



LASA

**LEADING AGE SERVICES
AUSTRALIA**

The voice of aged care

BN phn Forum update

17 June 2021

946 days ...



Ageing and Aged Care



Australian Government Response to the Final Report of the Royal Commission into Aged Care Quality and Safety

May 2024



health.gov.au

Respect, care, dignity.

A generational plan for aged care in Australia



health.gov.au/aged-care-reforms



The Government Response

We have heard the evidence of senior Australians and their families. It is a call to action.

The Government agrees with the Commissioners that strong action is needed for fundamental and ambitious reforms.

The 2021–22 Federal Budget provides a comprehensive response to the Royal Commission’s final report. The proposed \$17.7 billion aged care reform package is designed to deliver sustainable quality and safety in home and residential aged care services.

This once-in-a-generation opportunity to confront the inadequacies in aged care will bring real change to the system.



Recommendation by recommendation: *accept, accept in principle, supports instead...*

Five pillar outlook to 2025

\$17.7 billion
5 pillars over 5 years

Pillar 1:

Home care

2021

- 40,000 more home care packages.
- Senior Australians able to access assistance and information about aged care through 325 Services Australia Service Centres, and aged care specialists in 70 Service Australia centres.
- Extra support for informal carers.

2022

- 40,000 more home care packages.
- Respite services for 8,400 additional clients every year.

2023

- 500 local Community Care Finders provide targeted, specialist face-to-face support to vulnerable senior Australians to help them access aged care and connect with other health and social supports.
- Senior Australians can access a new support at home program.
- Single assessment workforce will expand to the new support at home program.

2024

- New support at home program supports senior Australians to stay in their homes and keep connected to their communities.
- Single assessment workforce will continue assessments for the new support at home program.

Pillar 2:

Residential aged care services and sustainability

2021

- Supplement of \$10 per resident per day.
- Continuation of the increases to the homeless and viability supplements.
- New prudential monitoring, compliance and intervention to help providers build financial sustainability, capability and resilience.
- Independent Hospital and Aged Care Pricing Authority established, extending role of existing hospitals pricing authority to include aged care advisory function.

2022

- New funding model to improve quality of care for 240,000 people using residential care and 67,000 people using residential respite care each year.
- Average care minutes for each resident increased to 200 minutes per day, including 40 minutes of registered nurse time.
- Registered nurse on site for a minimum of 16 hours per day.
- Structural Adjustment Program delivers increased provider viability and a strengthened aged care market.
- Single assessment workforce introduced to improve the experience of senior Australians in residential care.
- Better reporting, including through Star Ratings, to help senior Australians make easier comparisons and improve choice of care.

2023

- Minimum care time becomes mandatory.
- Annual funding increases and price setting take into account advice from the new Independent Hospital and Aged Care Pricing Authority.

2024

- Increased choice for senior Australians receiving residential care with care packages assigned to consumers, not providers.
- New residential aged care accommodation framework gives senior Australians more choice and improves accessibility and dementia-friendly accommodation.
- Aged Care Approval Round discontinued.

2025

- Improved service suitability that ensures the care needs and preferences of senior Australians in residential aged care are met.

Pillar 3:

Residential aged care quality and safety

2021

- Immediate improvements to the quality of care in dementia, diversity, food and nutrition services.
- Stronger clinical care standards developed by the Australian Commission on Safety and Quality in Health Care.
- Up to 120,000 additional GP services through boosted Aged Care Access Incentive.
- Increasing dementia care capability delivers better outcomes for people living with dementia.
- Palliative care services expanded to support end-of-life care at home.

2022

- Residents access improved care through Primary Health Networks facilitating telehealth and out-of-hours triage services.
- Expansion of the Serious Incident Response Scheme gives 1 million senior Australians receiving home and community care greater protection.
- Stronger presence of Aged Care Quality and Safety Commission in facilities with an extra 1,500 site audits.
- Providers to report regularly to residents and families on care and commencement of Star Rating system.

2023

- Improved support and training in dementia care and minimising restraint (restrictive practices).

