest proportion of Indigenous CACP recipients per 1000 Indigenous people aged 50 years or over (66.7 per cent) (figure 12.4). The Australian Government's allocation of CACPs in every jurisdiction at June 2003 exceeded its target of 10 CACPs per 1000 target population.

Figure 12.4 CACP recipients per 1000 target population, 30 June 2003^{a, b, c, d}



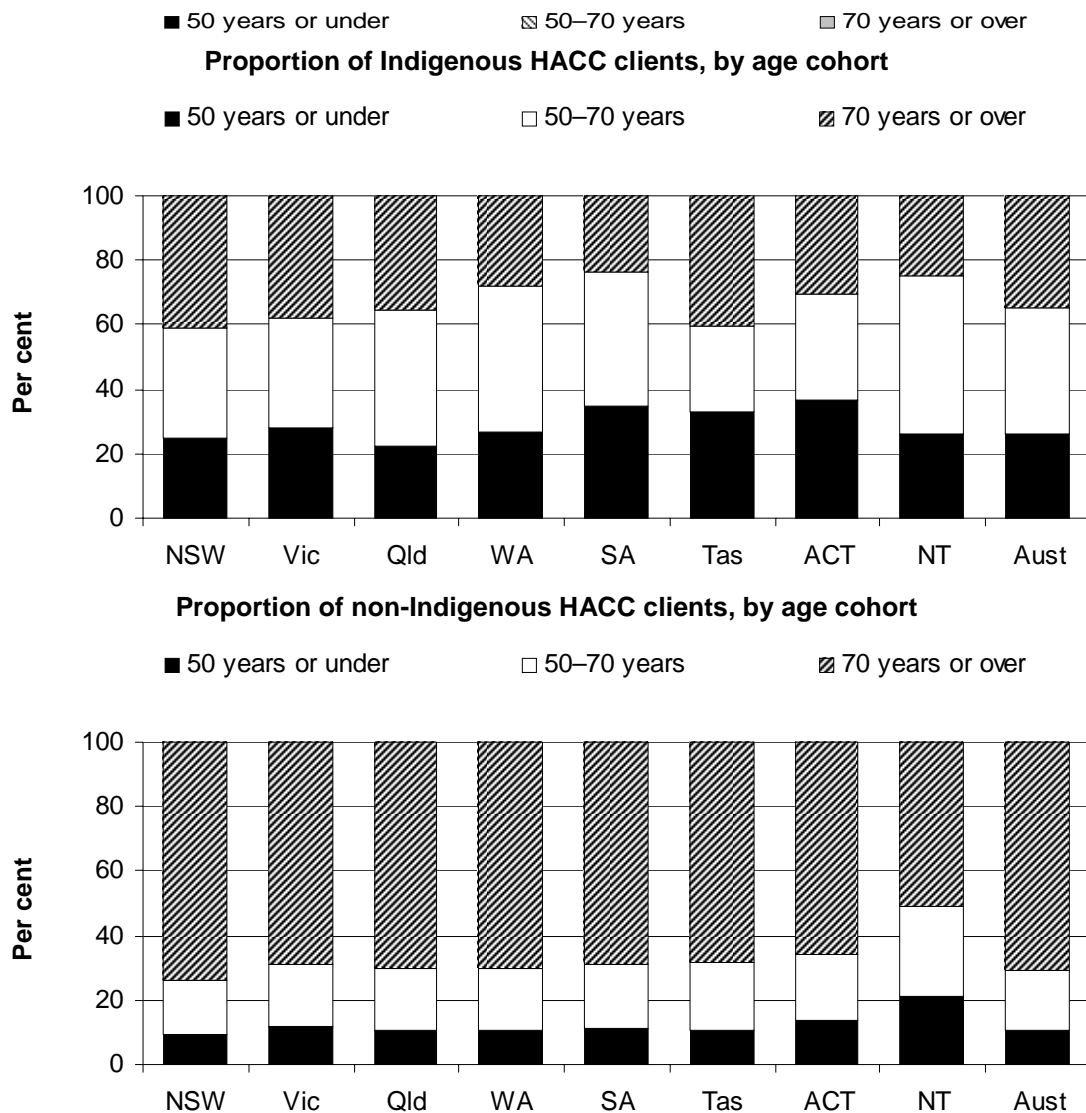
^a All recipients data are per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years. ^b Indigenous recipients data are per 1000 Indigenous people aged 50 years or over. ^c Data for recipients from non-English speaking countries are per 1000 people from non-English speaking countries aged 70 years or over. ^d The ACT has a very small Indigenous population aged 50 years or over (table 12A.2), and a small number of packages will result in a very high provision ratio.

