Royal Commission
into Aged Care Quality and Safety

Statement of Claerwen Eleanor Little

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Date:	31 January 2019

1. This statement made by me accurately sets out the evidence that I am prepared to give to the Royal Commission into Aged Care Quality and Safety.

2. This statement is true and correct to the best of my knowledge and belief.

3. I make this statement on behalf of UnitingCare Australia and I am authorised to do so.

Introduction

4. I have been the National Director of UnitingCare Australia since February 2017. As National Director my role includes strategic leadership, management, policy analysis, development, advice and advocacy in fulfilling the mandate of UnitingCare Australia. I report to the Chair of the UnitingCare Australia Board and the General Secretary of the Assembly of the Uniting Church in Australia.

5. I hold a Master of Policy (Social Policy) and am a Graduate of the Australian Institute of Company Directors and the Stanford Executive Program for Non-Profit Leaders. I have worked in the community sector for over 38 years and have held a number of senior executive roles in service delivery, advocacy and innovation with a focus on vulnerable people and communities. Prior to taking on my current national role, I worked for Uniting in NSW and the ACT for 26 years, my last roles being the Director, UnitingCare Children, Young People and Families and the Uniting Children's Advocate.

6. I have been an appointed member of the Federal Government's Aged Care Sector Committee since February 2017.

7. UnitingCare Australia is an agency of the Assembly of the Uniting Church in Australia and the national body responsible for the UnitingCare Network, one of the largest providers of community services in Australia. UnitingCare Australia does not itself deliver any community services but has responsibilities for:

   a. advocating to Government and within the Church and community those policies and practices which enhance the dignity of people, especially those who are most disadvantaged and marginalised;

   b. enabling the exchange of information across Synods and Uniting Church service providers;

   c. seeking to enhance the quality of community service provision by the Uniting Church; and

   d. representing the views of the Uniting Church service providers to Governments.

   As described in more detail below, aged care services are physically delivered and managed by a number of independent service providers within the UnitingCare Network

on a State and Territory basis. Therefore, I do not have any management responsibility for nor operational oversight of the delivery of aged care services within the UnitingCare Network.

8. Since receiving the Commission's request for a statement on 11 January 2019 I have consulted with the aged care service providers in the UnitingCare Network to address the Commission's questions. The policy positions set out in my statement below, reflect the consensus views of the aged care providers in the UnitingCare Network.

9. Exhibited to this statement are copies of the documents to which I refer in this statement that are not otherwise publicly available. Those exhibits are numbered consecutively.

The UnitingCare Network

10. The UnitingCare Network is one of the largest networks of social services providers in Australia. It supports 1.4 million people every year across urban, rural and remote communities – and across a range of social services, including aged care. The Network articulates and meets the needs of people at all stages of life with a focus on those who are most vulnerable. We work with others for a unified public voice to defend justice, the need for good governance, and investment in the common good.

11. As not-for-profit faith-based organisations, members of the UnitingCare Network are driven by their values and beliefs. We are champions of volunteerism, providers of pastoral care and committed to benefiting the whole community. Any financial surplus is reinvested in improving services, keeping people actively engaged in civil society, delivering unprofitable services in unviable markets, and providing care where others will not, such as supporting those most vulnerable and disadvantaged in our society.

12. Support to older Australians is a significant focus of our mission and delivered across the continuum of care. This includes engagement at a local community level, care for people in their homes, retirement living and residential aged care. As a guide, across the UnitingCare Network there are approximately 17,500 residential beds, 10,000 Home Care Packages (**HCP**) and 70,000 Commonwealth Home Support Program (**CHSP**) / Home and Community Care (**HACC**) clients.

13. The approved aged care providers in the UnitingCare Network are listed in the table below:

Service Name	Provider Name	State
Australian Regional & Remote Community Services (ARRCS)	The Uniting Church in Australia Property Trust (Qld)	NT
Clayton Church Homes	Clayton Church Homes Inc.	SA
Eldercare	Eldercare Inc.	SA
Helping Hand	Helping Hand Aged Care Inc.	SA
Juniper	Uniting Church Homes	WA
Resthaven	Resthaven Inc.	SA
Uniting AgeWell	The Uniting Church in Australia Property Trust (Victoria) Uniting Church in Australia Property Trust (Tasmania)	Vic, Tas
Uniting NSW and ACT	The Uniting Church in Australia Property Trust (NSW)	NSW, ACT

