
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; services designed for the carers of older people are also within the scope of this chapter. Some government expenditure on aged care is not currently reported, but continual improvements are being made to the coverage and quality of the data. The services currently covered include:

- residential services, which provide high care, low care and residential respite care (*Report on Government Services 2005* (2005 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).

A number of additions and improvements have been made to the chapter this year. Reporting on access has been augmented with the addition of data on Indigenous people's access to Commonwealth Carelink Centres.

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

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

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 2005 Report contains the following data items on Indigenous people:

- ACAT assessment rates per 1000 target population, 2002-03
- Age profile and target population differences between Indigenous and other Australians, June 2001
- Residents per 1000 target population, June 2004
- CACP recipients per 1000 target population, June 2004
- Recipients of HACC services by age and Indigenous status, 2003-04
- Commonwealth Carelink centres, contacts per 1000 people, by Indigenous status, 30 June 2004
- 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 2005 Report, the compendium also notes where the original table, figure or text in the 2005 Report can be found. For example, where the compendium refers to '2005 Report, p. 12.15' this is page 15 of chapter 12 of the 2005 Report, and '2005 Report, 12A.2' is attachment table 2 of attachment 12 of the 2005 Report.

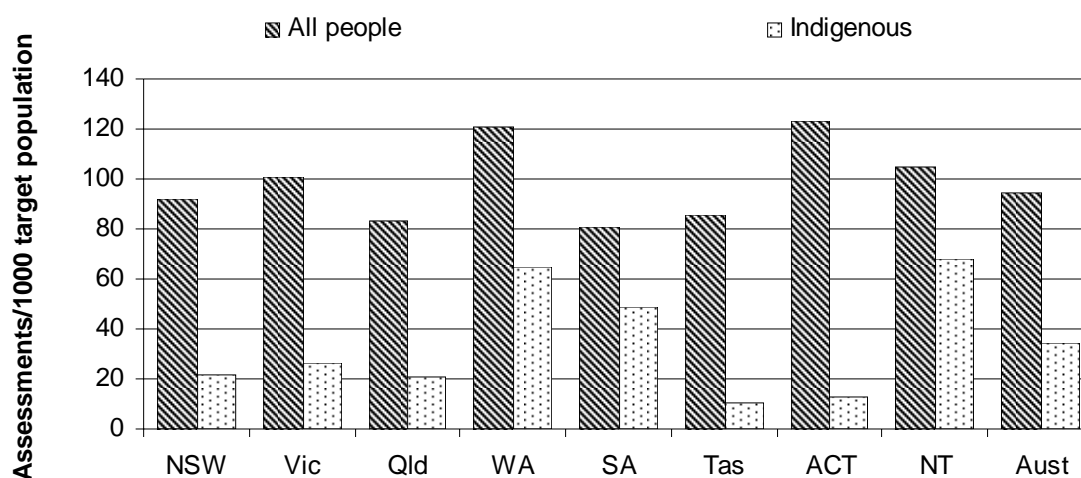
Assessment services

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 role and scope of the teams differs across and within jurisdictions, however, partly reflecting the service location (for example, whether the team is attached to a residential service, a hospital or a community service).

The number of assessments per 1000 target population varied across jurisdictions in 2002-03. The ACT had the highest number of assessments of people aged 70 years or over per 1000 people aged 70 years or over (122.9) and the lowest rate of assessment was in SA (81.2). The NT had the highest rate of assessments for Indigenous people aged 50 years or over per 1000 Indigenous people aged 50 years or over (68.2) in 2002-03, and Tasmania had the lowest rate (10.6) (figure 12.1).

Figure 12.1 Aged Care Assessment Team assessment rates, 2002-03^{a, b, c}



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

Source: Lincoln Centre for Ageing and Community Care Research (2004); table 12A.17; 2005 Report, p. 12.5, figure 12.1.

Indigenous specific services

Under the Aged Care Act, 29 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, 599 flexibly funded aged care places were provided at 30 June 2004 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.

