

MEDIA RELEASE

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Key aged care policy to increase consumer choice and control falters

Catholic Health Australia (CHA) has urged the Turnbull Government to take action in its 2017-18 Budget to improve older Australians access to home care packages that match their assessed needs – to be achieved by stepping up the release of new home care places and assigning packages to individuals as prioritised by MyAgedCare.

CHA's Chief Executive Officer, Mrs Suzanne Greenwood, is disappointed that the Government's policy to increase the overall target provision ratio to 125 operational aged care places per 1,000 people aged 70 and over by 2021-22 and increasing the target ratio for home care packages to 45, announced in the 2012-13 Budget, has seen little progression in six years.

"Since 30 June 2011, the operational provision ratio for home care packages has increased by only 4.9 to 31.9 – well below the rate required to reach the target ratio of 45 by 2021-22," said Mrs Greenwood. "And in addition to the slow growth towards the home care package target, the overall operational provision ratio covering both residential aged care beds and home care packages has increased by only 0.4 (from 112.8 at 30 June 2011 to 113.2 at 30 June 2016)."

"CHA's pre-Budget submission has stated that the issue of increasing consumer choice should be addressed by the Government in the 2017-18 Budget by stepping up the release of home care places, consistent with policy announced in the 2012-13 Budget," said Mrs Greenwood.

"Taking steps to ensure that the target ratios are achieved by 2021-22 is not only important as a means of increasing the availability of services to meet consumer needs and exercising choice between residential and home-based care, but it is important as a means of assessing the true extent of unmet need as the current rationing of services is relaxed."

"This in turn will help provide more information about consumer preference between home care and residential care, which together with a better understanding of unmet need will inform decision making about the affordability of an uncapped supply system driven by consumer choice and control," said Mrs Greenwood.

Mrs Greenwood added that "a phased relaxation of supply controls and a re-balancing of places in favour of home care was a key strategy in the 2012-13 Budget reforms to help establish actual consumer preferences and the affordability of uncapping the supply of aged care places."

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These are important reform measures towards the creation of a sustainable aged care service industry based on consumer choice and control, as envisaged in the [Aged Care Roadmap](#) for the reform of aged care services.

The Roadmap envisages an integrated residential and home care aged care system based on:

- a single independent care needs and means assessment process across all aged care to determine each consumer's eligibility for aged care services and financial assistance, and
- consumer choice of provider and control over how the financial assistance is used, including where each consumer chooses to live while receiving care.

"To operate effectively, such a more market-based system as outlined in The Roadmap requires the phased removal of the current regulations that control the volume, type and allocation of aged care services," said Mrs Greenwood.

"The 2017-18 Budget is an opportunity for the Turnbull Government to demonstrate its intentions to further increase consumer choice and control in aged care whilst ensuring every Australian requiring aged care has equitable access to services that meet their assessed needs," Mrs Greenwood concluded.

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Catholic Health Australia represents Australia's largest non-government grouping of hospitals, aged and community care services, providing approximately 10 per cent of hospital and aged care services in Australia, including around 30 per cent of private hospital care as well as approximately 5 per cent of public hospital care.