Service Name	Provider Name	State
Uniting SA	Uniting SA Limited	SA
Uniting Vic.Tas	Uniting (Victoria and Tasmania) Ltd	Vic, Tas
UnitingCare	The Uniting Church in Australia Property Trust (Qld)	Qld
UnitingCare Wesley Bowden	UnitingCare Wesley Bowden Inc.	SA
Uniting Communities	Uniting Communities Incorporated	SA
Wesley Mission	Wesley Community Services Limited	NSW
Wesley Mission Queensland	The Uniting Church in Australia Property Trust (Queensland)	Qld

14. I am informed by the representatives of each of the above providers and believe to be true that each provider has responded, or is responding, to the Commission's request for information, though I am not privy to the contents of each individual response beyond extracts from questions 3-8 forwarded to me by some providers.

Reform of the Australian Aged Care System

15. The Commissioners have asked me to address a series of questions which concern the extent to which the aged care system meets the needs of people accessing it and the current and future needs of the Australian community. My short answer to those questions which I have elaborated on in the balance of this statement is that the Australian aged care system requires change because it no longer meets the needs and expectations of its consumers and the Australian community more broadly. Nor is it viable or sustainable for the future in its current form: it is not fit for purpose. In particular UnitingCare Australia has identified 8 key needs and expectations that are not being met:

    a. That as they age, people are treated with care and compassion and that their rights and dignity are respected;

    b. That consumers have a meaningful choice about the aged care they will receive;

    c. That the aged care system is easy for older people and their families to navigate;

    d. That a person who has been assessed as requiring an aged care package is able to access that care in a reasonable time;

    e. That aged care is provided by a skilled and adequate workforce, paid at levels comparable with similar positions in other sectors;

    f. That visits to hospital be made only when necessary and not compromise a person's health;

    g. That outcomes that improve quality of life be measured; and

    h. That Government and providers develop a broader range of models and systems of health delivery to prepare for a changing future.

16. The key reasons for the failure of these expectations are:

    a. Absence of leadership around a dialogue respecting rights and adjusting inequities, and systemic stereotyping of older people;

b. Lack of Government funding to provide care and unwillingness to discuss funding options involving greater consumer contribution;

c. Lack of co-ordination between agencies and services;

d. Funding and regulatory regimes that maintain the status quo and discourage innovation;

e. Absence of agreed outcomes and how they are measured;

f. Gaps at all levels of the aged care workforce, exacerbated by limited funding, difficult working conditions and inequitable pay; and

g. Significant gaps in the interface between aged care and other health systems.

17. Since 1997 there have been numerous reviews and inquiries into the aged care system. Each of these has made a series of important recommendations to improve the outcomes for older Australians. Unfortunately, only a small proportion of these recommendations have been implemented. Over the past five years UnitingCare Australia has contributed to 18 of these reviews and inquiries. Whilst we have been contributors to the reform process, we have continued to advocate for change and for an investment in improving the current system. A list of reviews and inquiries to which UnitingCare Australia has contributed is **Exhibit CEL-1 (UCH.500.001.0001)**.

18. It is time to have a national conversation - similar to those that have taken place in previous decades around the rights of people with mental illness, those living with disability and, more recently, children in the care of others. We need to de-institutionalise aged care and support older people to realise their desire to age in place within their communities.

19. I have adopted a thematic approach to answering the questions posed in paragraph 4 of the Commissioners' request. The lens through which UnitingCare Australia has considered each of the Commissioners' questions is the rights of people as they age and how a national culture of respect for ageing and older persons may be fostered. That is my starting point because it guides and informs the approach which should be taken to everything else the subject of the Commission's inquiry. I have then proceeded to answer the questions by examining the key areas for reform to Australia's aged care system. Accordingly, the structure I have adopted for my evidence is as follows:

a. The rights of people as they age;

b. Quality, Safety and Innovation;

c. Accessibility of services;

d. The Viability and Sustainability of the Aged Care System;

e. Workforce; and

f. Towards a 20 Year Vision.

The Rights of People as they Age

20. Ageing is a natural part of life. It is the right of every person to be a valued and respected member of their community that starts at birth and does not diminish with age.

The rights of all people must be respected regardless of age or any vulnerability or disadvantage.

