
12 Aged care services

The aged care system comprises all services specifically designed to meet the care and support needs of frail older Australians. This chapter focuses on government funded residential and community care for older people and services designed for the carers of older people. Some government expenditure on aged care is not reported, but continual improvements are being made to the coverage and quality of the data. The services covered include:

- residential services, which provide high care, low care and residential respite care (*Report on Government Services 2006* [2006 Report], box 12.1)
- community care services, which include Home and Community Care (HACC) program services, Community Aged Care Packages (CACPs), 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 largely provided by Aged Care Assessment Teams (ACATs).

Additions and improvements made to the chapter this year include:

- provision of age-sex specific usage rates (per 1000 of the population) by remoteness category for Indigenous populations. These data are combined for high and low care residential services and for CACP.

Service overview

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, this 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 services. The Australian Government also

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

uses these age proxies for planning the allocation of residential care, CACPs and EACH packages.

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 represent only 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 2003 who required help with self-care, mobility or communications received assistance from the informal care network of family, friends and neighbours (ABS 2004). Many people receive assistance from both formal aged care services and informal sources. Older people also purchase support services in the private market, and these services are not covered in this chapter.

Indigenous data in the aged care chapter

The aged care chapter in the 2006 Report contains the following information on Indigenous people:

- ACAT assessment rates per 1000 target population, 2003-04
- description of Indigenous-specific services
- age profile and target population differences between Indigenous and other Australians, June 2001
- aged care residents per 1000 target population, 30 June 2005
- CACP recipients per 1000 target population, 30 June 2005
- recipients of HACC services by age, 2004-05
- Commonwealth Carelink centres, contacts per 1000 people, 30 June 2005
- 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 (per 1000 people), 30 June 2001
- ratio of CACP recipients and permanent residential (combined) to 1000 persons in the target population, 30 June 2001
- age specific usage rates (per 1000 of the population) for permanent aged care residents (both high and low care) and recipients of CACP services, by remoteness, June 2004.

Supporting tables

Supporting tables for data within the aged care services chapter of this compendium are contained in attachment 12A of 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 services attachment). As the data are directly sourced from the 2006 Report, the compendium also notes where the original table, figure or text in the 2006 Report can be found. For example, where the compendium refers to '2006 Report, p. 12.15' this is page 15 of chapter 12 of the 2006 Report, and '2006 Report, table 12A.2' is attachment table 2 of attachment 12 of the 2006 Report.

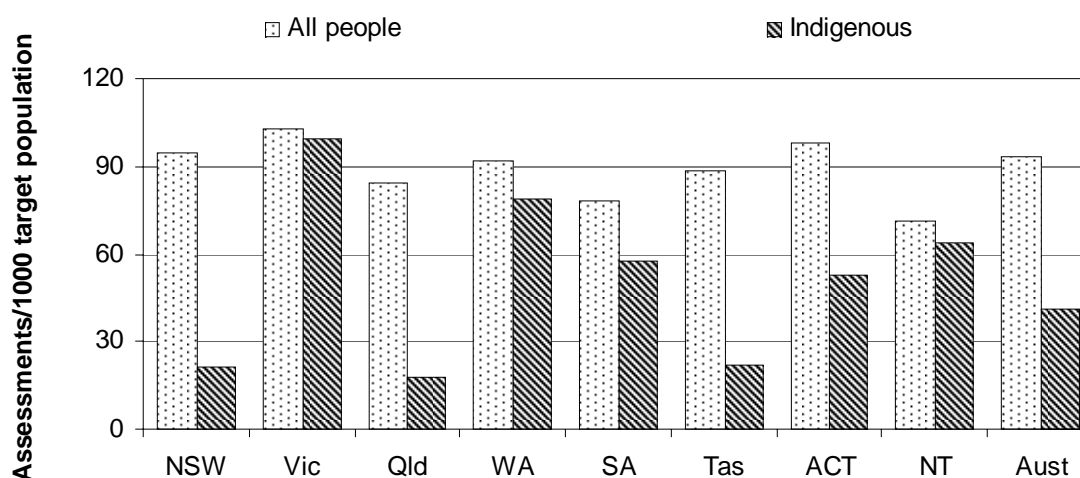
Assessment services

The Australian Government established the Aged Care Assessment Program (ACAP) in 1984, based on the assessment processes used by State and Territory health services to determine (1) eligibility for admission into residential care and (2) 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. People may also be referred by ACATs to other services, such as those funded by the HACC program. An ACAT referral is not mandatory for receipt of other services, such as HACC and VHC services.

