

## Submission template

### Increasing Choice in Home Care – Stage 1

#### Proposed changes to Aged Care Principles and Determinations

*Submissions close 5pm, 9 June 2016*

Please note that the Government has entered a caretaker period. Policy decisions that bind a future Government will not be made during this period. However, the Department is proceeding to consult during this period so that if the incoming Government agrees to the proposed approach, implementation can occur as soon as possible.

#### Instructions:

- Save a copy of this template to your computer.
- You do not need to respond to all of the questions.
- It is recommended that you read the relevant pages in the consultation paper prior to responding.
- Please keep your answers concise and relevant to the topic being addressed.
- Upload completed submission on the [Consultation Hub](#). Alternatively, if you are experiencing difficulties uploading, you can email your submission to: [agedcarereformenquiries@health.gov.au](mailto:agedcarereformenquiries@health.gov.au)

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Thank you for your interest in participating in our consultation.

## 1. Tell us about you

*What is your full name?*

**First name**    **Nick**

**Last name**    **Mersiades**

*What is your organisation's name (if applicable)?*

**Catholic Health Australia**

*What stakeholder category do you **most** identify with?*

**Peak body - provider**

*Where does your organisation operate (if applicable)? Otherwise, where do you live?*

NSW

ACT

VIC

QLD

SA

WA

NT

TAS

x  All states and territories

*What is your email address?*

**nickm@cha.org.au**

*May we have your permission to publish parts of your response that are not personally identifiable?*

X  Yes, publish all of my response except my name and email address

No, do not publish any part of my response

## 2. Prioritised Home Care Recipients Principles 2016

### ***National prioritisation process***

Do you think that any other variable should be considered in the national prioritisation process? In addition to relative needs and time waited.

*Refer to pages 9 – 11 of the consultation paper*

***The prioritisation process needs to have regard to timely access to home care services by people who participate in the STRC program in order to ensure that the gains through the STRC program are sustained, assuming there is an assessed need for an ongoing level of support.***

***The prioritisation process should also have regard to those instances, albeit probably infrequent, where an individual chooses home care after a period as a permanent resident of an aged care home. This may be because a person wants to resume a home care package or take up a home care package for the first time. Making provision for these possible choices by individuals would recognise that individuals' personal circumstances can change independent of their assessed care needs.***

***We understand that the system will allow for re-prioritisation of an individual should their circumstances and care needs change while on the wait list.***

Do you think that the application of Item 5 is equitable?

*Refer to pages 9 – 11 of the consultation paper*

***CHA supports the application of Item 5.***

***CHA also notes that a person who accepts a package at a lower level than the ACAT assessment indicates will be prioritised to the original assessment date should circumstances change and the person wishes to take up a package at the higher level.***

### ***Cessation of prioritisation determinations***

Is a 56 day period to activate a package appropriate?

*Refer to pages 11 – 12 of the consultation paper*

***CHA agrees that the Principles should specify a period of time when a person's prioritisation will cease if they do not activate a package, but the timeframe should be such that it does not place undue pressure on the individual and their family to make a decision. A period of 8 weeks, with provision for a 4 week extension, is not unreasonable.***

***However, CHA notes that the longer the period allowed for activating a package, the greater the potential for a larger number of assigned places to be 'non-operational'. Accordingly, planning for the release of places against the provision ratio will need to take into account assigned places that are not operational, noting that the provision formula is based on operational places. CHA also notes that this will be an issue only while the supply of places continues to be capped by provision ratios.***

Is the option to extend the period by 28 days required? Is this an appropriate period of time?

*Refer to pages 11 – 12 of the consultation paper*

*See above*

Should a consumer's package automatically cease when they permanently enter residential care?

*Refer to pages 11 – 12 of the consultation paper*

***See comment above in relation to individuals who, due to changed personal circumstances, wish to revert to home care after a period in residential care, or individuals who wish to access a home care package for the first time after a period in residential care.***

### **3. Aged Care Legislation Amendment (Increasing Consumer Choice) Principles 2016**

#### **3.1. Accountability Principles 2014**

Is a 31 day timeframe for provision of the cessation date appropriate? Or should a shorter timeframe be proposed i.e. 14 days?

*Refer to pages 13 – 14 of the consultation paper*

***A 31 day timeframe would be reasonable in most circumstances.***

#### **3.2. Allocation Principles 2014**

Is there anything else that the Department should consider in the management of the cessation of home care places in the lead up to 27 February 2017?

*Refer to page 15 of the consultation paper*

***Nothing to add***

#### **3.3. Approval of Care Recipients Principles 2014**

Do you have any comments in relation to approval being at a specific level?