21. While it is not possible to legislate for respect of the elderly it is possible to create a culture of respect by developing policies that avoid inequities – unequal outcomes which are unjust, systemic and preventable - in the health and well-being of citizens. An aged care system that is person-centred and consumer-directed recognises the agency of aged people and by fulfilling its funding commitments to aged care services, the Government recognises in the most simple way that aged care services are valuable.

22. The multiple disadvantages suffered by older people, especially in relation to their health, often results from the disadvantages they suffered in their earlier life. It is clear that there are better health outcomes for older people if they have lived with opportunities to have their needs met over their lifetime. By addressing health inequities in new generations, we can extend their years of health and their capacity for independent living. And, by providing equitable access to care for the oldest generation, we can compensate for a lifetime living with health inequities that are most highly concentrated amongst those who have experienced the most adversity over their lifetime.

23. With longer life expectancies, the impact of the post-World War II baby boom and waves of migration in the 20th and 21st centuries, the number of older Australians is growing. Politicians and the media often refer to this increase in the aged population as a problem that must be faced with apprehension. A considerable proportion of the Australian community, particularly younger people, believe negative stereotypes about older people, and accept discrimination and exclusion as a natural part of ageing. The community must embrace the social change that will be upon us in coming decades. Older people are a social group like any other — except that they come with the accumulation of experience and the insight of age. They must be accorded the universal right to live a meaningful life.

24. It is a tragedy that we have a community in which an older person in need of support describes themselves as a 'burden' to their family or to the community. UnitingCare Australia attributes this situation to the difficulty younger members of the community have in personalising the experience of ageing. Our research[1] **(Newgate Research)** indicates that it is possible to conceive of a family member needing care but until we approach old age it is difficult to imagine ourselves needing future care or what that care might look like. A copy of the Newgate Research to which I refer is **Exhibit CEL-2 (UCH.500.001.0101)**.

25. Stereotyping of older people as less able to choose and less autonomous in their consideration of their social, spiritual and clinical choices, impacts on the current design of services. Even where funding is focused on supporting lifestyle, engagement with family/friends/local community, retaining social skills/interests/activities in addition to clinical and health care, the services offered can be highly institutional rather than

[1] Newgate Research; *UnitingCare Australia, Attitudes towards the Aged Care Sector*, October 2018

responsive to the individual's need to engage in meaningful activity and to maintain—and create new—personal relationships.

26. The way in which services for older people are considered in isolation as 'aged care'—rather than as social and health services that should be universally accessible—adds to the sense that the needs of older people are different in some way from those at any other life stage. This limits the way in which providers and health services consider models of delivery and results in inefficiency and ineffectiveness that will not be affordable as the population grows.

Quality, Safety and Innovation

27. Any consideration of the quality of care should focus on the outcome of a service for the consumer[2]. It should begin with the consumer's wishes and lead to optimal physical and mental health, well-being and quality of life. Legislation should ensure equity[3] of aged care outcomes to all, regardless of personal circumstances and needs[4].

28. Our approach to quality care incorporates the idea that consumers and their families, workers and visitors are safeguarded through a consistent, demonstrable safety culture. This aligns with the way in which the new Single Quality Framework expressly includes a requirement of safety in each of the 8 Quality Standards. However, establishing an objectively "safe" environment must run into challenges in a client-centred system.

29. Consumers may wish to engage in behaviour that a carer considers risky, for example, going for a walk on an uneven surface or standing in the shower. Being supported in one's independence is a key part of the idea of "quality and safety"[5]. The appropriate level of care in each case must be agreed on through discussion with the consumer, their family and the care provider, after which safety is embedded in the delivery of quality service.

30. UnitingCare Australia acknowledges that there are many examples of good practice in aged care services across the country, many of these within our own network. These will inform a subsequent submission to the Royal Commission at a later date. Genuine innovation in services for older people needs to be prioritised, and requires a strategic and significant commitment. We propose the establishment of an Innovation Fund so that Australia can lead the world in truly innovative and new models of aged care and support.

31. Further, it is often not clear whether the focus is on quality of care or quality of life. A client-centred model asks first about the choices the consumer wishes to make about their quality of life and then matches quality care with those choices.

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[2]The advantage of using the term consumer is that it carries the sense of older people as powerful, individual, and deserving of good service.

[3] Equity means the absence of avoidable and unjust inequality.