State and Territory governments are responsible for the day-to-day operation and administration of the ACAP and provide the necessary accommodation and support services. The scope and practice of the teams differ across and within jurisdictions, partly reflecting the service setting and location (for example, whether the team is attached to a residential service, a hospital, or a community service). This has an effect on program outputs.

The number of assessments per 1000 target population varied across jurisdictions in 2003-04. The national rate was 93.0 assessments per 1000 people aged 70 years or over and Indigenous people aged 50 years or over and 40.9 per 1000 Indigenous people aged 50 years or over (figure 12.1).

Figure 12.1 Aged Care Assessment Team assessment rates, 2003-04^{a, b, c, d}



^a Includes ACAT assessments for all services. ^b 'All people' includes all assessments of people aged 70 years or over and Indigenous people aged 50 years or over per 1000 people aged 70 years or over and Indigenous people aged 50 years or over. ^c 'Indigenous' includes all assessments of Indigenous people aged 50 or over per 1000 Indigenous people aged 50 years or over. ^d The number of Indigenous assessments is based on self-identification of Indigenous status.

Source: Lincoln Centre for Ageing and Community Care Research (unpublished); table 12A.9; 2006 Report, p. 12.5, figure 12.1.

Indigenous-specific services

Under the Aged Care Act, 30 Indigenous aged care services are funded, providing approximately 700 places. Most of these places are available in Indigenous-specific aged care services, but some are available in aged care services catering to the broader community. In addition, approximately 600 flexibly funded aged care places were provided at 30 June 2005 through the National Aboriginal and Torres Strait Islander Aged Care Strategy, often in remote areas where no aged care services are otherwise available. Services delivered under the strategy are outside the Aged Care Act (Department of Health and Ageing [DoHA] unpublished).

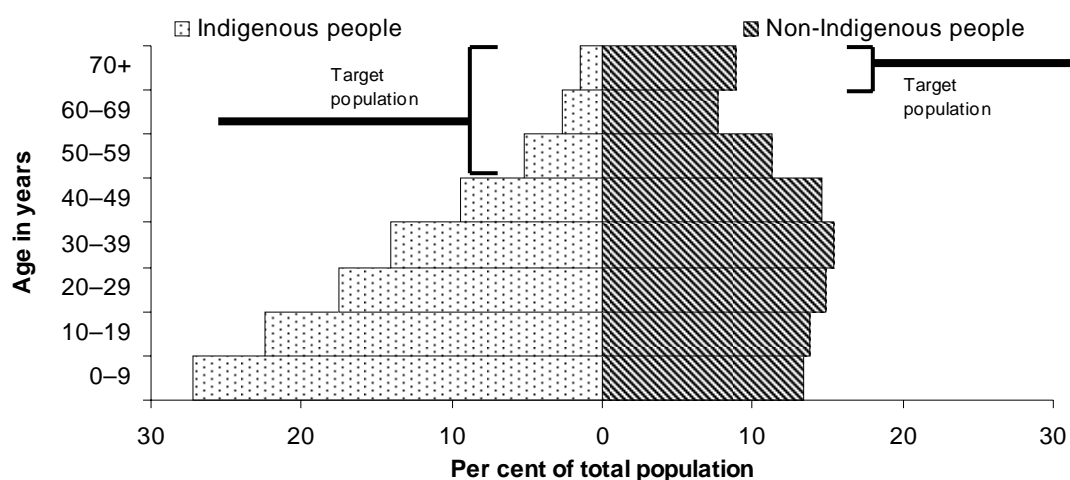
The Australian Government actively targets community aged care places to Indigenous communities and contracts Aboriginal Hostels Limited to provide ongoing assistance to ensure that services in rural and remote areas remain viable.

Characteristics of older Indigenous people

The Australian Bureau of Statistics (ABS) estimated that about 52 400 Indigenous people were aged 50 years or over in Australia at 30 June 2005 (table 12A.1). Although the Indigenous population is also ageing, there are marked differences in

the age profile of Indigenous Australians compared with the non-Indigenous population (figure 12.2). June 2001 ABS estimates of the life expectancy of Indigenous males and females suggested it was nearly 20 years below that recorded for the total Australian population. These figures indicate that Indigenous people are likely to need aged care services earlier in life, compared with the general population.

