

**List of
Recommendations**

ATTACHMENT D

Medium Term Reform

Capital Funding

Recommendation 1

Extend the right of approved providers to require that all permanent residents (who can afford to do so) pay an accommodation payment, which may be either:

- a lump sum accommodation payment (accommodation bond); or*
- a daily accommodation payment (which provides an equivalent financial outcome to the provider as an accommodation bond); or*
- A combination of a lump sum payment and a daily payment.*

Recommendation 2

If Recommendation 1 is not adopted, accommodation charges should be indexed to provide an equivalent financial outcome to the provider as an average accommodation bond.

Recommendation 3

If Recommendations 1 and 2 are not adopted, the Government will need to fund in whole or in part the capital needs of the industry.

Accommodation supplements

Recommendation 4

Adjust the accommodation supplement to reflect actual hotel and accommodation costs, and change the ratios and penalties to more adequately reflect local service demand.

Operational funding - care subsidies

Recommendation 5

Benchmark the costs of residential care.

Recommendation 6

Implement a new indexation formula for subsidies.

Additional service charges

Recommendation 7

Clarify charges for additional fees for services.

To clarify the situation, it is recommended that the Minister request the Department to:

- Clarify the right of approved providers to charge fees under section 56-1(d) of the*

- Act for services that have been agreed to by the aged care recipient as services in excess of those required by the Quality of care Principles 1997; and*
- *Differentiate between an extra services fee and fees that may be permitted to be charged under section 56-1(d).*

Planning and allocation of places

Recommendation 8

Replace existing residential allocation categories with one allocation category for permanent residential care.

Recommendation 9

If recommendation 8 is not adopted whereby approvals are for places then increase the current 15% extra services ratio to 30% and apply a state based cap.

Recommendation 10

Establish an ongoing approvals process that enables additional places to be distributed in response to demand.

Recommendation 11

Adjust the role of the ACAT to approve the type rather than the level of care.

Recommendation 12

Review the demographic age on which the planning ratios are based.

Recommendation 13

Undertake a cost benefit analysis of abolishing the ACAR.

Accreditation

Recommendation 14

Introduce an agreed minimum data set.

Recommendation 15

Adjust the policy for undertaking unannounced visits.

Recommendation 16

Permit the AAT to review any decision made by the Agency.

Recommendation 17

A registered nurse should be required to participate in all audits where clinical expertise is relevant to the Accreditation Standards being reviewed.

Complaints Investigation Scheme (CIS)

Recommendation 18

Require CIS investigators to undergo compulsory orientation and ongoing training, competency based assessments and accredited mediation training.

Recommendation 19

Expand the grounds on which the CIS can decline or cease an investigation or mediation.

Recommendation 20

Incorporate more robust alternative dispute resolution mechanisms into the Act and Principles.

Recommendation 21

Establish key performance indicators for the CIS and make the performance data publicly available.

Recommendation 22

Review the regulatory impact and effectiveness of compulsory reporting of abuse in residential aged care.

Recommendation 23

Provide the Commissioner with determinative powers.

Recommendation 24

Reject Associate Professor Walton's recommendation to enable any person who makes a complaint to request a review of the outcome of their complaint by the Commissioner.

Building Certification

Recommendation 25

Incorporate the privacy and space requirements into the Accreditation Standards and remove certification requirements from the Act.

Consumer Choice

Recommendation 26

It is recommended that the Productivity Commission maintain a strong focus on how any future reform recommendations can deliver system reform that will support the highest level of consumer choice achievable.

Community Care

An effective community care service system

Recommendation 27

ACAA recommends that a new aged care indexation methodology or price fixing review be undertaken by the Hospital Pricing Authority and should apply to the full range of community care services.

Recommendation 28

ACAA recommends that the Productivity Commission support increased funding for community care services to pay an appropriate (unit) price and enable the level of care provided to better meet existing client needs.

Recommendation 29

ACAA recommends that future access to community care be better integrated through common assessment processes that support the client to seamlessly access services as and when required.

Recommendation 30

ACAA recommends that all persons approved for community care services should have the support of a case manager who would assess the person's needs and secure the most appropriate available service from an approved service provider.

Recommendation 31

That Australia adopts an annual health and welfare annual check up for all people older than 75 years. The service would be voluntary and would undertake an annual home visit for every person who met the aged criteria.

Recommendation 32

That Commonwealth Government support a marketing campaign focused on asking older Australians to consider housing options that might better suit their individual circumstances and support more appropriate service delivery to sustain an efficient community based care program to the individual's home.