[4] Individuals whose lives have been most strongly affected by inequities in exposure to chronic stress and adversity will need care at the highest levels and at younger ages. E.g Shu Qin Li et al (2014) *Dementia Prevalence and incidence among the indigenous and non-indigenous populations of the Northern Territory* Med J Australia 2014; 200 (8): 465-469

[5] COTA Australia; *Measuring Quality and Consumer Choice in Aged Care*; February 2018: p. 19. Consumers were asked what quality and safety means to them.

32. For a long time, aged care services were driven by hospital-inspired models that focused on clinical service rather than taking a more person-centred approach focused on needs. Recent innovations are evolving to reflect a more holistic approach to the non-clinical needs of the individual. There has also been increasing attention given to meeting the special needs of different groups in the community, through approaches that either target specific needs or acknowledge and welcome diversity. These services address significant cultural, social and spiritual needs and evaluations have shown they are highly successful. Unfortunately, many of these are pilot programs that do not then transition into ongoing, secure funding.

33. UnitingCare Australia proposes the development of a broader range of models of care so that consumers can make a meaningful choice from a continuum of options. This flexibility could be built over time through a "three horizons" approach as a way of achieving a new system for the future that is fit for purpose:

Horizon 1: Adjust the current system of care to further consolidate a person-centred approach, based on flexibility and choice;

Horizon 2: The 'hybrid' model – invest in trialling new and innovative models of care and support, with a priority on areas where there are significant barriers and little choice as well as areas where the strengths can be built upon; and

Horizon 3: Develop the 'prototype' for the future based on the expressed needs and aspirations of the community and the models that work, and transition over time.

34. The *Aged Care Act 1997* explicitly requires[6] that in any consideration of 'quality' a balance be struck between equity and merit on the one hand and limited resources on the other. What constitutes a 'minimum' or 'acceptable' level of quality, irrespective of resources, is a question which cannot be answered conclusively and for every situation. It is evident, however, not least from the long waiting lists for approved HCP recipients, that the level of subsidy currently provided by the government is inadequate to ensure that every individual receives care and/or services that optimise health, wellbeing and quality of life. Particularly for disadvantaged groups, UnitingCare Australia proposes that the minimum acceptable level of care is one which addresses lifelong experiences of health inequity.

35. The emphasis on consumer choice carries with it some inherent conflicts. Part of allowing individuals the dignity to choose includes creating space for them to take risks. Assumptions are made about the diminished capacity of older people to make informed choices. While the vulnerability of individuals in aged care varies according to an individual's physical and cognitive capacity, assumptions cannot be made for the whole ageing population. They are damaging and undermine the rights of individuals. However, the regulatory framework is risk averse and compliance-focused and encourages a standardised approach. To enable consumers to continue to make meaningful choices, regulations must be more pragmatic.

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[6] *Aged Care Act 1997* sub-s 2.1(2)

36. The rationalisation of regulations and regulators has the potential to make a significant positive difference in the aged care sector. UnitingCare Australia has been active in support of strengthening quality standards and ensuring comprehensive protections for consumers, regardless of the mode of care that they receive and recognises the importance of strong regulations to protect the rights of aged care consumers. However, the accumulation of regulation by local, state and federal governments creates a complex regulatory environment, sometimes regulating the same activity e.g. food safety, workforce. Further, the regulations are often designed for other sectors, particularly the acute care sector, and do not sit comfortably in the general aged care environment.

37. Increasing levels of regulatory compliance require a heavy investment of scarce resources. For example, there is little recognition in the regulations of the difficulties involved in delivering care in rural and remote areas. The new quality and safety regimes and accreditation standards require an increased investment in administration and management, diverting resources from the direct provision of care. Insufficient attention has been paid to measures that encompass co-regulation of services with the provider, 'earned autonomy' models[7], and means to empower older Australians to exercise their rights to individuality, safety and equality in our community.

38. In the area of interface between aged care and other health services, sharing of information would greatly enhance the quality of care. For example, a consumer discharged from hospital should be accompanied by complete documentation, including discharge notes, medication charts and care notes, ideally through electronic medical record integration. When a consumer is discharged to their home from hospital, there should first be clear confirmation that there is someone at the house, if required, and that all necessary support services are notified and in place.