Figure 12.2 Age profile and target population differences between Indigenous and other Australians, June 2001

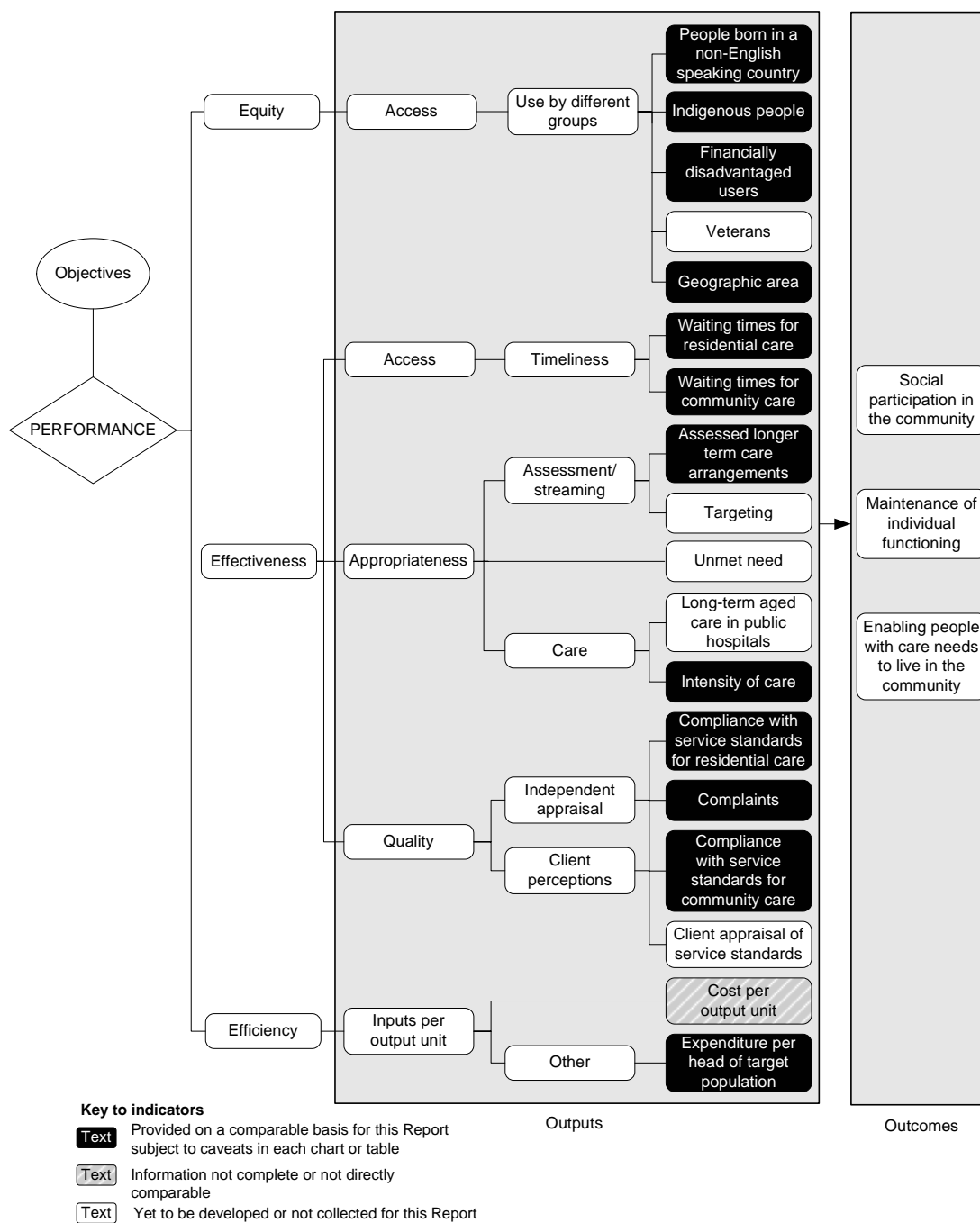


Source: ABS Estimated Residential Population (unpublished); 2006 Report, p. 12.14, figure 12.7.

Framework of performance indicators

Data for Indigenous people are reported for a subset of the performance indicators for aged care services in the 2006 Report. It is important to interpret these data in the context of the broader performance indicator framework outlined in figure 12.3. The performance indicator framework shows which data are comparable in the 2006 Report. For data that are not considered directly comparable, the text includes relevant caveats and supporting commentary.

Figure 12.3 Performance indicators for aged care services



Source: 2006 Report, p. 12.20, figure 12.9.

Access to aged care services by different groups

'Use by different groups' has been included as an output indicator of equity (box 12.1).

