



MEDIA RELEASE

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Council on the Ageing welcomes biggest investment in aged care in a generation

Budget Aged Care Reform Package a sound start to industry transformation

Council on the Ageing (COTA) Australia tonight welcomed the very substantial package of measures in tonight's Federal Budget that will fire the starting gun on a substantial overhaul of the aged care system over the next five years, supported by additional expenditure of \$17.7 Billion over four years.

COTA Australia Chief Executive, Ian Yates, welcomed the package as a serious and meaningful response to the Royal Commission and in particular noted the significant investment in accelerating an improved home care system. Included in the announcement are various mechanisms that will improve the transparency and oversight of aged care as well as increase funding to ensure safe and quality aged care services.

"This is a serious and meaningful response to the 'neglect' identified by the Aged Care Royal Commission and the need to transform the industry," said Mr Yates.

"Aged care reform needs proper oversight to get the job done. The new Aged Care Act in particular, along with the oversight mechanisms of an Inspector General, an Independent Pricing Authority, a National Aged Care Advisory Council and the Council of Elders, sets us on exactly the right path. We look forward to working with Government on the implementation of these important measures."

Home Care Packages

The Government has announced an additional 80,000 Home Care Packages over the next two years, a commitment to develop a single assessment workforce by end 2022, and to implement a new single Support at Home system delivering individualised care by end 2023.

"COTA has long been campaigning for more home care packages and is pleased the government has responded to its repeated calls for a better home care program that makes consumers genuine partners in the design and delivery of their care. The reform to the system with a single assessment service and a single Support at Home program is critical to ensuring that older Australians stay at home for as long as they choose."

"80,000 new packages over the next two years is very welcome and should easily remove any waiting list. Government must guarantee that no older Australians will wait longer than 30 days from the moment they register, to the moment they start to receive services by 1 July 2022."

Residential Aged Care

The Government has accepted the Royal Commission's recommended minimum staff time of 200 minutes per day (including 40 minutes by a registered nurse and will fund this with an additional \$3.9 Billion). We note they have not yet committed to the Royal Commission's proposed second step to further increase care time.

Government will also increase the Basic Daily Fee by \$10 per day, per bed at a cost of \$3.2 Billion, introduce the Australian National Aged Care Classification (AN-ACC) funding system for residential care and publish the advice of the Aged Care pricing Authority on future levels of government funding for the efficient pricing of aged care. This is a significant and positive step forward.

"We welcome the Government's initial investment of \$7.1 Billion into the daily care of older Australians living in residential aged care. Importantly this investment will be complemented by increased transparency around staffing and public funding and will ensure all aged care homes have a minimum staff time per resident. However, each of these measures needs to be stronger than announced and we will continue to argue for

mandatory full transparency about staffing numbers and mix, finances including third party entity payments, quality measures and resident and family feedback. The Australian Public deserves to know how their funding of aged care is being spent.

In addition, the Government will by 2024 finally implement its 2018 ‘in principle’ commitment to put the funding for residential aged care in the hands of consumers by abolishing bed licences and the Aged Care Approval Round (ACAR).

Mr Yates said “COTA warmly welcomes the decision to put bed licenses in the hands of consumers, for which we have argued for years. The bed licence system has protected poorer quality providers from competitive pressure from high quality providers, who have been prevented from expanding to meet consumer demand. Also, when aged care providers do a poor job, older people should be able to move out, and take their funding with them. In three years, they’ll be able to do exactly that.”

“Older Australians are pleased to hear that the government says it is serious about improving the pay, skills and careers of aged care workers. Older Australians care about those who care for us. This package needs to improve those career paths, pay, and skills, whilst providing better care to older Australians. The Government should become a party to the upcoming Fair Work Case to establish the appropriate increase in the hourly rate for aged care workers to ensure we can attract the right people. This will ensure the Fair Work case is dealt with faster, and government should make provision for extra wage support in MYEFO later this year. The new Pricing Authority also needs to take into account the pay required to attract a workforce able to deliver high quality care.

Accessing and Navigating aged care

The government has committed \$272.5 Million to create a network of 500 Community Care Finders around Australia to assist people to access and navigate the aged care system from 2023. “COTA has been trialing aged care “system navigators for the past two years which has demonstrated the need for Care Finders, so we warmly welcome this announcement and look forward to working with government on how best to implement this initiative.

Similarly, there will be a network of 250 trusted First Nations people to provide tailored face to face support to assist First nations people better navigate and access aged and disability care. A navigators program for Culturally and Linguistically Diverse Communities has been announced previously.

COTA notes and welcomes a range of other initiatives to assist First Nations people’s access to aged care, and to improve services for people living in rural and remote areas.

