Submission template

Discussion paper:

Future reform – an integrated care at home program to support older Australians

Submissions close on 21 August 2017

Instructions:

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

Thank you for your interest in participating in our consultation.

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/categories do you most identify with?

☐ Commonwealth Home Support Program[1] service provider	☐ Peak body – consumer
☐ Home Care Package service provider	☐ Peak body – carers
☐ Flexible care provider	☒ Peak body – provider
☐ Residential aged care service provider	☐ Seniors membership association
☐ Aged care worker	☐ Professional organisation
☐ Volunteer	☐ Disability support organisation
☐ Regional Assessment Service	☐ Financial services organisation
☐ Aged Care Assessment Team/Service	☐ Union
☐ Consumer	☐ Local government
☐ Carer or representative	☐ State government
☐ Advocacy organisation	☐ Federal government
	☐ Other Click here to enter text.

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

☐ NSW	☐ SA
☐ ACT	☐ WA
☐ Vic	☐ NT
☐ Qld	☐ Tas
☒ Nationally	

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

[1] Includes Home and Community Care Providers in Western Australia

☒Yes, publish all of my response

☐No, do not publish any part of my response

Section 2. Reform context

2.3 Reforms to date

Comments

We would welcome your views and feedback on the February 2017 *(Increasing Choice)* reforms.

Refer to page 6 of the discussion paper

Feedback received by CHA indicates support for the objectives of the home care reforms. A number of concerns have been raised, mainly to do with implementation, as follows:

- Delays in the activation of home care packages, and concerns that vulnerable communities and individuals are most affected
- The need for timely waiting list data by consumer type and location in order to help assess the effectiveness of the MAC prioritisation process, including data concerning rural and remote areas where ACAT access may be problematic
- The administrative effort involved in managing unspent funds
- The configuration of the income testing regime which requires a disproportionate private contribution for lower level packages compared with higher level packages
- The misalignment of packages by level with assessed care needs

Overall, CHA observes that there are inherent risks associated with the implementation of significant policy changes, especially policy changes that are dependent on IT system development and changes.

It is therefore critical that the opportunity for co-design and consultation is maximised, including full information flows tailored to the interests of providers and consumers. It is important therefore that the Department continues with its current co-design approach. The Department should also not shy away from deferring implementation target dates if the implementation risks have taken longer than anticipated to resolve e.g. testing of new IT systems.

Section 3. What type of care at home program do we want in the future?

3.1 Policy objectives

Question

Are there any other key policy objectives that should be considered in a future care at home program?

Refer to page 9 of the discussion paper

CHA supports the objectives set out in the paper with the addition of the following objective:

- " is based on equitable consumer contributions towards the cost of care across the aged care system"

Section 4. Reform options

4.2 An integrated assessment model

Question

What do you believe could be done to improve the current assessment arrangements, including addressing variations or different practices between programs or care types (e.g. residential care, home care and flexible care)?

Refer to page 12 of the discussion paper

CHA supports the creation of a government funded integrated assessment process across all aged care that is agnostic as to care setting and, where practical, operates independent of care providers.

In addition to integrating current assessment arrangements, measures to improve the operation of assessment processes include:

- ensuring multi-disciplinary assessors are adequately trained, including setting minimum credentials and ongoing training programs to ensure that all current assessors meet competency standards within a specified time frame;
- increase the capability and capacity of the assessment system to administer short term reablement/restorative care approaches;
- six-monthly reports to the sector on the performance of assessment teams and the assessment system against performance benchmarks, including the results of periodic inter-rater reliability surveys;
- ensuring that assessment resources are fairly distributed across regions to take account of geographic and demographic variations in order to ensure that performance benchmarks are achievable across the system;
- improved coordination between means assessment and assessment of care needs to improve the timeliness of the outcome of both processes;
- capacity to fast track service access in case of emergencies;
- capacity (in due course) for coordination between assessment and care planning by Health Care Homes for older people with chronic conditions and assessment and care planning for home care consumers through the MAC.

4.3.1 New higher level home care package │ 4.3.2 Changing the current mix of home care packages

Questions

Would you support the introduction of a new higher package level or other changes to the current package levels?

If so, how might these reforms be funded within the existing aged care funding envelope?

Refer to pages 12 – 14 of the discussion paper

CHA supports in principle the creation of a higher package level, but considers that any decision to introduce such a level should not be taken in isolation.