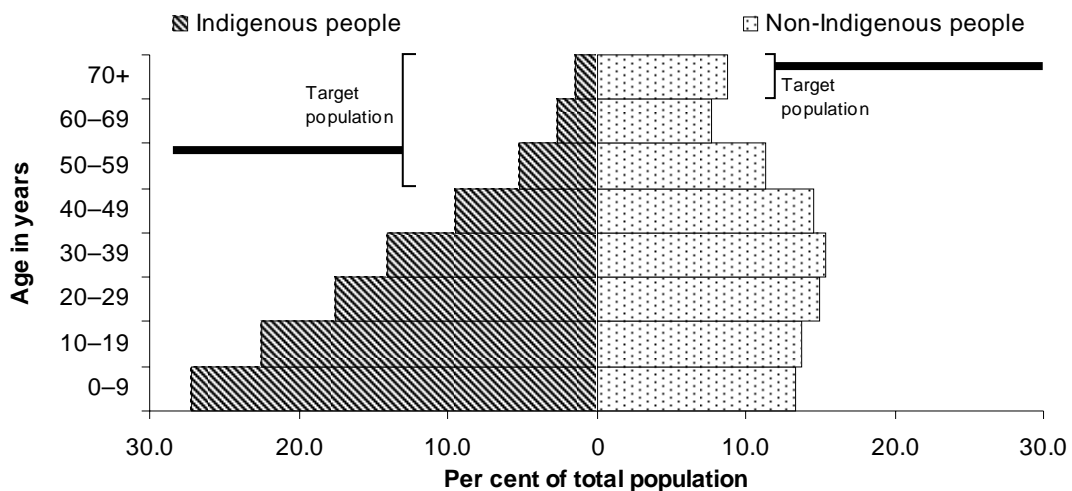
The Australian Government actively targets community aged care places to Indigenous communities and contracts Aboriginal Hostels Ltd to provide ongoing assistance to ensure services in rural and remote areas remain viable.

Characteristics of older Indigenous people

The ABS estimated that about 50 800 Indigenous people were aged 50 years or more in Australia at 30 June 2004. The majority were located in NSW (30.9 per cent), Queensland (26.6 per cent), WA (14.6 per cent) and the NT (11.8 per cent) (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).

Previous ABS estimates of the life expectancy of Indigenous males and females for June 2001 suggested it was nearly 20 years below that recorded for the total Australian population. (New methodology recently adopted by the ABS has led to revisions of these estimates — see the Health preface.) In any case, 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 (2001 and unpublished) ; 2005 Report, p. 12.15, figure 12.7.

Access to residential services by different groups

The access indicator ‘use by different groups’ is explained in box 12.1. The data for this indicator is provided on a comparable basis.

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 each special needs group except veterans, and the definitions are as follows:

(Continued on next page)

Box 12.1 (Continued)

- 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).
- for financially disadvantaged users: the indicator measures only access to residential services, and is defined as the number of new residents classified as concessional or assisted divided by the number of new residential places.
- for people living in rural and remote areas: the number of hours of HACC service received (and, separately, meals provided) divided by the number of people aged 70 years or over plus Indigenous people aged 50-69 years for major cities, inner regional areas, outer regional areas, remote areas and very remote areas.
- 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 some special needs groups:

- 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.
- For financially disadvantaged users, Australian Government planning guidelines require that services allocate a minimum proportion of residential places for concessional residents. These targets range from 16 per cent to 40 per cent of new places, depending on the service's region. Use rates equal to or higher than the minimum rates are desirable.

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

This indicator is explained in box 12.1. In all jurisdictions at 30 June 2004, on average, Indigenous people and people born in non-English speaking countries had lower rates of use of aged care residential services, compared with the rest of the population (figure 12.3). The data for this indicator is provided on a comparable basis.

Figure 12.3 Residents per 1000 target population, 30 June 2004^{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); tables 12A.2 and 12A.3; 2005 Report, table 12A.14; 2005 Report, p. 12.23, figure 12.10.

