

NEW ZEALAND HOME HEALTH ASSOCIATION CONFERENCE: 15-17 OCTOBER 2007

DAY 1

“SO YOU THINK YOU KNOW WHAT AGED CARE IS ALL ABOUT”

That title is certainly not intended to suggest that I know any more than anyone else in the room about the vocation we're engaged in, but it was thought that the **diversity** of our service directions at helping Hand would be of interest in the context of this conference...

And I would also like to offer you a few thoughts about the increasing **complexities, accountabilities and competition** which will be a part of our future...

Firstly, a few words about the Australian aged care system – the context from which I come...

Aged Care in Australia is the responsibility of the federal Minister for Health and Ageing, but in practice the (junior) Minister for Ageing, who are jointly responsible for the Department of Health and Ageing.

The Australian Government aged care program spends > \$7 billion pa, and comprises three principal elements (together with some information services):

- Residential Care: “low care” (Hostel) or “high care” (Nursing Home) – currently about 164,000 places
- Community Care: “Community Aged Care Packages” (low care) and “Extended Aged Care at Home Packages” (high care) – currently about 44,300
- *(Admission to residential care or a package requires assessment by an (multi-disciplinary) Aged Care Assessment Team (ACAT))*

- National Respite for Carers Program \$180 million
 - Community respite services (day care centres/in-home/cottage/dementia-specific)
 - Carer Resource Centres
 - Carer Counselling Program
 - Carer Respite Centres

The Australian and State Governments jointly fund the Home and Community Care (HACC) Program, which is administered by the states:

- Home and Community Care Program
 - nursing care, continence management, home help, such as housework, washing and shopping, home maintenance and modification personal care, such as help with bathing, dressing and eating, meals on wheels and day centre-based meals, ancillary health services like podiatry and speech therapy, community-based respite care (day care), transport assessment and/or referral services, information and advocacy services, social support (including neighbour aid), and carer support.

The Australian Government allocates new residential beds and Community Care Packages through a formula of 113 “places” for every 1000 people aged over 70: those 113 are divided into

- 44 low care residential
- 44 high care residential
- 25 Community Care packages

Quality is regulated by

- in Residential Care by a government-owned company called the Aged Care Standards and Accreditation Agency and
- in Community Care, less formally at present for Australian Government programs, and for HACC programs by evidence of adherence to mandated standards.

Helping Hand is a traditional, non-profit church-affiliated provider established 54 years ago:

- 700 residential care, metro and country
- 200 independent units
- 400 CACPs and EACHPs
- Dementia respite (in cottages, in home, in care workers' homes)
- Day Therapy Centre funding
- 1200 (mostly part-time) staff

These are mainstream activities within the Australian aged care context.

However, we have also pursued a number of new directions because:

- primarily, ***we aspire to supporting older people's needs as comprehensively as we are able*** and,
- from a business perspective some of the new areas of service delivery we've moved into provide us with diversity of income (not all our eggs in one basket).

These include:

- Care packages for people with **disabilities** (intellectual/physical),
- Care packages (27) and group rehabilitation services for people with **mental illness** (eg depressive and anxiety disorders)
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- **Community-based "Transition" services**
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- **A Short Term Accommodation Unit of 10 rooms** – Flexible respite/accommodation - funding comes with client
Referred by: Community Services providers; Carer respite services; Mental Health Services; Private Hospitals

Our residentially-based Day Therapy Services were "dis-established" in 1998 to create "**Healthy Lifestyles**" service which includes physio/occ therapies and podiatry in community-based settings, and a range of...

- **Social integration** Support Services (HHAC/HACC funded)
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- **Supported Residential Facilities** (boarding houses) on behalf of State Govt
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- “Grandparents as Parents” support programs
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- Gardening Services (Volunteer-based)
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- **Wheelchair Homes** Inc. collaboration, to provide wheelchair-friendly housing for older people
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- **Hospital avoidance** – patients referred by Emergency Depts and GPs
and supporting 200 x Residential Aged Care Facilities’ residents to stay put, rather than be moved to hospital, where medically appropriate.

Research: is an increasingly important facet of our work.

Historically, we have undertaken a lot of “routine” research – from falls to retirement living preferences.