Accordingly, when and whether to introduce a higher package level should be decided after a review of current arrangements in the context of the overall objectives for the aged care system articulated in the Roadmap, including the following short and longer term considerations:

- the future use and role of caps on package numbers by level of assessed care need in an integrated program;
- the funding gaps between levels in an integrated care at home program;
- alignment with possible future funding arrangements across aged care, including the outcomes of the current review of residential funding models ;
- whether each consumer is required to purchase services to the full value of any individualised funding package;
- the appropriateness of consumer contributions under any new arrangements, including making contributions proportionate to the amount of the subsidy entitlement actually used; and
- full consideration of implications for overall Budget management and the transition to an uncapped aged care system, including implications for the current provision targets and consumer choice between care types, and the management of policy and funding risks associated with any short term use of overall funding caps instead of balance of care ratios.

4.4.1 Changing the current mix of individualised and block funding

Question

Which types of services might be best suited to different funding models, and why?

Refer to pages 14 – 15 of the discussion paper

In principle, CHA supports individualised funding for services that are individual in nature and are based on assessed needs and goals. However, moving away from the current grant-based approach in the CHSP to more individualised funding raises complex policy and administrative issues. These issues will need to be carefully considered in order to ensure continuity of care services and to contain administrative costs and implementation risks, including having regard to the major systems implications, the need for cost-effective assessment services and the management of budgetary and financial risks.

Block funding may be appropriate in certain circumstances e.g. for certain specialised services that are not generally accessed universally.

Block funding may also be appropriate for small services in small or sparsely populated communities that are unable to realise the benefits of scale, and where a small drop in 'occupancy' may have an inordinate impact on viability. However, CHA notes that the benefit of funding certainty that comes with block funding may also be achieved in conjunction with an individualised funding approach by continuing to fund unoccupied places on an average basis.

A feature of the current system is that few of the many providers are funded to provide the full menu of possible services. If consumer choice is to be maximised, it will be desirable to have a system that allows consumers flexibility to access services from a variety of providers instead of directing their funding to a single provider. This would require changes to the current payments system, including potential use of payment systems that could support debit card functionality. Overtime, there may be a rationalisation of providers so that most providers deliver a full menu of services, but in the meantime, the flexibility afforded via a debit card would provide consumers with greater choice and stimulate adjustment in the sector.

The achievement of the benefits of competition and choice that individualised funding potentially holds is highly dependent on there being a cohort of financially literate and informed consumers to drive provider behaviour. Accordingly, reforms will need to implement measures to support better informed consumers. This includes easy access to consumer experience information and pricing information presented in a standard format to aid with comparing the offerings of different providers.

Advocacy and other supports will also be required for vulnerable members of the community who face barriers in accessing care. This could include the payment of a case management fee to providers who coordinate home care and support services for eligible consumers, and an enhanced role for MAC/ACAT/RAS.

Question

What would be the impact on consumers and providers of moving to more individualised funding?

Refer to pages 14 – 15 of the discussion paper

Individualised funding would give consumers more opportunity to exercise choice and control over who provides their care and what services they purchase. This does not mean that all consumers will necessarily exercise choice and control to the limit of its potential, but more consumers in future are likely to do so. With greater consumer choice, providers will need to become more responsive to consumer preferences.

Individualised funding does not necessarily mean that mission-based organisations cannot still focus on the needs of vulnerable consumers, many of whom may be expected to be more reliant on the guidance and support of the service provider.

A policy issue that needs to be addressed is whether a consumer is required to 'purchase' services to the full value of their assessed individualised funding level, noting that it will be made up in many cases of both a Commonwealth subsidy and a means tested private contribution. Recognising that individuals present with different levels of informal supports, different lifestyle expectations and different degrees of resilience, a case can be made that an individual should be able choose to purchase services to a lesser value than the funding package, provided that the assessed ratio of Commonwealth/private contribution is maintained.

For current CHSP providers, there is a financial risk if individualised funding is also accompanied by funds following the consumer. Accordingly, the introduction of funding following the consumer would need to follow a co-design process and involve ample advance notice so that service providers can make the necessary plans and adjustments to ensure continuity of services.

Question
Are there other ways of funding particular services or assisting consumers with lower care or support needs, e.g. a combination of individualised funding and block funding, vouchers etc.?

Refer to pages 14 – 15 of the discussion paper

As part of the development of its new payment system, the Department should insure that the new system's functionality has the capacity to manage individual payments through a debit card system, including a system that can accommodate consumers choosing to purchase services to a value less their assessed 'entitlement' (as discussed above).

As well as facilitating choice, key advantages of debit card functionality is that it would avoid the significant administrative overheads of managing the current regulation of 'unspent funds', and remove the Commonwealth's contingent liability in the event of service failures (both with regard to its own subsidies as well as unspent private contributions).