Box 12.1 Use by different groups

A key national objective of the aged care system is to provide equitable access to aged care services for all people who require these services. 'Use by different groups' is a proxy indicator of equitable access. Various groups are identified by the Aged Care Act and its principles (regulations) as having special needs, including people from Indigenous communities, people born in non-English speaking countries, people who live in rural or remote areas, people who are financially or socially disadvantaged, and veterans (including widows and widowers of veterans). The indicator is reported for selected special needs groups, and the definitions are as follows:

- the number of people born in non-English speaking countries using residential services, CACPs, EACH and HACC services, divided by the number of people born in non-English speaking countries aged 70 years or over
- the number of Indigenous people using residential services, CACP, EACH and HACC services, divided by the number of Indigenous people aged 50 years or over (because Indigenous people tend to require aged care services at a younger age than the general population)
- the rate of contacts with Commonwealth Carelink Centres for Indigenous people compared with all people.

In general, usage rates for special needs groups similar to those for the broader aged care population are desirable, but interpretation of results differs for Indigenous people because there is evidence that Indigenous people have higher disability prevalence rates than those of the general population, which suggests a greater level of need for services compared with those in the broader aged care population.

Several factors need to be considered in interpreting the results for this set of indicators:

- Cultural differences may influence the extent to which people born in non-English speaking countries use different types of services.
- Cultural differences and geographic location may influence the extent to which Indigenous people use different types of services.
- The availability of informal care and support may influence the use of aged care services in different population groups.

Access to residential services

In all jurisdictions at 30 June 2005, on average, Indigenous people and people born in non-English speaking countries had lower rates of use of aged care residential services (22.8 and 45.7 per thousand of the relevant target populations respectively), compared with the population as a whole (78.4 per thousand) (figure 12.4).

Figure 12.4 Residents per 1000 target population, 30 June 2005^{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: DoHA (unpublished); tables 12A.2, and 12A.3; 2006 Report, table 12A.14; 2006 Report, p. 12.23, figure 12.10.

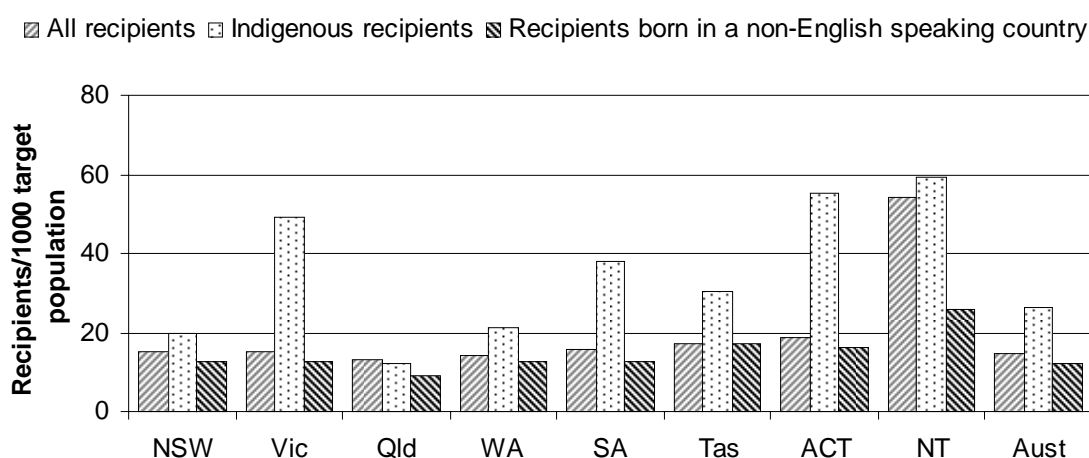
Age specific usage rates for these services, by jurisdiction and remoteness and for Indigenous usage at 30 June 2004, are included in the 2006 Report. These data suggest there is significant variation in usage rates by remoteness area. In general, differences across jurisdictions are less marked than differences across remoteness areas (table 12A.12; 2006 Report, tables 12A.58, 12A.60, 12A.61 and 12A.63).

Access to community aged care packages

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 is still small relative to the number of recipients of residential care. At June 2005, 14.9 per 1000 of the target population received CACP services compared with 78.4 recipients of residential care, although this varied across jurisdictions (table 12A.2).

The number of Indigenous CACP recipients per 1000 Indigenous people aged 50 years or over was 26.2 nationally and the numbers of CACP recipients from non-English speaking countries per 1000 of the relevant target population was 12.4 nationally (figure 12.5). The Australian Government's allocation of CACPs in every jurisdiction at June 2005 exceeded 10 CACPs per 1000 of the overall target population.

Figure 12.5 Community Aged Care Package recipients per 1000 target population, 30 June 2005^{a, b, c, d, e}



^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.1), and a small number of packages will result in a very high provision ratio. ^e CACPs provide a more flexible model of care more suitable to remote Indigenous communities, so areas such as the NT have a higher rate of CACP recipients per 1000 people.