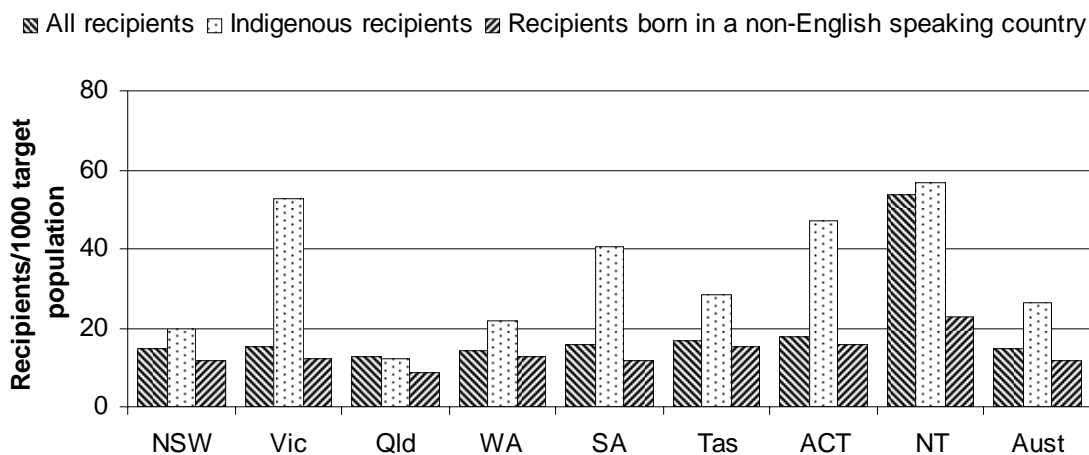
Access to community aged care packages

This indicator is explained in box 12.1. 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 2004 (14.7 CACP recipients compared with 78.7 total recipients of residential care) (table 12A.2). The data for this indicator is provided on a comparable basis.

The NT had the highest number of CACP recipients per 1000 people aged 70 years or over plus Indigenous people aged 50–69 years at June 2004 (53.8) and Queensland had the lowest (12.9). The NT had the highest number of Indigenous CACP recipients per 1000 Indigenous people aged 50 years or over (56.8) and Queensland had the lowest (12.2) (table 12A.3). The NT also had the highest number of CACP recipients from non-English speaking countries per 1000 people aged 70 years or over from non-English speaking countries (22.9) and Queensland had the lowest (8.6) (figure 12.4). The Australian

Government's allocation of CACPs in every jurisdiction at June 2004 exceeded 10 CACPs per 1000 target population.

Figure 12.4 Community Aged Care Package recipients per 1000 target population, 30 June 2004^{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.

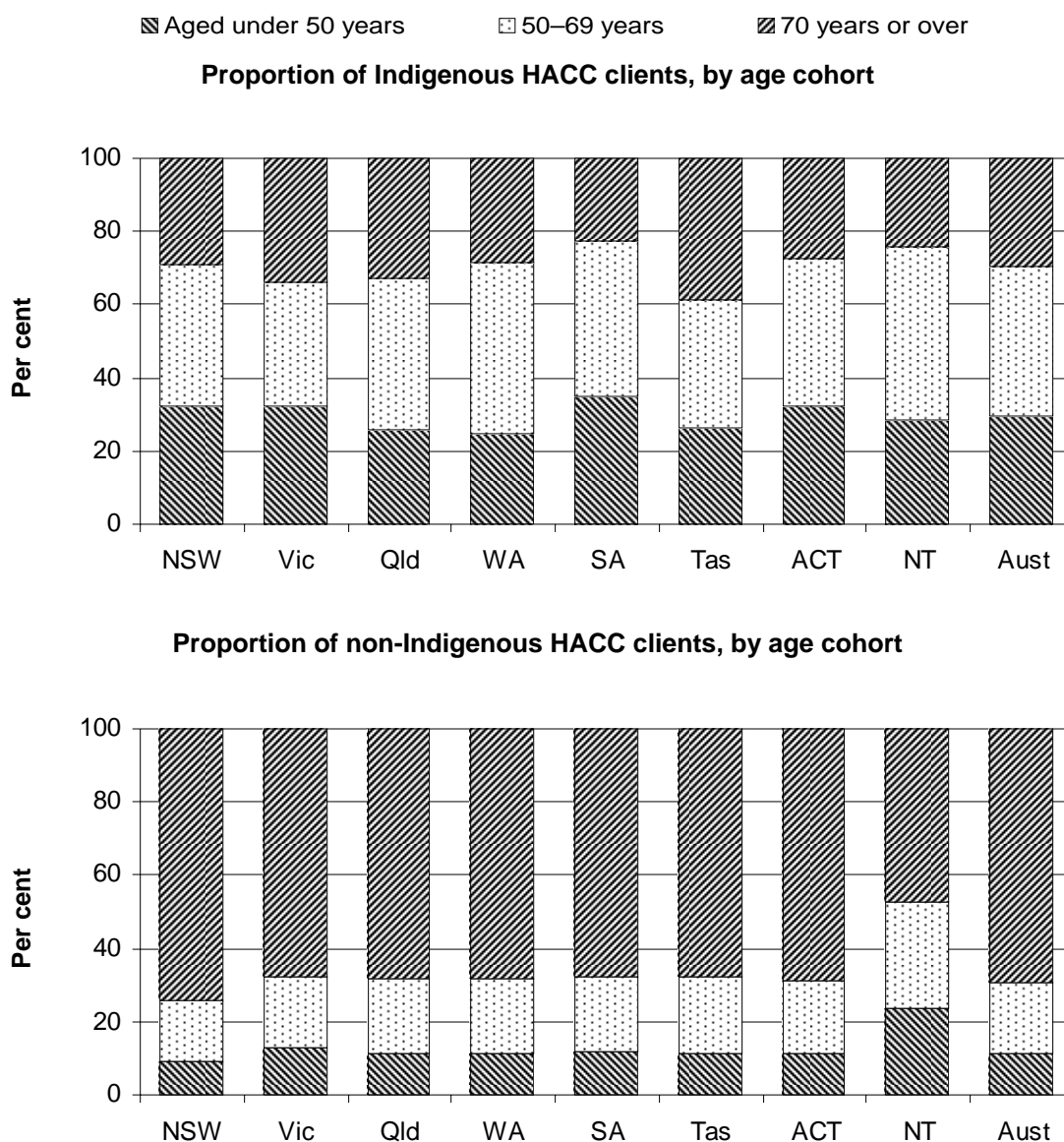
Source: DHA (unpublished); tables 12A.2 and 12A.3; 2005 Report, table 12A.14; 2005 Report, p. 12.24, figure 12.12.