39. In answer to the question of whether the Aged Care Quality and Safety Commission and other reforms introduced by the Commonwealth Government will address concerns about quality of care in the aged care system, UnitingCare Australia believes that the creation of a single quality agency with responsibilities including continuous quality improvement and complaints management (as was previously proposed by the Productivity Commission and the Carnell–Paterson review) has the potential to be a positive way to improve quality and consumer protection arrangements for aged care residents and for recipients of other services.

40. UnitingCare Australia strongly supports the new Aged Care Quality Standards applicable from 1 July 2019 and its focus on the consumer's rights, voice, dignity and choice. But, successful implementation will require adequate levels of funding.

41. The new Single Quality Framework must deliver a proportionate and appropriate balance of regulatory safeguards, the requirement for evidence-based practice, and promotion of flexibility and innovation that will deliver tangible benefits to the consumer, particularly where there are special needs. A system that is working well should not be heavily reliant on regulatory means of enforcing consumer rights; rather it should encourage an embedded culture of safety and quality.

[7] South Australian Innovation Hub - https://sainnovationhub.org/

Accessibility of Services

42. Every person has the right to equitable access to services when and where they are needed, at an affordable price. People should be able to choose how these services are provided, especially whether they receive care in the community or in residential facilities.

43. Equitable accessibility also requires fair access to appropriate housing and adequate income to meet costs of living including medical expenses. Aged people must have access to opportunities to improve health and wellbeing, to engage with the community and form or maintain meaningful relationships.

44. The suitability of available aged care services depends upon how well services are matched to individual needs and preferences. While older Australians have a strong preference to be cared for in their own home, individuals with higher care needs, especially those with dementia, are frequently cared for in purpose-built facilities. There is a significant national wait list for Home Care Packages of over 121,000 people[8]. The maximum wait time for an approved package (by people with high need who are towards the end of their lives) is often more than 12 months.[9] These delays reflect unacceptable levels of older Australians not receiving care for which they have been assessed and must be addressed as an urgent priority.

45. Aligned with our focus on respecting the rights of all people, UnitingCare Australia believes that younger people with disability have the right to choose appropriate care and accommodation within the community through the NDIS. On occasion a younger person with disability may need to live in residential aged care due to their high physical needs and a lack of other options. Residential aged care is not designed to meet their needs and is not funded adequately to do so. Our providers have identified social isolation, access to specialist services and staff training as issues in providing person centred care to younger people.

46. The *Aged Care Act 1997* and the Aged Care Legislated Review 2017 [10] have identified 12 key areas of disadvantage. The UnitingCare Network works with many of these groups, but for the purpose of this part of my statement I will focus on the situation in remote communities, many of which are indigenous communities.

47. Often, one consequence of living in a remote community is the limited choice in some aspects of daily life. As a result, older residents of remote communities may suffer considerable disadvantage. There is lack of access to a range of services; for example, mental health, dementia care, palliative care and dental care. For holders of Home Care Packages, a significant part of their home care allowance is consumed by transport because of the large distances between services, leaving less for direct service provision than would be available for a similarly-placed metropolitan resident. Travelling also involves leaving family, community and country, which is often associated with significantly declining health outcomes. Many residents of remote communities have

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[8] Australian Government Department of Health, *Home Care Packages Program Data Report 4th Quarter 2017-18, 1 April-30 June 2018*; September 2018, reissued 8 October 2018; p. 11)

[9] Op.cit p. 12 https://www.gen-agedcaredata.gov.au/www_aihwgen/media/Home_care_report/HCP-Data-Report-2017%E2%80%9318-4th-Qtr-revised.pdf

[10] Tune, D. et al*: Legislated Review of Aged Care 2017*: Commonwealth of Australia 2017; pp 146-9

suffered disadvantage from an earlier age, so other health outcomes are generally poorer than for a metropolitan population.

48. From the perspective of a care provider, a remote area facility is costly to build and to run. Without economies of scale, businesses struggle to remain viable, even with government viability payments. If businesses are then closed, distances between services increase, making access to services even more difficult. Skilled and committed staff are hard to find and often will stay only short periods, to the detriment of relationships with consumers and the continuity of their care.

49. Organisations within our UnitingCare Network provide a significant proportion of aged care in remote areas across Australia. They find there is strong community engagement, and they design services in consultation with community leaders to meet the unique consumer needs in these locations. Remote communities often receive funding from many different sources, which can create inefficiencies and a siloing of service delivery. An opportunity exists to design, implement and evaluate a pooled funding arrangement in small communities to maximise funding and create better outcomes for consumers and their communities.