2024

- National Aged Care Data Strategy improves the information that is available to senior Australians about the quality in aged care.
- New independent regulatory authority established following review of the Aged Care Quality and Safety Commission.

2025

- Senior Australians receive high quality, compassionate care.
- Confidence in aged care is rebuilt.

Pillar 4:

Workforce

2021

- Up to 6,000 new personal care workers in workplaces.
- Surge locum workforce capacity in regional and rural locations.
- Improved training in dementia care and minimising restraint (restrictive practices).

2022

- Up to 7,000 new personal care workers in workplaces.
- 33,800 additional training places rolled out over two years for personal care workers to attain a Certificate III in Individual Support (Ageing).
- More registered nurses in workplaces due to nurse incentive and financial support schemes.
- Single assessment workforce in place to conduct assessments across residential and home care.

2023

- Additional training places for personal care workers to attain a Certificate III in Individual Support (Ageing).

2024

- Continued growth of the aged care workforce and a demonstrable increase in registered nurses choosing aged care as their career.

2025

- Tangible improvements seen in staffing levels, skill mix and training of the care workforce.
- Workforce continues to meet the demand for aged care services, particularly in home care.

Pillar 5:

Governance

2021

- Initial rollout of expanded regional network to improve local planning and understanding of needs.
- Council of Elders established to provide a direct voice to Government.
- National Aged Care Advisory Council established to provide expert advice to Government.
- Expanded capital infrastructure grants available to improve access to better quality aged care services for First Nations people and those in rural and remote locations, or who are homeless or at risk of homelessness.
- Improved services and health outcomes for people in remote and Indigenous communities as a result of additional aged care funding.

2022

- New workforce of trusted First Nations people to assist Older First Nations people navigate and access aged and disability care.

2023

- Introduction of a new, values based Aged Care Act.

2025

- Strong and effective governance of aged care is in place with senior Australians at the centre and improved care outcomes consistently delivered.

Pillar 1: Home care



\$7.5 billion towards supporting senior Australians who choose to remain in their home, including:

- \$6.5 billion for an additional 80,000 Home Care Packages – 40,000 released in 2021–22 and 40,000 in 2022–23, which will make a total of 275,598 packages available to senior Australians by June 2023
- \$10.8 million to design and plan a new support in home care program which better meets the needs of senior Australians
- \$798.3 million to support the 1.6 million informal carers, including additional respite services for 8,400 senior Australians each year, and
- \$272.5 million for enhanced support and face-to-face services to assist senior Australians accessing and navigating the aged care system.

Pillar 2: Residential care and sustainability



\$7.8 billion towards improving and simplifying residential aged care services and to ensure senior Australians can access value for money services, including:

- \$3.9 billion to increase the amount of front-line care (care minutes) delivered to residents of aged care and respite services, mandated at 200 minutes per day, including 40 minutes with a registered nurse
- \$3.2 billion to support aged care providers to deliver better care and services, including food through a new Government-funded Basic Daily Fee Supplement of \$10 per resident per day
- \$102.1 million to assign residential aged care places directly to senior Australians, and to support providers to adjust to a more competitive market
- \$49.1 million to expand the Independent Hospital Pricing Authority to help ensure that aged care costs are directly related to the care provided
- \$189.3 million for a new Australian National Aged Care Classification to deliver a fairer and more sustainable funding arrangements, and
- \$5.5 million to reform residential aged care design and planning to better meet the needs of senior Australians, particularly those living with dementia.

Pillar 3: Residential care quality and safety



\$942 million to drive systemic improvements to residential aged care quality and safety, including:

- \$365.7 million to improve access to primary care for senior Australians, including the transition of senior Australians between aged care and health care setting and improved medication management
- \$262.5 million to ensure the independent regulator, the Aged Care Quality and Safety Commission (ACQSC), is well equipped to safeguard the quality, safety and integrity of aged care services and can effectively address failures in care
- \$7.3 million for additional resources to build capacity within residential aged care for the care of senior Australians living with dementia
- \$67.5 million for the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams to further reduce reliance on physical and chemical restraint (restrictive practices), and
- \$200.1 million to introduce a new star rating system to highlight the quality of aged care services, better informing senior Australians, their families and carers, including o \$94.0 million to expand independent advocacy to support greater choice and quality safeguards for senior Australians.

