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# Submission Template

## Increasing Choice in Home Care – Stage 1

### Discussion Paper

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Please upload completed submissions by **5pm, Tuesday 27 October 2015** to  
[engage.dss.gov.au](http://engage.dss.gov.au)

#### Instructions for completing the Submission Template

- Download and save a copy of the template to your computer.
- You **do not** need to respond to all of the questions.
- Please keep your answers concise and relevant to the topic being addressed.

**Name (first name and surname):** Nick Mersiades

**Name of organisation:** Catholic Health Australia

**Stakeholder Category:** Peak body for Catholic service providers

**Contact email address:** [nickm@cha.org.au](mailto:nickm@cha.org.au)



## General questions (see section 4 of the Discussion Paper)

**Question a)** Overall, what do you believe will be the impact of the proposed changes in Stage 1 on consumers and providers?

'Funds following the consumer' in home care will improve the effectiveness of existing measures designed to increase consumer choice and control of their care and support and provide greater incentive for providers to be responsive by enabling consumers to 'purchase' services from their preferred provider. Affording consumers a choice of preferred provider will also complement other reforms intended to increase provider flexibility and incentive to be more responsive to consumer preferences in their service delivery and to be rewarded for good service.

Providers remain concerned that, in undertaking the assessment and assignment function, My Aged Care's business rules and practices must ensure that choice of provider is genuinely an independent choice exercised by the consumer in the light of available information, recognising that at the margins there will be some supported consumers for whom some 'guidance' may be required. The business rules should include provision for monitoring the assignment patterns of individual assessors in order to reinforce a culture of independent choice.

In their relations with individual consumers, providers will need to be responsive to the level of involvement individual consumers prefer, while at the same time being encouraging and supportive of extending greater consumer choice and control.

**Question b)** What type of information and support will consumers and providers require in moving to the new arrangements?

My Aged Care should include provision for providers to include information such as prices, the menu of services that they provide, geographic reach and any other factual information about service attributes that they wish to highlight, which consumers may access or be referred to to help narrow down their choice.

Noting the more competitive environment that will be generated as a result of the changes, there is a case for not mandating the above. This is consistent with the policy to be applied for quality indicators.



**Question c)** What additional information and support will the assessment workforce require in the lead up to February 2017?

The proposal to remove the current broad banding of L1&2 and L3&4 package approvals has the potential to increase the workload of the assessment workforce. It will be important to streamline re-assessment process and/or increase assessment resources to ensure timely assessments and re-assessments.

Timely assessment is particularly important as a preventative measure for consumers accessing short term restorative care.

### Specific questions (see identified sections of the Discussion Paper)

**Question at 3.2.1** Your feedback is sought on the proposed national approach for making packages available to consumers based on individual needs. This would replace the current system of planning and allocating home care places to providers at the regional level.

CHA supports in principle home care packages being assigned to consumers from a national pool of available places. Properly managed, this has the potential to result in greater consistency and equity for consumers accessing services, which is demonstrably not the case under the ACAR. It would also allow analysis of comprehensive national waiting list data to inform policy, including access by special needs groups and consumers living in rural and remote locations.

CHA requests to be consulted during the development of the operating procedures for the national pool.

CHA's comment above are conditional on our understanding that under a national pool and 'funds following the consumer', there would be no geographic limitations on where approved providers may deliver services.

**Question at 3.2.5** Where there is a limited number of home care packages available, what factors do you believe should be taken into account in prioritising consumers to access a package?

In addition to the factors set out in the paper, CHA considers that risk of hospitalisation or needing other health services should also be a factor taken into account.

People who have undertaken a restorative care episode under the Short Term Restorative Care Program should receive a very high priority if after their episode of restorative care they need access to home care in order to maintain their welfare and wellness or avoid overuse (through extension of the episodes) of limited restorative care places.



**Question at 3.2.6 (first question)** Feedback is sought on whether there should be a specified timeframe for the consumer to commence care once they are notified that a package has been assigned to them, and if so, what types of circumstances might extend this period.

In a situation of capped supply and waiting lists that requires the prioritisation of access to services based on a needs assessment, it is appropriate to have a process for managing cases where there has been a delay in commencing services. CHA considers that each consumer be advised of a timeframe, 28 days, within which they will be expected to have commenced services. Consumers should be advised that if services have not commenced within 28 days, they will be contacted to assess their situation.