*Refer to page 16 of the consultation paper*

***Approval at specific levels should be a transitional arrangement for Budget control purposes pending reforms consistent with the Roadmap 'destinations'. In the meantime, however, this approach is likely to result in an increase in ACAT workloads which may be reflected in longer wait times for assessment unless resources are increased or efficiencies are realised. Accordingly, it will be necessary to monitor and publicly report on wait times for assessment, by region.***

***Consistent with the Roadmap, the objective should be to transition to arrangements that apply in residential care whereby an individual's funding level relates to assessed need, not the availability of a vacant home care package which corresponds with the person's assessment. The limitations and constraints that the proposed arrangements pose for timely access to an appropriate level of care should be addressed as part of the Stage 2 reforms of home care.***

### 3.4. Approved Provider Principles 2014

Are there any other matters that you think should be considered in the approval process for providers?  
*Refer to pages 18 – 19 of the consultation paper*

***CHA supports the proposals to simplify the criteria for assessing approved provider status, including placing less focus on key personnel (though the latter may be taken into account on a case by case basis).***

### 3.5. Quality Agency Principles

Do you have any comments in relation to the proposed changes to the Quality Agency Principles?  
*Refer to page 20 of the consultation paper*

***CHA notes the proposal that the Quality Agency will have the discretion to require new providers, or those recommencing service, to undertake a self-assessment in the first few months of service commencement for the Agency's consideration. This would allow the Agency to take a proportionate approach based on the assessed risk involved in each case, including determining if further scrutiny is warranted, such as an assessment contact or site visit.***

***CHA considers that the provision of home care package services, especially at the higher levels, involves a level of risk more akin to residential care, compared with other service types such as CHSP. While not objecting in principle to a proportionate approach being included in regulation, which presumably is anticipating the creation of a single home care program from July 2018, CHA considers that a proportionate approach should be supplement by administrative policy within the Agency which would require a follow-up assessment contact for all new and re-commencing home care services involving home care package level of services. This would mirror the current practice in residential care where a commencing service is required to submit a self-assessment before commissioning, which is followed up by an assessment contact after two months. As with residential care, the administrative arrangements should focus on all new or re-commencing services, not just new approved providers.***

User Rights Principles 2014

#### ***Transparency and disclosure of exit fees***

For consumers, do the proposed provisions provide adequate transparency and disclosure of exit fees?  
*Refer to pages 22 – 23 of the consultation paper*

***CHA supports the upfront disclosure of exit fees determined by providers in Home Care Agreements and the publication of maximum exit fees on MyAgedCare.***

For providers, will the proposed provisions assist to cover administration costs associated with reconciling unspent home care amounts and finalising home care packages?

*Refer to pages 22 – 23 of the consultation paper*

***The proposed amendments appropriately recognise the administrative costs and processes for providers in reconciling unspent funds and finalising packages.***

### ***Reconciliation and payment of unspent home care amounts***

Are the proposed timeframes for approved providers to manage unspent home care amounts reasonable and appropriate?

*Refer to pages 24 – 27 of the consultation paper*

***The proposed timeframes for providers to manage unspent funds (two payment cycles) are reasonable in most circumstances, but CHA notes that there will be instances when circumstances outside a provider's control may mean that the timeframe cannot be met eg issues arising from DHS processes. There will need to be flexibility in the administration of the timeframe requirement otherwise it may lead to providers being unfairly penalised.***

For providers, are the proposed timeframes sufficient to accurately reconcile package funds (within 56 days of the cessation day) and arrange payment (within 70 days of the cessation day)?

*Refer to pages 24 – 27 of the consultation paper*

***As above***

For consumers, are the timeframes appropriate, particularly where the consumer wishes to utilise the funds as soon as possible with another home care provider?

*Refer to pages 24 – 27 of the consultation paper*

***As above***

### ***Consequential amendments***

Do you have any comments in relation to these amendments?

*Refer to page 27 of the consultation paper*

***CHA supports the proposed consequential amendments applying to Monthly Statements and to Home Care Agreements.***

## **3.6. Sanctions Principles 2014**

Do you support or have any concerns about the proposed sanction?

*Refer to page 30 of the consultation paper*

***CHA notes that amendments will be made to allow the existing range of sanctions to be applied to address circumstances where a home care provider is not compliant with its responsibilities to make payments in relation to unspent funds. The application of sanctions in such circumstances is reasonable, but must be flexibly applied in circumstances where the non-compliance is beyond the provider's control.***

## **3.7. Records Principles 2014**

Are there any other records that should be kept and retained by an approved provider?

*Refer to page 31 of the consultation paper*

***CHA supports the proposed amendment to the Records Principle.***

#### **4. Aged Care (Subsidy, Fees and Payments) Determination 2014 and Aged Care (Transitional Provisions) (Subsidy and Other Measures) Determination 2014**

Do you have any comments in relation to the amendments to the determinations?

*Refer to page 32 of the consultation paper*

***Nothing to add***

#### **5. Other comments**

Do you have any general comments or feedback on other issues relating to the proposed changes?

***1. CHA notes that the Principles are silent as to the status of unspent funds in the event of a default due to insolvency. CHA considers that further consultation on this matter with the sector is required. CHA would not support the introduction of ‘red tape’ to address this matter, such as prudential reporting.***

***2. CHA supports the creation of a national prioritisation system for assigning home care places, but considers that careful monitoring will be required to ensure that older people in rural and remote areas are not disadvantaged. People living in these areas could be disadvantaged under the pool arrangements because they generally cannot be assured of timely access to assessment services, compared with metropolitan areas. Under the new arrangements, it is likely that at least some metropolitan providers will develop arrangements such as commissioned brokers to identify and ‘shepherd’ clients through the assessment system and quickly take up whatever places are available under the national provision ratio. Hence, it will be essential to monitor and report on regional wait times between when an assessment is requested and when the assessment takes place and when a package is assigned. Monitoring may indicate the need for additional assessment resources in some regions or other measures to speed up assessments. This concern would not arise if places were not capped, but while they are, close monitoring will be required to ensure that rural and remote communities are not disadvantaged.***