Pillar 4: Workforce



\$652.1 million to grow a skilled, professional and compassionate aged care workforce, which will be the powerhouse of the Government's reform agenda, including:

- upskilling the existing workforce and providing training for thousands of new aged care workers, including 33,800 subsidised Vocational Education and Training places through JobTrainer.
- \$228.2 million to create a single assessment workforce to undertake all assessments that will improve and simplify the assessment experience for senior Australians as they enter or progress within the aged care system
- \$135.6 million to provide eligible Registered Nurses with financial support of \$3,700 for full time workers, and \$2,700 for part time workers, nursing scholarships and places in the Aged Care Transition to Practice Program; and
- \$9.8 million to extend the national recruitment campaign, to help increase the skilled and dedicated aged care workforce.

Pillar 5: Governance



\$698.3 million to improve the governance across the aged care system. This will embed respect, care and dignity at the heart of the system, guaranteeing better choice, high quality and safe care for senior Australians, including:

- \$21.1 million to establish new governance and advisory structures, including a National Aged Care Advisory Council, and a Council of Elders, and to work towards establishment of an office of the Inspector-General of Aged Care
- \$630.2 million to improve access to quality aged care services for consumer in regional, rural and remote areas including those with First Nations backgrounds and special needs groups
- \$13.4 million to improve rural and regional stewardship of aged care, with Department of Health aged care officers embedded within eight of the 31 Primary Health Network regions, and
- The drafting of a new *Aged Care Act* to enshrine the Government's reforms in legislation by mid-2023.

LASA initial response

- Historic day for the future of aged care in Australia
- Areas where commitments are not as clear and definite as we would like -- much will depend on implementation over the next few years
- Government had committed to a demanding timetable of reform
- We are on the pathway to realising a transformed aged care system, that is resourced and enabled to meet the needs of a growing number of older Australians
- **LASA Roadmap to Reform Forum 18 June**



Australian
Aged Care
Collaboration

MEDIA RELEASE
Tuesday 11 May 2021

Federal Budget delivers historic aged care reform



LASA
LEADING AGE SERVICES
AUSTRALIA
The voice of aged care

April 2021

ASA 21-22 Initial Aged Care Budget Analysis

May 2021

Tim Hicks, General Manager, Policy and Advocacy
Jane Sacchi-Kilpatrick, Executive Officer
Marlene Eggert, Senior Policy Advisor
Mohamad Mahat, Senior Policy Advisor
Troy Speirs, Senior Policy Advisor



Aged care -
the way forward



“The journey of a thousand miles begins with one step” Lao Tzu

Major work areas

Government's five pillars don't really track well in terms of subjects. Here is what we see as the major areas of work:

- New pricing function
- Implementation of AN-ACC and staffing requirements
- New residential care accommodation framework
- New home care program
- Review of the standards
- New transparency measures
- Drafting of a new act (which will address arrangement of issues, including regulatory changes)
- New prudential framework
- New workforce plan and training measures
- Fair Work Commission Work Value Cases

Scoring reform

Key things that the reform agenda needs to achieve:

1. Universal entitlement to care at assessed level and strong governance of assessment and classification processes
2. People can choose how they want to be cared for
3. Pricing authority has a comprehensive remit (including accommodation) that allows a reasonably efficient operator to sustainably deliver high quality care
4. There is a mechanism for considering gaps in service delivery such as the level of allied health (probably through the standard setter)
5. Changes in standards or requirements are costed and funded as needed
6. Quality indicators allow fair and meaningful comparisons; avoid perverse incentives
7. Regulation is strict but also transparent, consistent and proportionate
8. Wages and training for workforce adequately funded