4.5.1 Refocussing assessment and referral for services

Questions
Should consumers receive short-term intensive restorative/reablement interventions before the need for ongoing support is assessed?
If so, what considerations need to be taken into account with this approach?

Refer to page 16 of the discussion paper

CHA supports an approach that includes an ongoing focus on opportunities for short-term restorative care and reablement opportunities. Such an approach is important to the future sustainability of aged care services, particularly when applied to consumers with lesser functional decline that may be stabilised or even reversed.

A short-term restorative care/reablement approach needs to consider the best way to improve access to assistive technologies and home modifications and to integrate assessment of informal carer support needs. The public reporting of the outcomes of reablement episodes should also be considered.

Adoption of short-term restorative care approaches may require some curtailment of consumer choice. In particular, access to subsidies may be made conditional on undergoing short-term reablement/independence activities, albeit involving a service provider of choice.

Question
How could a wellness and independence focus be better embedded throughout the various stages of the consumer journey (i.e. from initial contact with My Aged Care through to service delivery)?

Refer to page 16 of the discussion paper

As well as the comments above, an incentive worth considering is paying a provider a bonus for achieving a successful outcome. It could well be that the down-stream savings as a result of reduced care and support needs outweigh the cost of the bonus/incentive.

The bonus system employed as an incentive for successful job placements in the training sector may be worth examining.

4.6.1 Ensuring that services are responsive to consumer needs and maximise independence

Questions
How do we ensure that funding is being used effectively to maximise a person's ability to live in the community and to delay entry to residential care for as long as possible?
For example, should funding be targeted to services or activities where there is a stronger connection with care and/or independent living? Are there examples of current services or activities that you believe should not be funded by government?

Refer to pages 16 - 17 of the discussion paper

See above re possible payment of a bonus for a successful short-term restorative care episode.

Another option would be to publish data on provider success rates.

Question
How do we maximise the flexibility of care and support so that the diverse needs of older people, including those with disability, are met?

Refer to pages 16 - 17 of the discussion paper

The flexibility of CHSP service providers to support the diverse needs of older people is currently constrained by each provider's contract that stipulates the types of services that they can provide and, to a degree, the amount of each service type that they can provide. Flexibility is also constrained because providers generally do not have the scope to develop services that target particular community groups and to compete on their ability to respond to the service needs and preferences of their chosen market.

A debit card system would provide greater flexibility for consumers to access a greater range of service types and providers, and would allow providers greater flexibility to adjust their service offerings to meet consumer preferences, and to specialise in certain market segments.

4.6.2 Accessing services under different programs

Question
Under the current program arrangements, does allowing some consumers to access both programs promote inequity, particularly if other consumers have to wait for a home care package?

Refer to page 17 of the discussion paper

In normal circumstances, accessing services from two related programs has the potential to be inequitable. However, this would not be the conclusion drawn if this practice was the result of inadequacies and rigidities in the current system which requires 'work arounds'. In such circumstances, the appropriate response should be to introduce sufficient flexibility into the system to obviate the need for such behaviour.

Questions
Until an integrated care at home program is introduced, is there a need to more clearly define or limit the circumstances in which a person receiving services through a home care package can access additional support through the CHSP? If so, how might this be achieved?

Refer to page 17 of the discussion paper

On the assumption that the current practice is resulting in better outcomes for individual consumers and the need for this behaviour is driven by limitations with the design of the current programs, it would seem sensible not to take regulatory action on this practice without reforms that address root causes.

4.8.1 Supporting specific population groups

Question
How can we make the care at home system work better for specific population groups, particularly those whose needs are not best met through current CDC models and administrative arrangements?

Refer to page 19 of the discussion paper

A key consideration in ensuring access for specific population groups is to understand and address the specific barriers that each group faces. The barriers are not universal. Some will be financial, others will be as a result of 'thin' markets, cultural barriers, cognitive impairment, lack of family or informal supports, certain medical and socio-economic circumstances etc. Tailored responses are required for each group.

Options could include, but are not limited to, use of block funding arrangements and provision for case management funding, as discussed earlier.

The current Aged Care Diversity Framework consultations are the ideal opportunity to tease out these issues as they impact particular population groups.

It should be recognised that a more flexible system that is adequately funded would provide an incentive for some providers to specialise in meeting the needs of certain population groups.

4.8.2 Supporting informed choice for consumers who may require additional support

Question
What additional supports could be considered to ensure that people with diverse needs can access services and make informed choices and exercise control over their care?