50. Above all, the system of aged care must be easy to access and navigate, wherever you live and whatever your circumstance. Many older people and their families find it difficult to access information and locate a service based on need. For example, the lack of connectivity between different funding and payment streams such as Medicare, Centrelink, ACFI and NDIS. For many people, it is difficult to navigate this complexity, including using the My Aged Care portal, moving between systems and obtaining accurate and timely financial information.

The Viability and Sustainability of the Aged Care System

51. A viable aged care system must be fully funded—through a mix of public and private contributions—so that it can operate to provide access to quality services for all who are in need of support. That funding must be structured to support the needs of older people into the future in which demographics, client and community expectations and client health are all changing dramatically. The sources of funding must be stable over the long term.

52. It is the Government's responsibility to ensure that markets for essential services are served by an appropriate range of providers. The rationale for a market-based approach is to improve the incentive for providers to cater to demand, to respond to individual needs and preferences, to be 'agile', innovative, and efficient. In a public good or community services context, however, the market needs to be complemented by deep subsidies—community expectations of equitable access to essential services will not be met if the only mechanism for distribution of supply is willingness or capacity to pay for the service offered.

53. Research commissioned by UnitingCare Australia[11] (**Ansell Strategic Report**) indicates a high level of variability in accessibility and supply of aged care places across planning regions. This should be read in conjunction with analysis by the Aged Care Financing Authority (ACFA) to the effect that the largest proportion of aged care facilities recording

[11] Ansell Strategic; *UnitingCare Australia – Aged Care Data Project*; December 2018

financial losses are in regional and remote, and very remote areas. These tend to be low socioeconomic areas, which limits the opportunity to increase income by offering additional services. Lower populations overall mean there are no economies of scale for providers in regional and remote areas. As a result of these factors, a growing number of smaller aged care providers in regional and remote communities experience significant financial stress and quality problems. Further, it follows that these regional and remote areas are not attractive markets for investment by new entrants. A copy of the Ansell Strategic Report is **Exhibit CEL-3 (UCH.500.001.0201)**.

54. It is problematic that the current system of subsidies straddles a hybridised model: there is rationing of services by government yet an expectation that the 'market' can perform and produce high quality outcomes in the aged care space. This is another impediment to providers meeting demands, and a risk to sustainability that is again most pronounced in remote and very remote areas.

55. There is community willingness to pay through the taxation system to ensure that all older Australians receive the care and services that they need[12]. The Productivity Commission characterised aged care as a service that needed to be underpinned by the notion of 'social insurance', rather than individual capacity to pay.

56. It is important to look at the sustainability of the system and making it work—balancing the tax burden and public cost, creating a system that ensures that to the extent public subsidies are limited, they are directed towards meeting the need for public goods rather than substituting for private costs.

57. The risk of perverse outcomes where subsidies are not well designed and effectively delivered is demonstrated by the current dynamic between provision of services under the CHSP and HCP programs. The serious shortage of higher-level HCPs is exacerbating a situation that already existed, where clients with complex care needs requiring ongoing case management and coordination are accessing basic CHSP services that are not funded or equipped to deliver complex coordination.

58. Additionally, clients accessing multiple CHSP services who are eligible for a HCP may decide not to access services for a variety of reasons including their wish for continuity of care, value for money, the complexity of the process and significant wait times. They may also be constrained by CHSP funding guidelines that restrict service type.

59. Permitting the CHSP to be used to provide long-term services for individuals with high level needs is outside the core purpose of the CHSP program: to meet demand for lower level services with a reablement/maintenance focus. This improper use interferes with the capacity of the system to support a staged uptake of services as needed. Seamless transitions as support needs increase are desirable so that individuals may remain in their home as long as they are able to/wish to.

60. It is important to note that the solution is not to transfer funds from one program to another: new additional money is needed to fund HCPs. CHSP plays an essential role in

[12] See Newgate Research

supporting people to be independent with less reliance on care for longer, which ultimately delivers savings to Government.

61. In its latest Home Care Package national data report the Government states that around 96% of individuals on the priority list are receiving some level of subsidised supports [13]. It is not acceptable that a person with assessed high care needs be satisfied with an offer of a lower level of service support. There are 18 aged care planning regions in which more than three quarters of people currently on the waitlist have been assessed as needing a level 3 or 4 home care package.