RC - starting to unpack – calculation of minimum staffing requirements

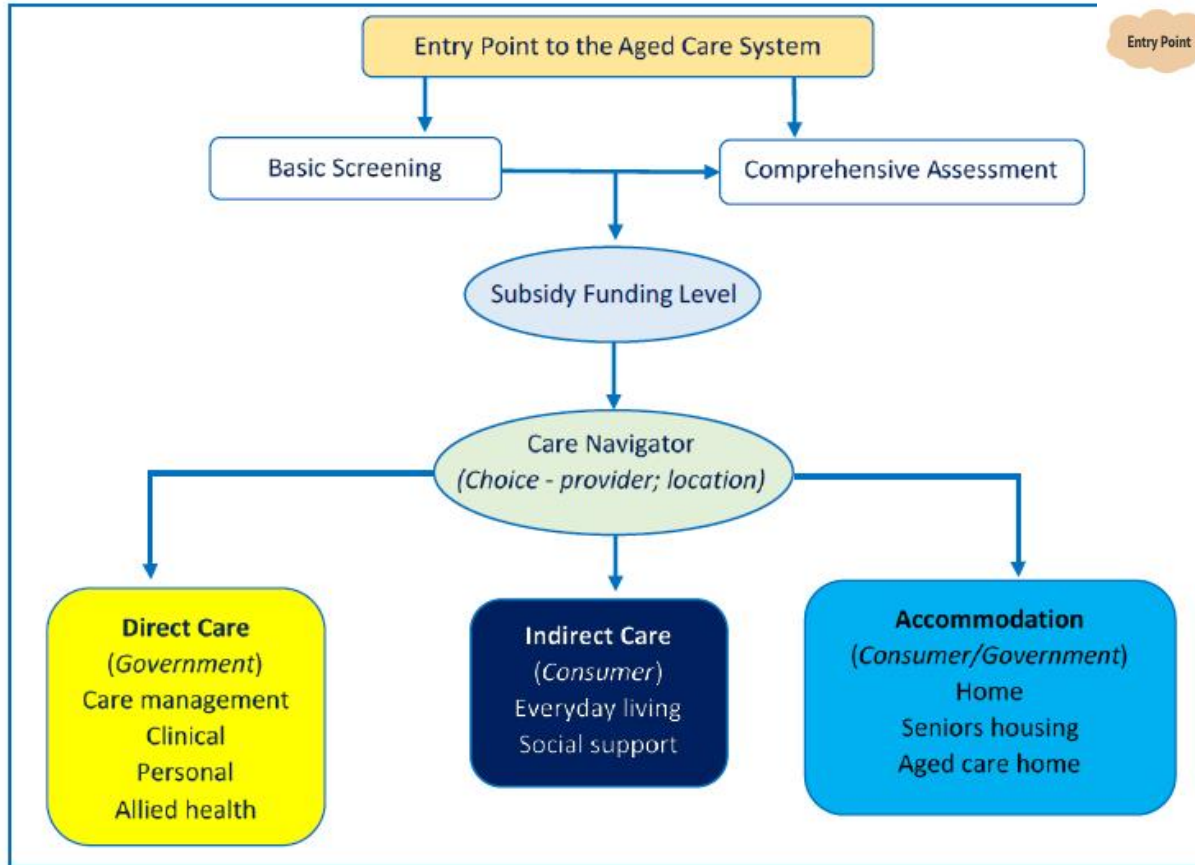
- LASA can confirm it is 200 minutes of time total including at least 40 minutes of registered nurse time.
- We do not believe it is intended to include allied health and leisure staff though that not firmly clarified. If allied health leisure staff time is included the average facility already has very close to 200 minutes of total time as per the latest StewartBrown survey, though an increase in nursing would still be required.
- This requirement could be higher or lower depending on the acuity of a service's residents. That is why funding for this measure will commence in October 2022 along with AN-ACC so that the AN-ACC classification can be used as a casemix adjustment.
- As for exactly which job types count (e.g. nurses with admin duties, PCWs that also do activities or meal preparation) we don't know yet. One reference point is the calculation for the US star rating system on which all this is based.