Recommendation 33

A future aged care system should aim to provide effective coordination between community care, seniors housing of various types and residential care. Packages of housing, care and accommodation need to be seen by the consumer as a continuous service offering, with the consumer not having to negotiate multiple service providers over time as their service needs and requirements change.

Recommendation 34

That the Productivity Commission support the development of a single integrated national

community care service capable of delivering the full range of supports that will maintain a person's independence, in their own home setting.

Recommendation 35

That the Productivity Commission support financing and deployment of a range of communication, information technology and assistive devices which are geared towards improving and sustaining a person's independence in the home setting of their choice for as long as possible.

Workforce

Recommendation 36

The Productivity Commission endorse the creation of an executive exchange program between aged care providers and the Department of Health and Ageing.

Recommendation 37

That the Productivity Commission support the creation of innovative service and product funding pools that will assist aged care providers deploy a range of best practice products and services in various settings across community and residential aged care.

Recommendation 38

That the Productivity Commission recognise the high dependency of the industry on government funding while operating in an environment which directly competes for registered nurses with the acute hospital sector, and that current funding levels do not provide sufficient financial capacity in most jurisdictions to compete effectively with acute sector pay rates.

Aged Care Career Pathways

Recommendation 39

That the Aged Care Career Pathways program be extended nationally.

Medical Workforce

Recommendation 40

ACAA recommends that the Productivity Commission support the introduction of funding of aged care service providers to enable engagement of GPs and other medical specialists including geriatricians and palliative physicians to provide integrated services within the aged care environment.

Recommendation 41

ACAA recommends that the Productivity Commission support Government funding of various trials to test better GP service arrangements including:

- *cashing out Medicare rebates*

- *aged care facilities contracting service provision with GP group practices*
- *funding of GP coordinators who will liaise between GPs and aged care facilities about consultation and appointment times*
- *Capital grants to aged care providers to assist with provision of clinical consultation rooms.*

Leadership

Recommendation 42

That the Productivity Commission support the need for the industry to have an integrated clinical leadership program to support clinicians currently involved in leadership roles or contemplating a career path involving such roles.

Recommendation 43

That the Productivity Commission recognise the very heavy burden aged care staff undertake in achieving high levels of medication administration for care recipients that receive medications, and that if aged care is to become an attractive employment option information technology must be used to change the current system so that much of the unnecessary red tape can be removed.

Aged Care Information Technology

Recommendation 44

ACAA recommends that the Productivity Commission support Government investment in the development and deployment of an electronic medication management solution for aged care initially targeted to residential care.

Complex care

Increasing acuity and complexity of care

Recommendation 45

ACAA recommends that the Productivity Commission support changes to the Aged Care Funding Instrument (ACFI) to better support the provision of complex and palliative care within aged care services, e.g. by making the ACFI subsidy for palliative care services more equivalent to the amount that specialist palliative care services receive in state and territory jurisdictions.

Long Term Structural Reform

Recommendation 46

ACAA supports the development of a seamless aged care system where clients are not forced out of one program into another because the funding or administration of the program comes from another level of government.

Consumer Information

Recommendation 47

ACAA supports a simplified data collection and information exchange between government agencies and approved service providers.

Allocation Rounds

Recommendation 48

That in a controlled process, residential low care approved providers be permitted as demand changes to convert existing places to high care or community care places.

Capital Servicing

Recommendation 49

Allow future residential care clients a variety of options for contributing towards their hotel and accommodation services including accommodation charges and lump sum contributions or a combination of both.

Recommendation 50

Initially increase the accommodation supplement and charge to reach at least 80% of the average lump sum accommodation payment in the previous financial period.

Recommendation 51

Undertake an in depth analysis of the cost of capital. Once this task is complete, move to uncap the accommodation charge with the existing safety net maintained and the accommodation supplement being paid at 80% of the market rate.

Recommendation 52

ACAA recommends that the Productivity Commission support the use of the new national Personal Property Securities system and make it easier for older people to raise money against their non-landed property assets for use as aged care bonds, without having to dispose of the assets.

Operating Income

Recommendation 53

Continue the Conditional Adjustment Payment (CAP) until a new aged care specific index is developed.

Recommendation 54

Extend the CAP to Community Care pending the finalisation of a new aged care specific

index.

Aged Care Industry/Government five year agreement

Recommendation 55

That the Productivity Commission support the creation of a government/industry five year agreement.

Transitional arrangements

Recommendation 56

ACAA recommends that the Commission deal with a structural reform of this magnitude through a transparent plan of action that clearly details the milestones in the reform process and ensures whole of industry readiness to make the necessary changes in an orderly and timely fashion.