Refer to page 19 of the discussion paper

4.10 Other suggestions for reform

Question
Do you have other suggestions for care at home reform, or views on how changes might be progressively introduced or sequenced?

Refer to page 20 of the discussion paper

CHA's main observation regarding the progressive implementation of care at home reforms is that they should be coordinated with reform of the overall sector, not pursued in isolation. This is essential to achieving a system that assesses and provides for care which is agnostic as to the setting in which care is provided, and for ensuring that the overall reforms designed to create an aged care service industry are sustainable and affordable.

There needs to be work done on a co-design basis that develops a schedule of phased and costed reforms to implement the Roadmap, including provision for sector-wide consultations on specific proposals and options for moving towards the Roadmap destinations in a sustainable way.

Section 5. Major structural reform

5.2 What would be needed to give effect to these structural reforms?

Question
Are there other structural reforms that could be pursued in the longer-term?

Refer to page 21 of the discussion paper

Reference has already been made to introducing a debit card system.

Existing programs that would benefit from review in the light of the move towards increased consumer choice and control and greater use of home care, are the respite programs, including residential respite. The current operating guidelines and funding arrangements for many of the respite programs pre-date the current reforms.

Section 6. Broader aged care reform

6.1.1 Informal carers

Question
How might we better recognise and support informal carers of older people through future care at home reforms?

Refer to page 22 of the discussion paper

The support needs of carers, especially older carers, need to be assessed alongside the assessment of the care needs of the primary consumer. A review of access to and funding of respite services would also be appropriate in the light of the planned significant increase in the availability of home based care.

6.1.2 Technology and innovation

Question
How can we best encourage innovation and technology in supporting older Australians to remain living at home?

Refer to page 22 of the discussion paper

There is a case for putting access to aids and appliances and home modifications on a consistent national basis.

The most potent force for encouraging innovation in home care service delivery is open competition between home care providers and between home care providers and residential care providers operating in a market where there are no balance of care ratios that control the supply of each service type.

Question
What are the existing barriers, and how could they be overcome?

Refer to page 22 of the discussion paper

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6.1.3 Rural and Remote areas

Question
How can we address the unique challenges associated with service delivery in rural and remote areas?

Refer to page 22 of the discussion paper

A combination of viability supplements and greater certainty in funding would go a long way to meeting the challenges faced by small services in rural and remote areas.

It may also be appropriate to reimburse, in full or in part, staff training costs incurred by attending training in other centres, especially if the training targets under-employed locals. Assistance with the capital cost of housing in order to attract more highly qualified staff may also offer practical support for remote services.

Question
What other service delivery and funding models could we consider for providing care at home services to consumers living in rural and remote areas, including examples of innovative local community models?

Refer to page 22 of the discussion paper

CHA notes that MPSs have proven themselves to be an effective model for delivering services in rural and remote areas. The MPS model allows the achievement of economies of scale that otherwise are difficult to achieve. Greater use of technological to overcome the barriers of distance would also improve services in rural and remote areas.

Overall, CHA notes that while reasonable steps should be taken to ensure access to services in rural and remote areas, it will be difficult to provide the level of choice that could be expected in more populated centres. This limitation to choice for rural and remote populations is not unique to aged care services.

6.1.4 Regulation

Question
How can we further reduce regulation to allow for innovation while ensuring that essential safeguards remain in place?

Refer to page 23 of the discussion paper

The scope for innovation would be best supported by introducing 'funding following the consumer' across home-based services, and allowing providers greater flexibility to respond to consumer preferences in a competitive service environment.

CHA considers that a more flexible system needs to be complemented by a robust, effective and efficient quality assurance framework to support consumers and the reputation of the sector, and by appropriate supports for those communities and individuals that, for a variety of reasons, may experience barriers in accessing care.

6.1.5 Aged care and health systems

Question
What are some examples of current gaps or duplication across the aged care and health systems, and how could these be addressed?

Refer to page 23 of the discussion paper

CHA draws attention to two areas that the further development of care at home services needs to take into account – Health Care Homes and retirement villages.

There is considerable scope for greater coordination of home care services and Health Care Home services for older people with chronic conditions. In many cases, the effectiveness of clinical interventions will be greatly assisted by, or even dependent upon, effective home support services.

With more retirement villages changing their business models to support the increasing age and frailty of retirement village residents, policies governing the delivery of Commonwealth-funded home care and support services to residents of retirement villages should be reviewed. For example, should the needs assessment take into account care and support services that are funded privately under a village resident contract? If so, how would this be administered?

Any further comments?

Other comments

Do you have any general comments or feedback?

Click here to enter text.