Considerations – policy & practice

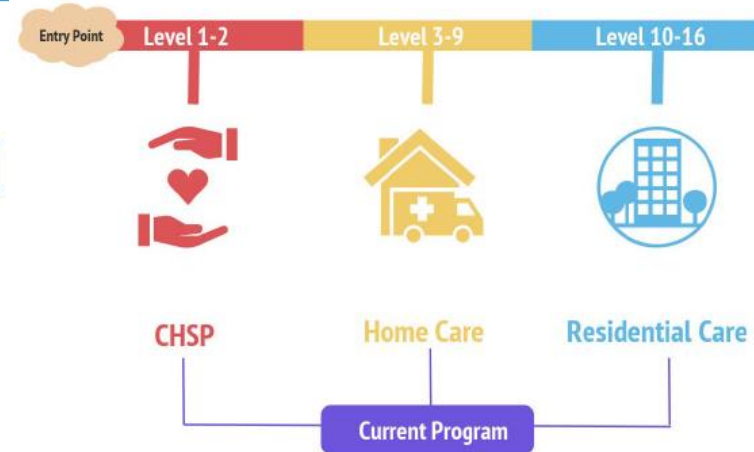
1. What effect will these requirements have on staff not included in the mandated minutes? Will services be encouraged to employ fewer allied health and leisure staff to meet mandated minutes. Does it mean we should have mandated minutes for allied health and leisure too – if so the total number of minutes will likely need to rise (to avoid reducing the level of care being mandated).
2. Within categories of mandated staff, will services prefer to hire lower cost staff. For example, since PCWs and ENs both count towards care minutes, will services be more reluctant to hire ENs. Similarly, since a graduate RN and highly experience RN both count for the same number of RN minutes, will services move towards having less experienced RNs?
3. Another concern is that investment in efficiency will be discouraged because there is no distinction between productive time vs time on site. Nobody will know or care if your nurses spend half their time walking down corridors. Is this a valid concern? Do we need to try to adjust for floor plan and other efficiencies?
4. The start rating system has a concept where registered nursing time counts for more than general care time. So rather than having a simple minimum a service could elect to have more nurses and a lower total care time. The Royal Commission and the Government have adopted not to take this approach. Is that a problem?

A new home care program

Recommendation 25 - One Aged Care System



Future Aged Care Program



The new program will be designed to provide a range of supports, including help with complex care needs and for people living with dementia.

Funding options and levels will consider the types of services that will be funded by the Government and the appropriate level of Government support. The funding model will also include consideration of the payment mechanisms.

As development work continues, it may become clear that not all consumers will require a lead provider. As currently occurs with the Commonwealth Home Support Programme, people with very low-level care needs should be able to choose multiple providers without needing an overarching lead.

Aged care reform – what's new?

- ✓ Additional home care packages 40,000 2021-22 and 40,000 2022-23
- ✓ New support at home program to replace CHSP
- ✓ CHSP providers transition from grant funding to reimbursement for services delivered (same as home care packages)
- ✓ Star rating scheme
- ✓ New single assessment system (AN-ACC by July 2023)
- ✓ DoH to audit provider fees and HCP spending, can issue penalties
- ✓ Review aged care standards by Dec'22
- ✓ New aged care **clinical care standards** under ACSQHC
- ✓ New accreditation requirements for **high level** home care services

<https://www.health.gov.au/resources/publications/respect-care-dignity-a-generational-plan-for-aged-care-in-australia>



Home Care and CHSP

- This means 40,000 HCP in 21-22 and 40,000 in 22-23
- Moving to a new Support @ Home to replace CHSP
- Moving away from Grant Funding (though we believe there will still be some grant funding – eg, transport)
- Payments in areas for CHSP – for services delivered
- The Department of Health to audit up to 500 HC providers per year
- Will be focusing on use of HCP funds and penalties can apply
- New accreditation requirements for high level HCP
- Expected L1-2 (support at home); L5-9 (home care) and L 10-16 (residential care)

Pricing Disclosure & Comparability



- \$18.4 million over four years from 2021-22 to enhance the oversight and transparency of the delivery of home care packages.
 - Supporting activity targeting **improved pricing transparency** to make sure home care package recipients receive value for money and are not being charged unreasonable or excessive fees.
 - Introduction of a **cost calculator** and **pricing comparator** through My Aged Care and the establishment of program assurance reviews (draft bill).
 - National median price publishing – May 2021
 - To be updated quarterly
 - Price points listed in MyAgedCare Price Schedule for common home care services, care management and package management.
 - Separation by Modified Monash Model classifications (MMM 1 – 7)
- <https://www.health.gov.au/resources/publications/national-summary-of-home-care-prices-may-2021>