COTA welcomes the \$7Million investment over 18 months to continue the Aged Care System Navigator service prior to the commencement of Community Care Finders.”

Support to Carers and Dementia Care

The package contains a welcome boost to support for informal and family carers of \$798 Million, comprising residential respite, Commonwealth Home Support respite and a range of other measures to improve support for Carer and people with dementia. There is a total funding boost of \$229 Million for dementia services including the Dementia Behaviour Management Advisory Service (DBMAS).

There are many other initiatives in this extensive and detailed package, including some to improve people on aged care’s access to health care services. It is also clear that some measures are not finalised and require further detailed consideration and consultation, which we welcome. COTA Australia will spend the coming days analysing the Government’s comprehensive response but provides the following immediate reactions to the *key issues we outlined in September 2020 in a joint statement with other older people’s organisations.*

1. A better Aged Care Act.

“Ensuring the human rights of older people don’t stop when you walk through the doors of aged care is paramount to achieving dignity and respect of older people. The introduction of a new Human Rights based Act by 2023 must ensure that these rights are not just principles but are enforceable and meaningfully embedded in the culture of aged care.”

2. A simple system where care is guaranteed within 30 days.

“Putting bed licenses in the hands of consumers and guaranteeing care at home services within 30 days of registering with My Aged Care will ensure that all older Australians get the care they need, when they need it, where they choose it and how they direct it.”

3. Full transparency and easy to understand indicators to help inform consumer choice.

“The Royal Commission found, and everyone knows, that a lot of aged care providers have got to go. The Budget has delivered a Structural Adjustment program that will get help get rid of the bad providers whilst taking care of staff and residents.

The introduction of the Star Rating system from late 2022 will provide a meaningful easy to understand comparator between different aged care providers which will improve over time as more indicators are added.”

4. A trained, registered and qualified workforce.

“The introduction of an Aged Care Screening System for personal care workers and the funding of 33,800 VET traineeships by extending JobTrainer will start the important work of increasing the number of workers needed in the system.”

“We call on the Government to join the Fair Work Case in order to speed up the process and make provision for funding an increase to worker wages in MYEFO in December.”

5. Proper recognition and support for the role of unpaid family/friend carers.

“COTA welcomes the more than \$600m investment in measures to support Carers of older Australians including \$441 for residential respite (plus an addition \$60.1 to improve residential respite), \$134.9M for respite via CHSP, \$53M for carers of people living with Dementia. In addition, \$103.4M will be invested for support services via the Carers Gateway.”

6. Easy to understand information and local solutions.

“We welcome the \$93.7 million to implement 500 local Community Care Finders who will work with vulnerable senior Australians and those who need specialist support through intensive face-to-face help to access aged care services and connect with other health and social supports.”

7. A strongly resourced regulator that takes robust action to ensure consumer protections.

“COTA welcomes the investment of \$263M to better equip the Aged Care Quality and Safety Commission. A well resourced regulator with enhanced tools and functions will help lift standards in aged care. The government has provided the right level of funding, now they’ve got to sort out the right attitude.”

“The \$94 million investment to double aged care advocacy will ensure that older Australians have someone to walk alongside them whenever there is an issue.”

8. Services that are inclusive, culturally safe and sensitive.

“It’s heartening to see reforms that recognise the diversity of older Australians. Australians from First Nation backgrounds and culturally diverse communities often have very different needs to which our aged care system must respond. This Budget will make sure culturally sensitive and specialised care is much more

available to those who need it. The \$557 Million extra allocated programs targeted to First Nations people are especially welcome and well designed.”

9. A funding model that ensures sufficient taxpayer funding, control by consumers over their funding, independent pricing and transparency in how funds are spent.

“The Government has delivered for older Australians, and everyone who aspires to be one. This Budget is going to transform the lives of older Australians needing support and care late in life, meaning everyone will get to age with the dignity and care we all want.”

“The introduction of an Independent Pricing Authority must review and recommend user contributions across the whole aged care system to ensure a robust, fair, sustainable and simple scheme to ensure those with means contribute for their care.”

10. Better integration of other health and wellbeing services with aged care.

“This Budget package has made a significant start on the with \$366 Million to improve access to GPs and develop the capacity of GP practices to work with aged care residents. There is also more support for palliative care, allied health, mental health and other measures. The new National Cabinet Health Reform Council needs to get cracking on ending the major problems in the aged care/health systems interfaces.”

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NOTE THAT COTA AUSTRALIA HAS PUBLISHED A SEPARATE MEDIA RELEASE ON OTHER BUDGET MEASURES