Access to the Home and Community Care program

This indicator is explained in box 12.1. HACC services are provided in the client's home or community for frail older people with a severe, profound or moderate disability, and their carers. The data for this indicator is provided on a comparable basis.

Reported use of HACC services showed a substantial difference between all users and Indigenous users across all age groups in 2003-04. This reflects the difference in morbidity and mortality trends between Indigenous people and the general population (figure 12.5).

Figure 12.5 **Recipients of HACC services by age and Indigenous status, 2003-04**



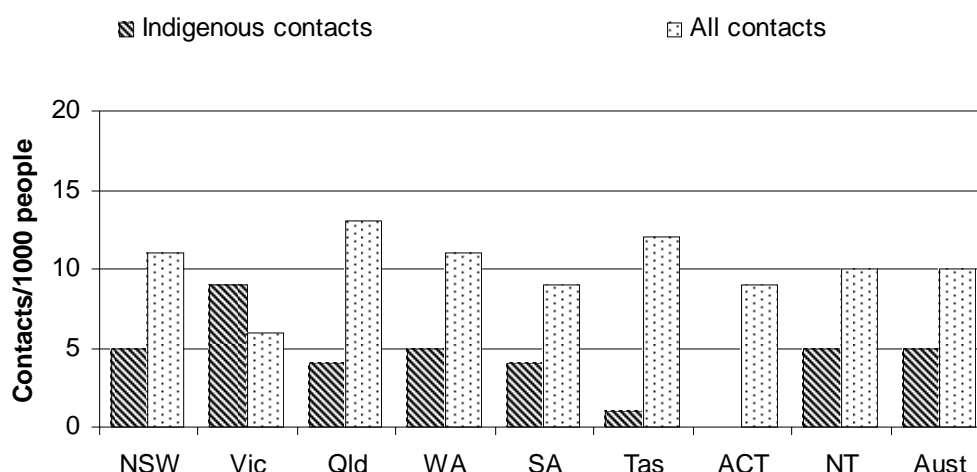
Source: DHA (unpublished); table 12A.15; 2005 Report, p. 12.26, figure 12.13.

Access by Indigenous people to Commonwealth Carelink Centres

This indicator is explained in box 12.1. 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 data for this indicator is provided on a comparable basis. Figure 12.6 provides information on the rate at which Indigenous people contacted

Carelink Centre 30 June 2004, compared with the rate for all clients. The rate at which Indigenous people were able to access these centres was less than for all Australians except in Victoria. Victoria had the highest number of contacts by Indigenous people per 1000 Indigenous population in 2003-04 (8.7 per cent), while Tasmania had the lowest (1.3 per cent).

Figure 12.6 Commonwealth Carelink centres, contacts per 1000 people, by Indigenous status, 30 June 2004^{a, b, c, d}



^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. ^d Data for the ACT for Indigenous clients were not available in 2003-04.

Source: Population Projections by SLA 2002-2022 (unpublished); table 12A.24; 2005 Report, p. 12.27, figure 12.14.