Source: DoHA (unpublished); tables 12A.2 and 12A.3, 2006 Report, table 12A.14; 2006 Report, p. 12.25, figure 12.12.

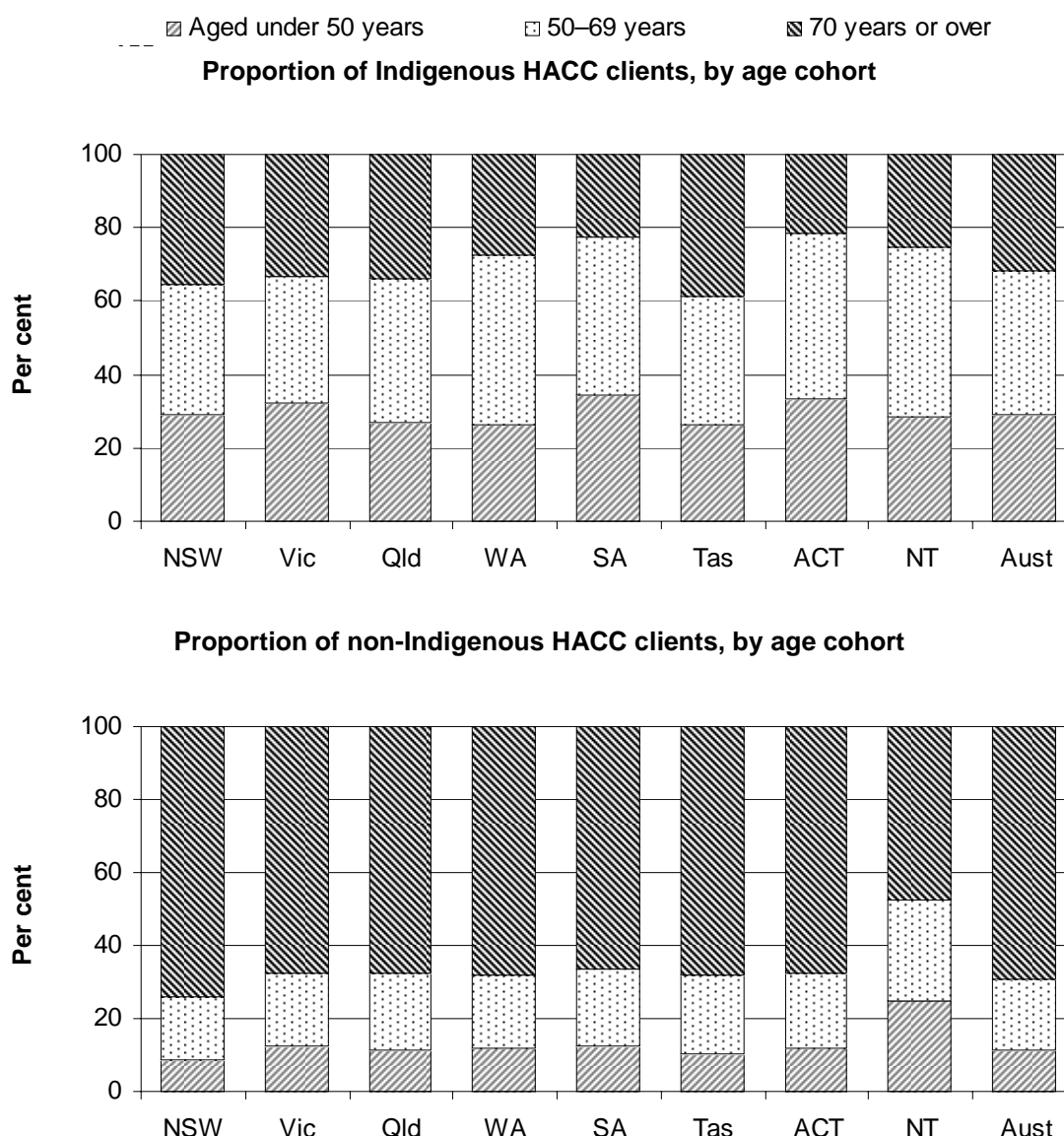
Age-sex specific usage rates for CACP and EACH, by jurisdiction, and remoteness and for Indigenous usage are included in the Report (table 12A.12; 2006 Report, tables 12A.59, 12A.60 and 12A.62-63). Usage rates vary between jurisdictions and remoteness categories for CACP.

