

Proposed shift in residential funding raises fundamental issues

A SHIFT IN funding residential aged care from an Aged Care Approvals Round-based process of allocation to providers to an alternative that puts more control and choice in the hands of individual consumers potentially raises fundamental issues about how residential aged care is funded.

At its most basic the change seems straightforward. In residential care we are not talking about individualised budgets as in home care packages. Essentially, it's a voucher for a residential care place going to a consumer, or their delegate, rather than to a provider. No increase or decrease in total residential places. What's the risk?

Obviously some providers will be at risk if more consumers go to better providers who are able

to respond to consumer demand. That will not happen overnight because building more residential places has a significant lead time.

It should be manageable, especially as the government has the power to appoint administrators to providers who are in financial trouble, while new arrangements are put in place with financially sound providers.

However, it's not so straightforward. There are significant concerns that a number of providers could go under financially and trigger refundable accommodation deposit (RAD) defaults.

If that's a real possibility there must be many providers who have marginal financial viability and do not have their RADs adequately protected prudentially. That's going to be an issue whatever

the system – if changing it to give consumers control brings it on faster, is that worse than waiting for it to happen anyway?

Shouldn't we address the underlying problem – that residential aged care is far too dependent on the RAD economy rather than on a normal investment profile. The issue with RADs is they are consumers' funds, guaranteed by government but under provider control, and a RAD failure can become a tax for the whole sector including those at no risk.

Can we envisage a RAD-free residential aged care sector? Sounds like we better. That is what the Productivity Commission wanted to see, what Living Longer Living Better was supposed to encourage, and what the recently retired



Ian Yates, chief executive of COTA Australia

chair of the Aged Care Financing Authority, Lynda O'Grady, advocated.

On top of that we need to understand things such as what the real level of demand for residential care will be and what percentage of current stock is overdue for replacement, often due to underinvestment. Pretty basic issues that are no excuse for denying consumers control over their care settings. ■

'It's time for our voice'

THE WELL-KNOWN political slogan 'it's time' has resonance for me at this moment in Australia's journey to meet the future opportunities and challenges of our ageing demographic.

The Aged Care Workforce Strategy Taskforce has just released 15 strategic recommendations and within them are the seeds of positive change. But if we are to see an improvement in the experience of ageing in Australia through these recommendations then it's time for our voice.

It is time for older people and the carers and caring professions who support the ageing experience to have a strong voice in how the recommendations are implemented. It is time for ageing to be seen as relevant to us all. And it is time for research and education to address the needs of older people.

One key taskforce recommendation is to establish an Aged Care Industry Growth and Research Translation Centre to drive innovation and uptake of new models of

care, use of technologies and digital innovation.

The implementation of this important recommendation will have a major impact on the outcomes. It's time for nurses to be funded to lead research in the aged care space as we see in the United States. Nurses working in partnership with care workers, medical and allied health workers to address research questions outside the well-funded biomedical model.

The Medical Research Future Fund provides a good mechanism for this. Make a submission online at consultations.health.gov.au.

Another key recommendation is to strengthen the interface between aged care and primary and acute care. This requires effective communication, shared decision making and personal autonomy for older people.

It's time for the older person and their life stage and personal goals to be put at the centre of all care and decision-making. Voice for older people and their advocates,



Associate Professor Christine Stirling, president of the AAG

research and changes to our education are needed if we are to see real improvement in the ageing experience.

Health professionals and staff need the evidence and education to better manage tensions between risk and choice so that perceived risks don't lead to unwanted interventions at the aged-health interface. It also requires innovative models with appropriate evaluative and translational research to ensure the best approaches can be disseminated.

Another key recommendation is the need for a new approach to workforce planning and skills mix modelling. This again needs voice, research and education changes. Some relevant elements of approaches to the skills mix will be ensuring nurses and allied health professionals are able to work to their full scope of practice and can appropriately delegate and supervise care staff.

These changes can promise increased job satisfaction for all involved and improved quality of life for older people, but they need to be underpinned by evidence, education and the needs of older people.

There are 15 recommendations overall and it's time for those in the industry and aged care health professionals to ensure we have a voice in their implementation as we move to improve the experience of ageing. ■