Source: DHA (unpublished); ROGS 2004, p. 12.23; Tables 12A.3 and 12A.4.

Home and Community Care program

Home and Community Care program services are provided in the client’s home or community to frail older people with a severe, profound or moderate disability and to their carers. Around 69.3 per cent of HACC recipients were aged 70 years or over during 2002–03. Reported use of HACC services shows a substantial difference between all people and Indigenous people across all age groups in the age profile in 2002–03. This reflects the difference in morbidity and mortality trends between Indigenous people and the general population (figure 12.5).

Figure 12.5 **HACC service by recipient age and Indigenous status, 2002-03**



Source: DHA (unpublished); ROGS 2004, p. 12.25; Table 12A.5.

Age profiles can distort observed usage patterns

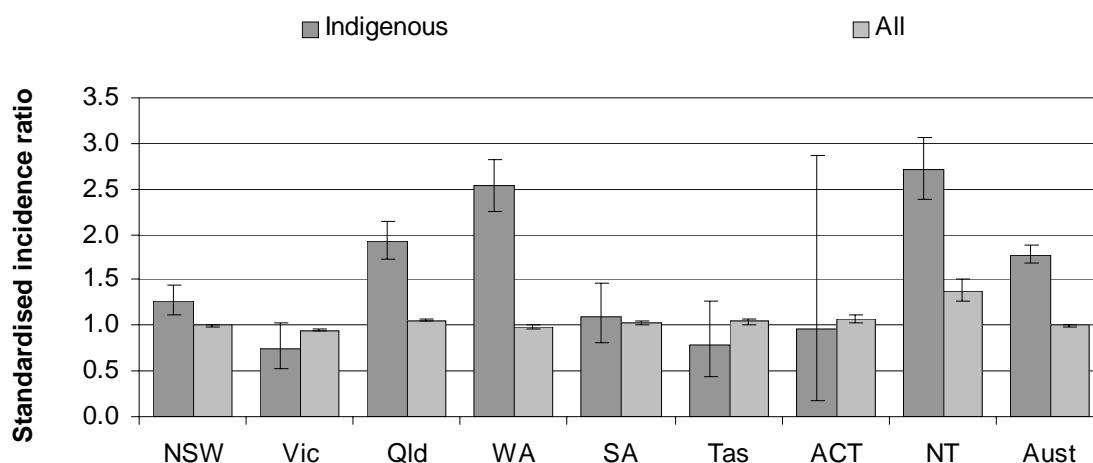
The age profiles of Australians varies across jurisdictions and across different cultural and linguistic backgrounds. Variations in age profiles are important because the likelihood of needing aged care services increases with age. As a result, observed differences in usage rates by different cohorts within the community may arise from different age profiles, rather than from different usage patterns. One method of eliminating this distortion from the data is to standardise for the age profiles of different groups.

Either direct or indirect standardisation can be used; indirect standardisation is presented here because it is more appropriate when comparing small populations. This method applies standard age-specific usage rates (in this case, average Australian rates) to actual populations (different groups within States and Territories), and compares observed numbers of clients with the numbers that would have been expected if average rates had applied. Comparisons are made via the standardised incidence ratio. A value greater than 1.0 in this ratio means that use was higher than expected if the particular group had the same usage rates as that of the Australian population as a whole. A value below 1.0 means use was lower than expected. Age standardisation generally covers use by all age groups, and therefore the resulting standardised incidence ratios compare use by complete population groups, not just by those aged 70 years or over.

In the following illustration, 2001 data are used. Within each State and Territory, the combined use of permanent residential aged care and CACPs by Indigenous people is compared with average service use by all Australians. The resulting standardised incidence ratios are presented in figure 12.6. The error bars in the figure show how accurate the comparisons are; if an error bar goes across the value of 1.0 then the usage rate by that population group is not significantly different from the average use by all Australians. It should be noted that people, and Indigenous people in particular, also use long-stay hospital beds, flexible places and other services not covered in the analysis; consequently, these results do not represent all the services available to people.

Figure 12.6 shows that, overall, Indigenous people had a higher than average combined use of CACPs and permanent residential aged care — nationally, about 80 per cent higher. This result reflects the higher age-specific usage rates of CACPs for Indigenous people at all ages, and of permanent residential aged care among those aged under 75 years (table 12.1). The picture, however, changes from State to State: combined use of the services is not significantly different from the national average for Indigenous people in Victoria, SA, Tasmania and the ACT, but is higher than average in NSW (about 25 per cent higher), Queensland (90 per cent higher), WA (250 per cent higher) and the NT (270 per cent higher). Looking at both Indigenous and non-Indigenous people, Victorians generally use residential aged care at a slightly lower rate than the national average, while people from Queensland, SA, Tasmania and the NT have slightly higher than average usage rates.