Access to the Home and Community Care program

Home and Community Care services are provided in the client's home or community for frail older people with a severe, profound or moderate disability, and their carers.

Reported use of HACC services showed a substantial difference between all users and Indigenous users across all age groups in 2004-05. This reflects the difference in morbidity and mortality trends between Indigenous people and the general population. The proportion of Indigenous HACC clients aged 70 years and over is 31.5 per cent and the proportion of non-Indigenous HACC clients aged 70 years and over is 69.1 per cent (figure 12.6).

Figure 12.6 Recipients of HACC services by age and Indigenous status, 2004-05

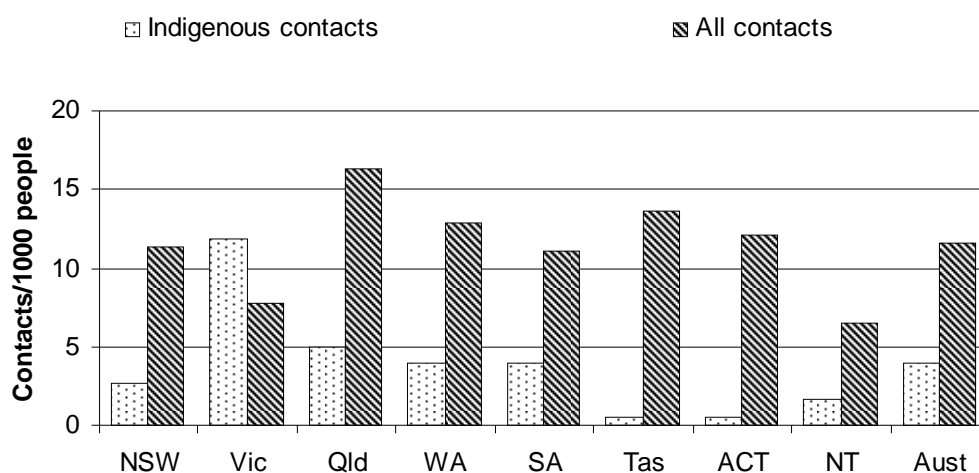


Source: DoHA (unpublished); table 12A.7; 2006 Report, p. 12.27, figure 12.13.

Access by Indigenous people to Commonwealth Carelink Centres

Commonwealth Carelink Centres are information centres for older people, people with disabilities and those who provide care and services. Information is provided on community services and aged care, disability and other support services available locally or anywhere in Australia, the costs of services, assessment processes and eligibility criteria. The national rate at which Indigenous people contacted Carelink Centres at 30 June 2005, was 3.9 people per 1000 Indigenous population. The rate for all Australians was 11.6 per 1000 people. These figures varied across jurisdictions (figure 12.7).

Figure 12.7 **Commonwealth Carelink Centres, contacts per 1000 people, by Indigenous status, 30 June 2005^{a, b, c}**



^a Contacts with Carelink include phone calls, visits, emails and facsimiles. ^b Indigenous contacts refer to contacts by Indigenous people per 1000 Indigenous population. ^c All contacts refers to contacts per 1000 total population.

Source: ABS Population Projections by SLA 2002–2022 (unpublished); table 12A.11; 2006 Report, p. 12.28, figure 12.14.

Aged standardisation of aged care data

How age profiles can distort observed service usage patterns

The age profile of Australians varies across jurisdictions and across different cultural and linguistic backgrounds (see for example the different age profiles of Indigenous and non-Indigenous Australians — figure 12.2). Variations in age profiles are important because the likelihood of needing aged care services increases with age (figure 12.6). As a result, observed differences in service 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.