It is difficult to predict all the circumstances that would warrant an extension, but situations could include having to relocate to another suburb or city or a delay on the part of the preferred provider. Because it will be difficult to foresee all circumstances, there will need to be scope to exercise discretion in each case.

**Question at 3.2.6 (second question)** The Department is seeking feedback on how interim care arrangements should be addressed from February 2017 where the consumer's approved level of package is not available. For example, where a consumer has been approved as eligible for a specific package level, should My Aged Care assign a package to the consumer at a lower level as an interim arrangement?

CHA agrees that, in order to avoid the need to re-assess consumers who have been approved at a broad banded level, it would be appropriate that they be deemed as eligible for a package at the highest level within the band.

**Question at 3.3.2.1** Feedback is sought on the proposed approach to the treatment of unspent funds when a consumer moves to another home care provider.

CHA considers that all unspent funds, including contingency funds and unspent payments in advance (both subsidy and consumer payments) should move with the consumer to the new provider within a specified timeframe (28 days) in order to avoid a potential impediment to the free exercise of choice of provider.



**Question at 3.3.2.2** Feedback is sought on whether there is a preferred approach for the treatment of unspent funds when a consumer leaves subsidised home care.

CHA agrees in principle that when a consumer leaves subsidised home care, unspent monies, including any contingency funds and monies paid in advance, should be returned to the parties that provided the funds. CHA considers that Option 3, using a formula approach that reflects the contribution proportions in each case, provides the appropriate balance between fairness and ease of administration.

CHA questions the utility of setting a minimum threshold below which repayment would not be required because it would not avoid the administrative cost of establishing the level of unspent monies.

CHA's feedback above is conditional on the repayment of any unspent Commonwealth advances would be achieved through a reconciliation process via the payments system.

**Question at 3.3.3** What types of circumstances might need to be considered in developing the approach and legal framework for dealing with unspent funds? For example, should there be different considerations where there is a deceased estate?

Feedback is also sought on what might be reasonable timeframes for providers to action the transfer of unspent funds.

Under Option 3 above, deceased estate situations should be dealt with the same as it is for aged care residents with regard to refunds of RADs/RACs and other unspent funds. Executors of deceased estates must produce a copy of the consumers Will before a provider must release funds within a legislated timeframe (28 days). Where there is no Will, the estate is dealt with under state government legislation. The legislation needs to protect the provider in the event that a deceased estate attempts to claim government unspent funds as part of the entitlement of the deceased estate.

Because the repayment amounts in home care are likely to be relatively small compared with residential care, no interest charges should apply.



**Question at 3.5.2** How might the criteria relating to the assessment of approved providers (Section 8-3 of the *Aged Care Act 1997* and the *Approved Provider Principles 2014*) be adjusted to better reflect expectations around the suitability of an organisation to provide aged care?

Feedback is also sought on the other proposed changes to approved provider arrangements, particularly those affecting residential and flexible care providers.

CHA supports reducing the focus on key personnel in relation to approval of providers, but notes that there is a case for continuing the current regulation concerning ‘disqualified individuals’.

CHA supports an arrangement whereby an existing approved provider of residential or flexible care may become an approved provider of home care through an ‘opt in’ process which may be exercised at any time ie an open invitation.

CHA supports the proposed change to remove the provision for lapsing approval if the entity ceases to provide services for a period, but on the condition that the entity is subjected to a quality review by the Quality Agency before resumption of services. CHA understands that this will require changes to the regulatory arrangements for the Quality Agency.

### Other comments

#### General comments or feedback on other issues

CHA notes that a continuing feature of the proposed new arrangements will be control of the number of packages at each level. The negative impact of this control for the continuity of home care service options is a major constraint on consumer choice, ironically exacerbated by the introduction of individual budgets which prevent cross subsidisation.

CHA recognises the budget management issues that lay behind the continuation of this arrangement. However, CHA strongly considers that this arrangement should only continue as an interim arrangement which must be addressed in the context of creating a single integrated home care program. The objective should be to have home care mirror residential care, where once a person enters residential care, the system responds to individual care needs as they change without having to change care type.

Future reform should also make provision for the consumer subsidy to be paid to a private account or to a care coordination agency as well as a service provider.

