# State Library of Queensland presents in partnership with GRATTAN

# **Rethinking Aged Care**

Second Se

#### **RETHINKING AGED CARE**

Speakers:

Merle Mitchell AM, Former President of Australian Council of Social Service and Resident of Waverley Valley Aged Care Facility

Mary Patetsos, Chair of the Board of Aged Care Housing Group

Stephen Duckett, Health Program Director, Grattan Institute



STATE OF AFFAIRS



State Library of Queensland

SL



### **Reforming aged care:** a practical plan for a rights-based system

Stephen Duckett, @stephenjduckett

Anika Stobart, @anikastobart

Hal Swerissen, @hsweriss

Health Program, Grattan Institute





GRATTAN



#### @GrattanInst | @slqld





State Library of Queensland Government

#### A new rights-based approach to aged care

The aged care system should be designed to realise older Australians' rights to continue living meaningful lives as they age.

- Not just about how to deliver care, but the whole system needs to be designed to support the fulfilment of rights.
- Drawing on the NDIS, UN Principles for Older Person and international literature, these are some of the rights that are important in the context of aged care:

#### **Rights-based principles for aged care:**

- 1. Enable independence, self-fulfillment, and participation in community
- 2. Enable informed and supported choice and control
- 3. Guarantee universal access to reasonable and necessary supports
- 4. Ensure equity and non-discrimination
- 5. Uphold dignity, including dignity in death
- 6. The rights of carers and staff

GRATTAN



### **1. Reform the service model to reflect what people want**

Tailor services to people's needs:

- Introduce individualised support planning for assessment, planning and funding of services, whether home care or residential, beginning with a trial in 2021, and rolled out nationally in 2023, at an estimated total cost of \$600 million per year for care planning.
- Individual care plans ensure choice and control over services.
- Greater access to home care as most people want to receive at-home care, leading to fewer people ending up in residential care.



# 2. Reform the funding model by tying funding to care plans

Improve access through universal funding for care:

 Universal entitlement to funding of 'reasonable and necessary' care outlined in individualised support plans trialled in 2021 and rolled out by 2023 (additional estimated cost of \$4.6 billion per year) to address the waiting list and to provide higherlevel support at home.

Means-test everyday living and accommodation:

 Means-test non-care services in home care and residential care. In residential care, means-tested everyday accommodation costs should be paid by individuals through rental payments. Where government contributes to board and lodging, it should take account of economies of scale.

	Care planning & assessment	Service delivery All care types & settings:	Home care:	Residential care:
Government	<ul> <li>Regional system managers directly funded through grant</li> </ul>	<ul> <li>Reasonable and necessary services tied to support plans.</li> <li>Specific funding scheme for specialist support facilities e.g. in-home equipment.</li> </ul>	<ul> <li>Funding levels capped at the maximum payable in residential care.</li> <li>Subsidies paid to low-income earners for everyday living expenses.</li> </ul>	<ul> <li>Subsidies paid to low- income earners for accommodation.</li> </ul>

#### 3. Reform the governance model to decentralise accountability

- Establish Australian Aged Care Commission as a national system steward of overall performance and equity by 2023 (replaces Funding Authority and Quality Commission).
- Establish 30 new independent bodies possibly enhanced PHNs -- across Australia for defined geographic areas that act as regional `system managers' of the local service system, monitor quality, and enhance social participation and healthy ageing by 2023, at an estimated cost of \$150 million per year.
- Sign Commonwealth-state agreements and regional agreements with system managers to better integrate healthcare, housing, and related welfare services, by 2022.



### 4. Improve accountability and transparency

Lift quality through standards and workforce reform:

- Introduce comprehensive rights-based quality standards, and a national registration scheme to ensure carer staff are sufficiently trained and supported by 2023, at an increased estimated cost of \$1.5 billion per year for residential care.
  - Minimum staffing ratios and 24-hour nursing supervision for residential care
  - Require rights-based governance policies and training for provider organisations.
- Create a new public reporting system that better monitors and provides information on the quality of service providers, to maximise people's choice.

Accountability of regional system managers to ensure equity and cost control

#### Three year transition plan to the new aged care system

Stage	Home care	Residential care	Governance	
Stage One – 2021 'Urgent action'	<ul> <li>Merge home support and home care programs</li> <li>Start phasing-in new home care arrangements, with trials in Tasmania and South Australia</li> </ul>	<ul> <li>Establish a temporary \$1 billion rescue fund to improve the worst-performing for residential aged care facilities, contingent on recovery plans</li> <li>Move residential care price setting to the Independent Hospital Pricing Authority</li> </ul>	<ul> <li>Develop a new rights-based Aged Care Act, overseen by a non-statutory Aged Care Transition Authority</li> <li>Introduce a new era of transparency, with a compulsory public reporting system of provider quality</li> <li>Start workforce reform, with new training programs</li> <li>Develop the funding model to pay for aged care reform</li> </ul>	
Stage Two – 2022 'Phase-in'	<ul> <li>Review the trial phase of individual service planning for home care</li> </ul>	<ul> <li>Review rescue fund implementation</li> </ul>	<ul> <li>Introduce and pass new Aged Care Act</li> <li>Implement new workforce reforms through the Aged Care Act, and establish a national workforce register</li> <li>Sign Commonwealth-state bilateral agreements for system coordination, and make changes to Medicare</li> </ul>	
Stage Three – 2023 'Roll-out'	<ul> <li>Introduce a new system of individual service planning for home care, with national roll-out of regional system managers</li> <li>Make funding portable across residential and home care</li> </ul>	<ul> <li>Separate care and everyday living expenses funding, with all new residents paying rent (not Refundable Accommodation Deposits, or RADs)</li> <li>Establish a new government financing facility for capital investment</li> </ul>	<ul> <li>Establish the Australian Aged Care Commission as a statutory body</li> <li>Establish 30 regional offices across Australia as 'system managers', and sign tripartite agreements for system coordination</li> <li>Introduce new rights-based standards and explicit minimum staffing standards, and accredit providers against these</li> </ul>	
Stage Four – 2025 'Review'	<ul> <li>An efficiency audit by the Australian National Audit Office</li> <li>An independent review of the new aged care system, drawing on the audit findings and other information</li> </ul>			

# State Library of Queensland presents in partnership with GRATTAN

# **Rethinking Aged Care**

Second Se