Method of standardisation

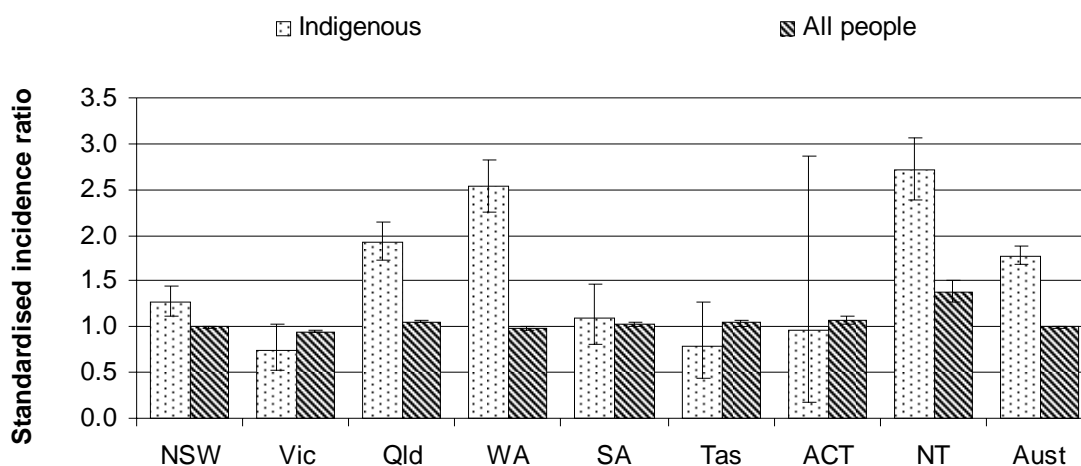
Either direct or indirect standardisation can be used. Indirect standardisation is presented here because it is more appropriate when comparing small populations. This method applies standard age-specific usage rates (in this case, average Australian rates) to actual populations (different groups within 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 is higher than would be expected if the particular group had the same usage rate as that of the Australian population as a whole. A value below 1.0 means use is lower than expected. Age standardisation generally covers use by all age groups, so the resulting standardised incidence ratios compare use by complete population groups, not just by those aged 70 years or over.

Application of indirect standardisation

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 12.8. 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. People (Indigenous people in particular) also use long stay hospital beds, flexible places and other services not covered in the analysis, and consequently, these results do not represent all the available services.

Figure 12.8 shows that 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 for those Indigenous people aged under 75 years (table 12.1). Results vary across jurisdictions. The 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 the average in other jurisdictions.

Figure 12.8 **Standardised incidence ratio for use of CACP and permanent residential aged care (combined), 30 June 2001^{a, b, c}**



^a The Indigenous ratio is per 1000 Indigenous people aged 50 or over, the all people ratio is per 1000 Indigenous people aged 50 or over and non-Indigenous people aged 70 or over ^b The calculations use indirect age standardisation against use by all people Australia-wide. ^c ACT data are based on a very small Indigenous population and have high standard errors.

Source: AIHW (unpublished); table 12A.10; 2006 Report, p. 12.60, figure 12.27.

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	3.3	0.7
55–59	4.1	0.3	4.2	1.4
60–64	8.6	0.7	9.5	2.9
65–69	16.3	1.5	11.4	6.1
70–74	30.1	3.2	25.2	14.5
75–79	33.7	7.1	66.3	35.3
80+	36.7	20.7	116.3	160.8

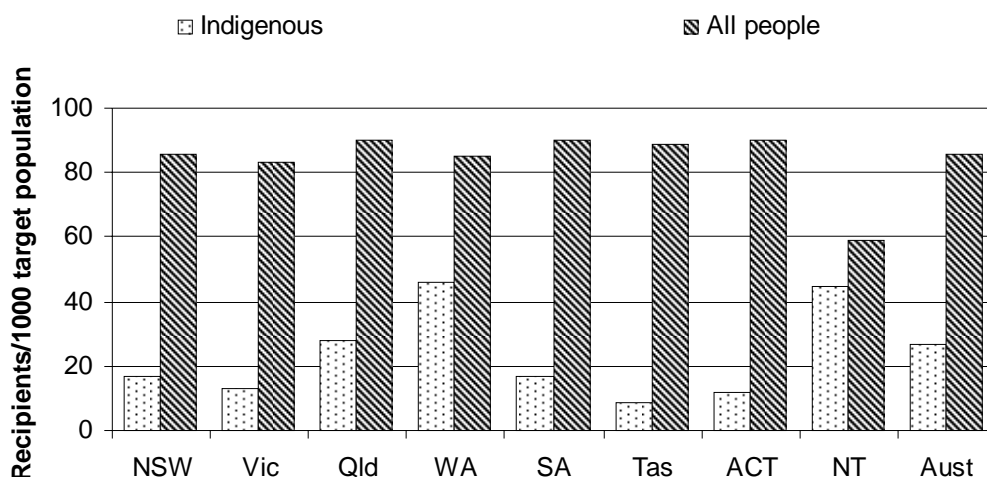
^a Excludes clients of multipurpose and flexible services. ^b Cases with missing data on Indigenous status have been pro rated within gender/age groups.

Source: AIHW (unpublished); 2006 Report, p. 12.60, table 12.10.

The age standardised rates are quite different from those that will result from comparing use with the target group population (clients per 1000 in the target group). The target group measure (figure 12.9) suggest that combined use of CACPs and permanent residential aged care is much lower for Indigenous people than for all people in all jurisdictions. Figure 12.9 also suggests that combined use of the two services is generally much lower in the NT than in other jurisdictions; this difference is not apparent after age standardisation (figure 12.9), indicating that

the difference in this measure is the result of the relatively young age structure of the NT (even within the two subgroups of people 70 years and over and Indigenous people 50 years and over).