This year, we established the **Centre for Aged Care Studies** – a collaboration between Helping Hand, University of SA, and Oslo University:

- Major research projects: Loneliness: “Alone at Home, Alone in a Crowd”
- “Changing Home”: Given the policy of ‘ageing in place’ and the increasing numbers of older Australians receiving care and support services in their homes in the community there is an urgent need to explore, and to thereby understand, the meaning and significance of home as a place for older people to live when it is also a place for the provision of long-term aged care services. Older persons receiving care and their families do not necessarily see homes as clinical work spaces... How is it possible to retain the understanding of home as the private place where the older person lives, whilst at the same time it is increasingly a public place that others must enter and use as a place for the delivery of care and support? And does any of this matter?

This diversity won't be what every provider wants to do or necessarily should do, but these activities are examples of how our sector is developing...

Following on from that picture, I want to offer you just a few thoughts on the **Complexities** and **Challenges** which we are all facing...

Complexities:

- The Helping Hand services I've mentioned do provide some good service linking/integration and diversity of income (not all our eggs in one basket), but it requires much more complex systems and staff resources to manage;
- Moves towards engagement with **Acute, Disability** and **Mental Health** sectors which I've spoken about – while we may think that they aren't "core business" and can therefore be ignored, we need to be careful that such an attitude doesn't in the longer term marginalize us in the eyes of policymakers and purchasers or funders who increasingly, I think, will want to deal with providers who can coordinate comprehensively;
- In Australia, less predictability/certainty of funding which we've generally taken for granted – with one large respite program recently tendered and which saw several large providers around the country lose funding or be forced into a geographic relocation;
- **Media** – negative media an issue – from India to the US.
- **Compliance** – linked to increased Media interest – governments will often (always?) respond to critical stories by tightening compliance requirements on providers; apart from increased data-reporting obligations, in 2007 we have had **police checks** for staff, volunteers, regular contractors and board members, and **mandatory reporting** of abuse of clients.

The signs of increasing **Competition** - policy to encourage competitive efficiency being a worldwide trend - are very apparent in Australia:

- Government is actively seeking to increase the number of players
- Private sector involvement is being encouraged through the operation of the annual government allocation process
- The Hogan Review of 2004: long-term options – two of which would change the face of the sector; a voucher system (based on some existing overseas practices), and the allocation of new places/licences by auction.
- And of course the recent phenomenon of large scale interest of the capital markets in aged care, with large publicly listed companies

controlling, in some cases, thousands of beds. Given their imperative to build shareholder value, it would be naïve to think that the resulting competition (for customers, and for funding), the profit potential implied by this large-scale investment, and the potential for large players to influence policy won't impact on the rest of us.

- The question is increasingly being asked as to whether the not-for-profit sector will become the “residual” provider, catering primarily to the less-well-off and the less-easily-placed client... Every grouping of like-minded people will – quite legitimately – push for their own interests... Which is why clear, strongly-articulated policy based on agreed client outcomes and a realistic sustainability, is vital to the long-term national interest in this field.

And finally – **Workforce**

- Wage differential – government sector vs aged care/disability sectors
- Current RN shortage
- Longer-term shortages of **all categories** of workers: “Australia’s working age population currently grows by about 166,000 people every year – but current trends indicate it will grow by just 190,000 for the *whole of the decade* from 2020”
- These factors may prompt the question - Will we be able to afford the inefficiency of consumers’ preference for home care at “high care” levels in the future? With shortages and/or higher staff attraction costs, institutional care (notwithstanding the capital costs of building) may be more cost efficient, leading to a loss of choice for consumers...

These trends oblige all of us

- To thoroughly understand the operation of our businesses,
- to better understand future consumer needs and preferences
- to think through **how** we want our organizations to grow
- to predict as best we can the realities of workforce and funding in a decade’s time, and act **now** thru advocacy and planning to manage them
- to understand the policy frameworks of those sectors adjacent to our own,
- to understand the philosophical and efficiency priorities of current and future **purchasers/funders**;
- to take steps to understand what our local operating environment will look like in 5, 10, 20 years, including what competition there may be;

- to **plan** for investment in infrastructure, systems, **good staff** and **good Board members**,
- to understand what our strengths are, and
- to plan what we want to be in doing in our respective markets

END