Age profiles can distort observed usage patterns

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 (table 12.1). 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

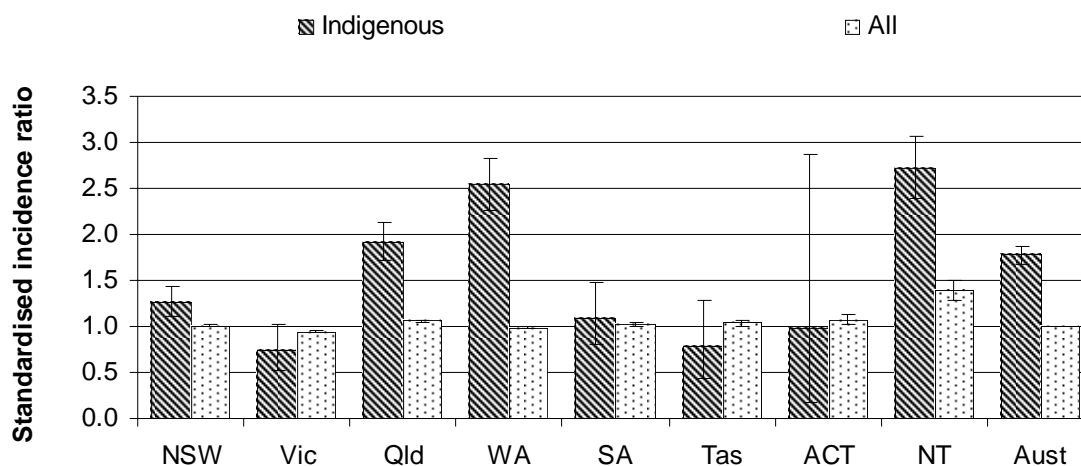
Either direct or indirect standardisation can be used; indirect standardisation is presented here because it is more appropriate when comparing small populations. This method applies standard age-specific usage rates (in this case, average Australian rates) to actual populations (different groups within 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 expected if the particular group has 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 12.7. 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; consequently, these results do not represent all the services available to people.

Figure 12.7 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). 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 the average in NSW (about 25 per cent higher), Queensland (90 per cent higher), WA (150 per cent higher) and the NT (170 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, the ACT and the NT have slightly higher than average usage rates.

Figure 12.7 **Standardised incidence ratio for use of CACP and permanent residential aged care (combined), 30 June 2001^{a, b}**



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

Source: AIHW (unpublished); table 12A.10; 2005 Report, p. 12.57, figure 12.23.

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

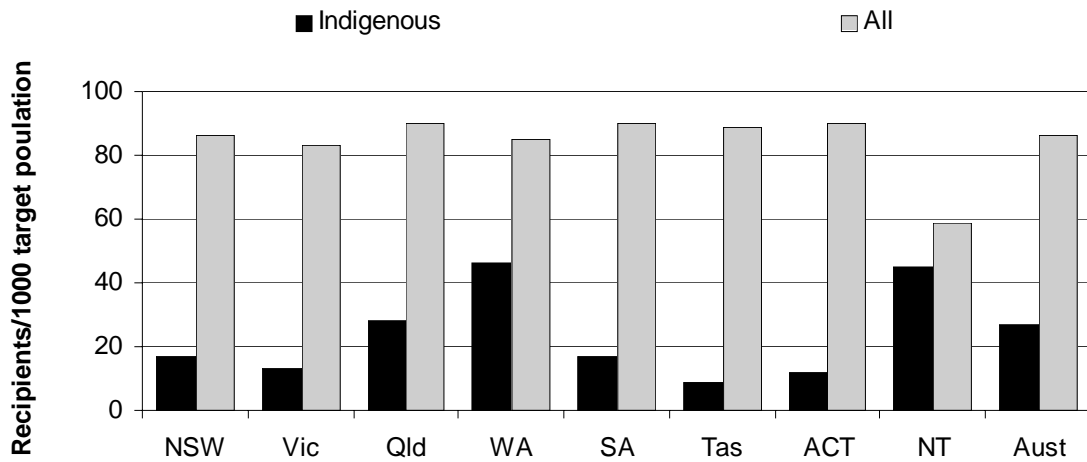
^a Excludes clients of multipurpose and flexible services. ^b Cases with missing data on Indigenous status have been pro rated within gender/age groups.

Source: AIHW (unpublished); 2005 Report, p. 12.58, table 12.13.

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 12.8; also used in figures 12.3 and 12.4). This measure suggests that, combined use of CACPs and permanent residential aged care is much lower for Indigenous people than for all people in all jurisdictions except the NT; 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 12.8 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 12.8), indicating that the difference in this measure is the result of the relatively young age structure of the NT.

Figure 12.8 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' 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.58; 2005 Report, p. 12.59, figure 12.24.

References

ABS (Australian Bureau of Statistics) 2001, *Estimated Residential Population, by Age and Sex* Cat no. 3101.0, Canberra.

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Lincoln Gerontology Centre 2004, *Aged Care Assessment Program: National Minimum Data Set Report: July 2002 – June 2003*, La Trobe University, Melbourne.