Figure 12.9 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 years or over, 'all people' ratio is per 1000 Indigenous people aged 50 years or over and non-Indigenous people aged 70 years or over.

Source: AIHW (unpublished); table 12A.10; 2006 Report, p. 12.61, figure 12.28.

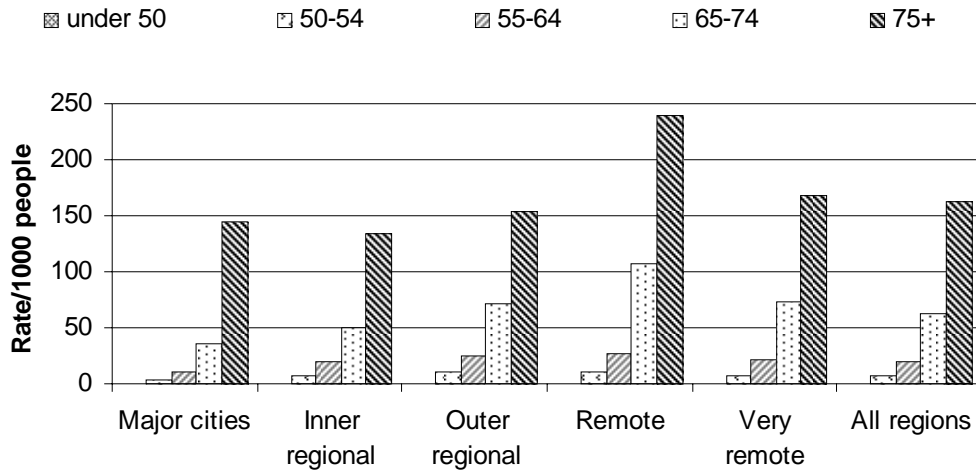
Age-specific usage rates prepared for the 2006 Report

Preparation of age-specific usage rates is a necessary requirement before any age standardisation, either direct or indirect, can be undertaken. The 2006 Report includes some age-specific usage rates per 1000 persons, against the following data for 30 June 2004:

- the total of Indigenous permanent aged care residents (both high and low care) and CACP, by remoteness. These data are broken down into male, female and all persons across five age ranges.

The national age-specific usage rates per 1000 Indigenous persons for high and low residential care and CACP in combination at 30 June 2004 is 0.3 for people under 50 rising to 162.3 for people over 75. These rates vary by remoteness category (figure 12.10).

Figure 12.10 Indigenous permanent residents classified as high or low care and Indigenous CACP at 30 June 2004: age-specific usage rates per 1000 persons by remoteness ^{a, b}



^a Data based on AIHW analysis of the DoHA ACCMIS database and ABS data. The Australian Standard Geographical Classification (ASGC) population figures for the Indigenous population at 30 June 2004 were derived by the AIHW from the 2001 Census ASGC data and the experimental estimates and projections of the Indigenous population which includes age and sex breakdowns by states and territories. ^b Residents without a recorded RCS were omitted.

Source: AIHW (unpublished); table 12A.12; 2006 Report, p. 12.63, figure 12.30.

Supporting tables

Supporting tables for data within this chapter 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 services attachment). The tables included in the attachment are listed below.

- Table 12A.1** Target population data, by location ('000)
- Table 12A.2** Aged care recipients per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years
- Table 12A.3** Indigenous aged care recipients per 1000 Indigenous people aged 50 years or over and as a proportion of all recipients
- Table 12A.4** Indigenous aged care recipients per 1000 Indigenous people aged 50 years or over by locality
- Table 12A.5** Aged care recipients from special needs groups, 30 June 2005 (per cent)
- Table 12A.6** HACC client characteristics, 2004-05
- Table 12A.7** Distribution of HACC clients, by age and Indigenous status, 2004-05 (per cent)
- Table 12A.8** Comparative characteristics of Indigenous HACC clients, 2004-05
- Table 12A.9** Aged care assessments
- Table 12A.10** Age standardisation data, June 2001
- Table 12A.11** Access to Commonwealth Carelink Centres, 2004-05
- Table 12A.12** Indigenous permanent residents classified as high or low care and Indigenous CACP at 30 June 2004: age-sex specific usage rates per 1000 persons by remoteness

References

ABS (Australian Bureau of Statistics) 2004, *Survey of Disability, Ageing and Carers, 2003*, Cat no. 4430.0, Canberra.