62. Those in the lowest socio-economic circumstances with insecure rental accommodation, who have no independent means to purchase support privately are at great risk of premature entry to residential aged care. This is at significant disadvantage to the consumer's health and well-being and expense to the health and aged care systems.

63. The unsustainable (deficit) relationship between the costs of providing services and the legislated model for resourcing services creates both an overreliance by individuals on government subsidies and the expectation (on the part of Government) that organisations will cross subsidise unprofitable components of their businesses. This approach increases the risk of:

    a. inadequate supply of purpose-built residential facilities that meet the needs, goals and aspirations of consumers;

    b. growing inequity of access to care particularly for those with special needs or insufficient financial resources to contribute to their own care; and

    c. reduced choice in the market and failure to meet the potential for innovative offerings that promote individual wellbeing and extend capacity to age in place.

64. Public funding at the level that is currently available is insufficient to fully cover the cost of delivery of services to individuals who are not capable of making a consumer co-contribution. Government contributions should be sufficient to ensure that every individual receives care that meets community expectations of quality, safety and compassion. This means establishment of a sustainable funding model that ensures that services have budget capacity to maintain, if not exceed, levels of staffing to provide appropriate care for consumers without compromising their long term capacity to invest in infrastructure, attract and retain high quality staff and fund best practice training and development activities.

65. There is a significant opportunity to improve the outcomes of Australia's aged care system by meeting the increase in demand for home care services and by having a more user pay system. Expert reviews of the Australian Government funded aged care system, including the Tune legislated review of the *Aged Care Act* and the Pollaers Workforce Taskforce, have consistently agreed with the Aged Care Funding Authority (*ACFA*), when it called for *'wider recognition that sustainable aged care funding arrangements will require those consumers who can afford to do so making a greater*

[13] Australian Government Department of Health, *Home Care Packages Program Data Report 1st Quarter 2018-19, 1 July -30 September 2018*; November 2018, p. 3

financial contribution towards their everyday living expenses and care costs, complemented by greater choice of higher quality services'.[14]

66. At the same time there is considerable capacity within the aged care system to allocate public funding more efficiently and more equitably. The Ansell Strategic Report indicates that there are consistent trends of higher consumption of hospital services by older Australians in remote and very remote regions of Australia. In combination with the lower ACFI levels of current residential aged care consumers in remote and very remote regions, this may indicate that some older Australians who require high care services are not accessing residential aged care. Instead, they need to rely on hospitals to address their care requirements. This could also be a reflection of the availability of home care services and support. There appears to be more restricted access to and choice of aged care services as well as a misallocation of aged care supply.

67. Further, the Ansell Strategic Report suggests that the relative proportions of home care packages and residential places must change towards a greater emphasis on HCP. This would more accurately reflect consumer choice and align with comparable overseas countries. By significantly increasing the number of HCPs and adding a new Level 5 package, government would more accurately meet the needs of consumers and also free up funding in the aged care sector. This creates an opportunity to inject money into improving quality and safety, for example by increasing care hours per resident.

68. Achieving a sustainable funding model is a critical issue that Government urgently needs to address as there is a real, present risk that consumers and communities will not have access to services if funding issues are not resolved.

Workforce

69. Provision of quality aged care to all who need it in a rapidly-changing environment requires a holistic approach, executed by a workforce well-grounded in respect for the autonomy and dignity of older people. The workforce must be well trained in the needs of aged people, with specialists prepared for clinically and socially complex needs. This foundational standard raises many issues, including training, industrial relations, the role of volunteers, respect for workers in the aged care sector and gender wage equity.

70. The Government must financially support implementation of all 14 strategies identified in "A Matter of Care – Australian's Aged Workforce Strategy" report of the Aged Care Workforce Strategy Taskforce[15]. In particular, these include:

a. supporting the industry to develop tailored approaches to workforce issues in remote and very remote areas;

b. acknowledging the need for a sustainable funding model that enables the industry to provide safe and rewarding jobs with appropriate recognition of the skills and experience of workers in the sector; and

c. Implementing a workforce culture at sector and organisational level that aligns with community expectation and best practice to explore innovative ways for delivering

[14] Australian Government Aged Care Financing Authority; *Sixth report on the Funding and Financing of the Aged Care Sector*; July 2018 p. xviii

[15] Pollaers, J et al, *A Matter of Care - Australia's Aged Care Workforce Strategy – Report of the Aged Care Workforce Strategy Taskforce*; June 2018: Commonwealth of Australia;

services; for example balancing of medical and social models, and the influence of technology in changing workforce roles.