Figure 12.6 **Standardised incidence ratio for CACP and permanent residential aged care (combined), 30 June 2001^a**



^a Uses indirect age standardisation against use by all people Australia-wide.

Source: AIHW (unpublished); ROGS 2004, p. 12.52; Table 12A.6.

Table 12.1 **Age-specific usage rates of CACPs and permanent residential aged care (per 1000 people), 30 June 2001^{a, b}**

| Age (years) | CACP recipients | | Permanent aged care residents | |
|-------------|-----------------|----------------|-------------------------------|----------------|
| | Indigenous | Non-Indigenous | Indigenous | Non-Indigenous |
| 50–54 | 1.7 | 0.1 | 1.7 | 0.7 |
| 55–59 | 4.1 | 0.3 | 4.1 | 1.4 |
| 60–64 | 8.6 | 0.7 | 8.6 | 2.9 |
| 65–69 | 16.3 | 1.5 | 16.3 | 6.1 |
| 70–74 | 30.1 | 3.2 | 30.1 | 14.5 |
| 75–79 | 33.7 | 7.1 | 33.7 | 35.3 |
| 80+ | 36.7 | 20.7 | 116.3 | 160.8 |

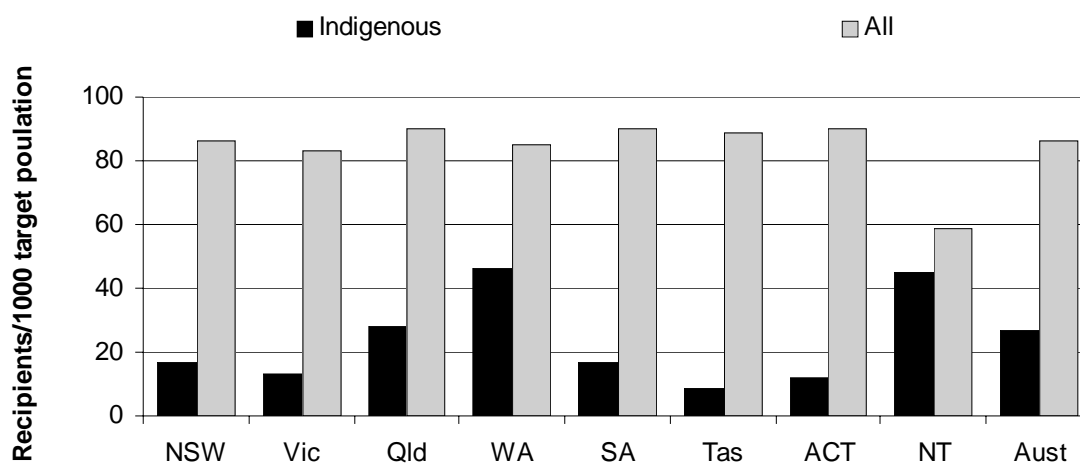
^a Excludes clients of multipurpose and flexible services. ^b Cases with missing data on Indigenous status have been pro rated within gender/age groups.

Source: AIHW (unpublished); ROGS 2004, p. 12.53.

The above picture is quite different from that given when comparing use with the target group population (clients per 1000 in the target group — figure 12.7). This measure suggests that in all jurisdictions except the NT, combined use of CACPs and permanent residential aged care is much lower for Indigenous people than others, and even in the NT for Indigenous people the ratio of clients to target population is about 25 per cent lower than that for all people from the NT. Figure 12.7 also suggests that combined use of the

two services in the NT is generally much lower than in other jurisdictions; this difference is not apparent after age-standardisation (figure 12.6), indicating that the difference in this measure is the result of the relatively young age structure of the NT.

Figure 12.7 Ratio of CACP recipients and permanent residents (combined) to 1000 persons in target population, 30 June 2001^a



^a Indigenous ratio is per 1000 Indigenous people aged 50 or over, all ratio is per 1000 Indigenous people aged 50 or over and non-Indigenous people aged 70 or over.

Source: AIHW (unpublished); ROGS 2004, p. 12.54; Table 12A.6.

References

ABS (Australian Bureau of Statistics) 1999, *Survey of Disability, Ageing and Carers, 1998*, Cat no. 4430.0, Canberra.

— 2001, *Estimated Residential Population, by Age and Sex* Cat no. 3101.0, Canberra.

DHA (Department of Health and Ageing) 2002, *Report on the Operation of the Aged Care Act 1997, 1 July 2001 to 30 June 2002*, Canberra.

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