Home Care Quality Assurance Reviews



- Department of Health will conduct reviews (500 each year) to:
 - ✓ Assure that arrangements for the delivery and administration of home care are effective and efficient
 - ✓ Inform the development of home care policy and education of approved providers in relation to home care and home care services
- Subject matter of a review may include:
 - ✓ How approved providers are using home care subsidy and charging for home care, including justifications for amounts charged to care recipients
 - ✓ How approved providers are structuring their financial accounting for home care services
 - ✓ The nature and type of home care provided by approved providers
 - ✓ The nature and type of approved providers' dealings with care recipients to whom home care is provided
 - ✓ Approved providers' procedures and documentation in relation to matters mentioned in any of the above

Home Care Funding Reforms

Problem: unspent funds accumulate, held by providers, estimate \$1.4 billion and growing – waitlist for HC package at level of assessed need reached 100,000

Solution: pay providers only what they expend and hold unspent funds (NDIS approach)

Anticipated Benefit: use unspent funds to provide more HC packages (providers can keep what they have accumulated so far)

Stage 1 – 1 February 2021 onwards

- HC providers claiming (full) client subsidies in arrears (at end of month)
- HC providers keeping unspent funds as working capital until client exits

Stage 2 - 1 September 2021 onwards

- HC providers claim only what client has spent (less client contributions) and government holds unspent amount
- HC provider keeps unspent funds prior to 1 September 2021 as working capital until client exits

Stage 3 – 1 March 2022

- Providers return unspent funds held prior to 1 September 2021 - optional

Improved Payment Administration



- Home care move to payment arrears initial consultation in 2019 – and now:
- Home care package providers move to payment in arrears for services delivered from 1 September 2021
- DoH and SA – detailed advice on change released late April 2021
 - Subsidy claiming formula
 - Accounting for client contributions
 - Unspent funds management/reconciliation
 - Revised consumer statement template (announced but not yet released)

IPA continued

- Preparation requirements/implications
 - Software upgrades
 - Unspent funding calculations
 - Revised consumer statements
 - Staff training (finance, care management, PCWs)
 - Consumer/Carer communications (change in statements, ITCFs, BCFs)
 - HCP Price increases
 - Importantly – Software upgrades – no bulk upload functionality likely until 2022

IPA – Next steps



- LASA IPA Webinar – Industry Perspectives, 3-4pm on 3 June 2021
Exploring the broader considerations for change preparation and anticipating change deficits.
<https://lasa.asn.au/home-care-improved-payment-administration-june>
- Department of Health – Factsheets & Webinar (7 May 2021)
<https://www.health.gov.au/health-topics/aged-care/aged-care-reforms-and-reviews/improved-payment-arrangements-for-home-care>
- LASA’s Member Support Team – homecare@lasa.asn.au
- Services Australia – June co-design workshop (providers/software vendors)
- Department of Health - Monthly peaks forum (providers/consumers)
- LASA Advocacy
Communication with Ministers and DoH/SA on tight timeframes & transition costs
- Member input & considerations

Current LASA consultations/issues & (LASA CoPs)



- Disability dual registration
- Home care payment arrangements
- Home care pricing disclosure
- Restrictive practices
- SIRS
- AN-ACC shadow assessment
- COVID vax
- FWC work value case (3 current cases)

Excellence in Age Services Awards

- Nominations for this year's LASA Excellence in Age Services Awards close on **11 June**. These awards promote and recognise excellence across the age services industry. There are five categories, all recognising outstanding efforts among organisations, teams, individual staff member, rising star and NEXT Gen leader.
- All State nominations are welcome with State winners progressing as finalists to the National Awards. Winners will be announced at the **LASA National Congress 2021**.
- For more information, please go to our events section on our website and pick the Awards tab.



Thank you
chrise@lasa.asn.au



Leading Age Services Australia (LASA)
is the national peak body representing all providers of age services
across residential care, home care and retirement living.