71. There is currently a disparity between the levels of funding in aged care and the hospital system, despite the increasing similarity of complex needs and acuity of consumers in both systems. However, aged care consumers attract $217.77 per day (including subsidies and supplements) compared with the average national cost per day for acute hospital care at $1,319 or $1,070 for sub-acute and rehabilitation services[16]. As the level of complex need increases for those living in residential aged care, this inequity of funding must be reviewed to ensure adequate staffing and resources to meet the needs and expectations of consumers and the community.

72. In addition, providers must be able to retain flexibility in employing workers without minimum qualifications, such as tertiary students, or individuals in different stages of their work life but with desirable attributes suited to working in aged care, so that the needs of older people can continue to be met in the future.

73. Safe environments minimise the opportunity for abuse to occur, and the largest element of a safe environment is the people who work there—including where the workplace is an individual's home.

74. There is a circularity in the conversation around valuing people in the community and valuing the aged care workforce. The esteem in which we hold older people is reflected in the priority we give to ensuring the workforce is professional, caring, appropriately skilled, safe, respectful and respected, values driven and highly valued, embracing of diversity and inclusivity. When we prioritise quality of services, we also recognise the value of those who deliver them.

Towards a 20 year vision

75. The next 20 years provide an opportunity to move from the system we have, to one that meets community expectations and is fit for purpose. To do this we must create a new paradigm that ensures we can all exercise our rights to choice and control in how we age in the community. The current thinking about services as a fixed and closed system and the current policy settings severely limits the capacity to see things from the perspective of the consumer.

76. Change takes time, vision and courage combined with resources and tangible, realistic actions. Currently the Government has no cohesive policy on how to respond to an ageing population. The Aged Care Road Map[17] does provide a framework for the future, but it requires commitment on the part of Government to make these ambitions a reality. We are one of the most prosperous nations in the world and can afford to invest in planning for the significant future ageing population. This is our opportunity. The UnitingCare Network is eager to contribute and proposes the following initiatives as part of the 20 year vision:

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[16] Australian Government, Aged Care Financing Authority, Sixth Report on the Funding and Financing of the Aged Care Sector, July 2018 p. 119

[17] Aged Care Sector Committee, *Aged Care Road Map*

a. In the short term adequately fund services within the existing framework to meet consumer needs and community expectation – this includes 2019/20 Budget measures to:
   - eliminate the wait lists for HCP and meet the current demand;
   - increase the level of funding per resident provided through the Aged Care Funding Instrument (ACFI); and
   - increase access to GP and Specialist services;

b. Through Government leadership, begin dialogue and education that confronts ageism, recognises human rights and is co-designed with consumers and the community. This would require a Cabinet Minister responsible for implementing the recommendations from the Royal Commission;

c. Create a seamless interface between aged care, the health care system and other community services to meet the full range of people's needs, including exploring fully integrated technology solutions;

d. Build a workforce that is skilled, well remunerated and responsive to changing consumer needs through the funding and implementation of "A Matter of Care" report[18];

e. Establish an Innovation Fund to support transformative investment in design, infrastructure and service models that respond to community expectations and utilise funding effectively;

f. Develop and implement an outcomes measurement framework that supports informed choice by consumers and evidence-based decision making by Government;

g. Implement flexible and efficient regulation that supports the transition to a consumer led sector;

h. Give serious consideration to the impact that meeting the real demand for services in the community, based on assessed need will have on the overall costs of care. Full implementation of a continuum of care approach has the real potential to reduce the numbers of people entering permanent residential care and improve significantly the outcomes for older people; and

i. Ensure a level of ongoing sustainable funding that provides equitable outcomes for all, with particular attention to special needs groups.

Signed:

Date: 31.1.2019

Witness: J.C. BEATON

Date: 31 January 2019

[18] Pollaers et al, *A Matter of Care - Australia's Aged Care Workforce Strategy – Report of the Aged Care Workforce Strategy Taskforce*; June 2018: Commonwealth of Australia;