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SYMPOSIUM

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- COTA Australia is the peak older persons' organisation in Australia. Started as Council on the Ageing over 60 years ago.
- COTAs in each State/Territory with over 1,000 member organisations of seniors reaching over 500,000 people, plus 40,000 direct members.
- COTA covers a broad range of public policy – pensions, superannuation, health care, housing, consumer rights, discrimination, transport, financial services and many more, incl. aged care.



- In aged care COTA speaks for the consumer – the resident or home care client – and their nominated carer or family.
- This has been a major shift in the last decade, and five years in particular - consumer advocates speak for consumer rights and interests.
 - Some providers and their peaks have found this very challenging.



The Australian aged care system is predominantly government funded, highly regulated in regards supply, standards and funding, and comprises three / four main modes; it has at present the following features:

1. Residential care (high and low)
2. Home Care Packages (four levels)
3. Home and Community Care
4. Respite care (residential and community)



The key features of residential care include:

1. 70% federal government funded through assessed care subsidies (90%) and accommodation subsidies for people without means (43% of residents)
2. 30% resident funded through care fees (85% of pension) and accommodation charges (earnings of \$13Billion in bonds)
3. 60% of providers NFP, 30% For Profit, 10% State government owned. Providers must be “approved” by government.



Key features of residential care (continued):

4. Providers subject to three year accreditation process against government mandated Standards, plus annual unannounced visits - by government established Quality Agency
5. Bed allocations rationed and new beds bid for annually. Bed numbers rationed, but guaranteed growth on population ratio. However little comfort if you are No.114 when the ration is 113 places per 1,000 people over 70.



The key features of home care packages include:

1. 93% federal government funded through assessed care subsidies – several levels of package
2. 7% consumer funded through co-contributions, limited to 17.5% of pension but often much lower
3. In June 2012 - 79% low care, 14% high care and 7% high care dementia.
4. Like beds , rationed but grow on population ratio – since 1990s. Now about 60,000 and serve approx 65-70,000 pa



The key features of home and community care include:

1. Mainly government funded although some services have user pays (e.g. Meals) - \$1.5B pa
2. Provides services to 680-700,000 older people
3. Subject to different quality review process
4. Large number of small and /or local providers in service specific roles (e.g. Transport, meals, home modification).
5. Funding has historically grown at 6% pa



- Over five years ago COTA began a journey that went on to involve many others.
- For over a decade we had been participating in efforts to radically reform aged care.
- We knew that the cacophony of voices from different interests in the sector had torpedoed previous efforts. A united position was needed.



- We argued in the **National Aged Care Alliance (NACA)** for a new shared vision for aged care - embracing consumer, provider, union and professional interests.
- The Alliance brings together all the major peak consumer, provider, union and professional groups in aged care to inform, debate and seek common positions. Now over 40 organisations.



- The NACA document “Leading the Way: Our Vision for Support and Care of Older Australians” was released in September 2009.
- The ‘NACA Vision’ is that:

“Every older Australian is able to live with dignity and independence in a place of their choosing with a choice of appropriate and affordable support and care services as when they need them.”



NACA VISION – www.naca.asn.au

national
aged care alliance

National Aged Care Alliance

Leading the Way

Our Vision for Support and Care of Older Australians

September 2009

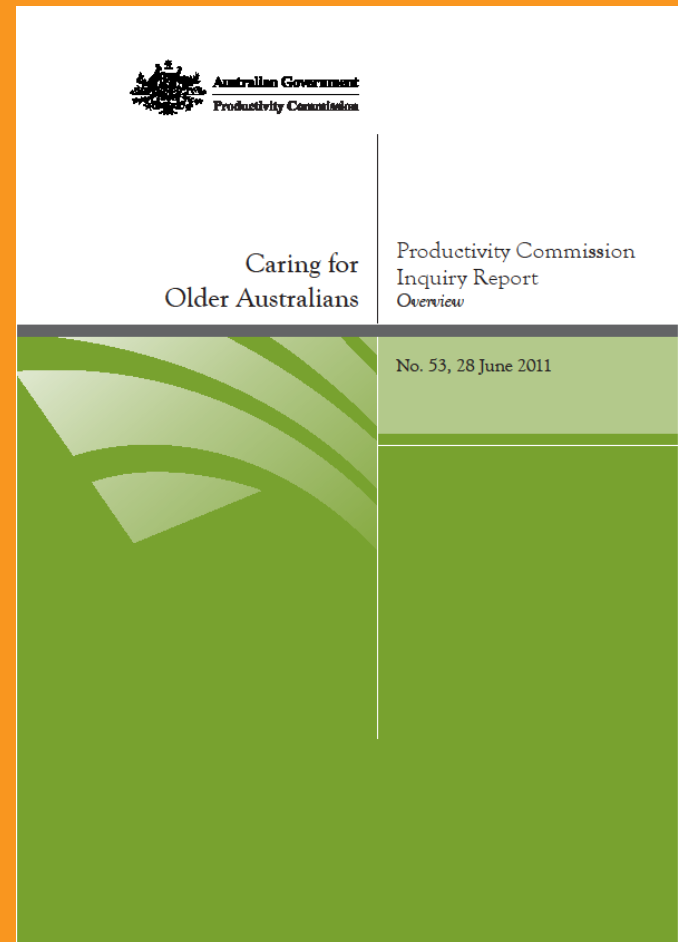
- The NACA Vision argued for the funding for care and support services to be **linked to each recipient**, so that the recipient and their family can determine what, where and from whom they receive care and support.
- Funding to be provided to individuals **as an entitlement based on assessed needs**, rather than being subject to rationing by quotas.
- Used the Vision to convince then Labor government to hold a Productivity Commission (PC) Inquiry into reform of aged care.



- In June 2011 the PC presented an integrated package of recommendations for a system based on:
 - consumer entitlement and an end to rationing
 - **consumer fund holding**
 - greater consumer co-payments from those who can afford to pay
 - **greater transparency and choice**
 - new financial tools to access home equity



Productivity Commission Report www.pc.gov.au



- NACA ran a concerted campaign for implementation of the PC proposals by government.
- We developed the 'Australians deserve to agewell' campaign with strong levels of **consumer involvement** both through the web and face to face in Canberra



- Minister used COTA to conduct “Conversations on Ageing” for consumers – 32 around Australia.
- Minister engaged NACA through range of subject working groups and Ageing Expert Reference Group.
 - We developed the “NACA Blueprint”, a summarised form of the PC recommendations, endorsed by all the NACA membership - very powerful.



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Members of the Alliance



- The political process was not easy as there were many competing initiatives in the mid-term Federal government Budget.
- Significant pressure was applied “behind the scenes” through using political credits accumulated over many years by COTA, as well as the public NACA campaign.
- Building support across the political spectrum was a critical and essential part of the process.



Presenting the NACA Blueprint at Parliamentary Breakfast



- We did not get the full NACA Vision, or all aspects of the later NACA Blueprint, out of government.
- However we did get major reform in an inhospitable political and financial environment. We would not have got it without consumer leadership, a sector-endorsed blueprint, and a strong Minister.
- The “Living Longer Living Better” package was announced in April 2012



LLLB reform package - www.livinglongerlivingbetter.gov.au



LLLB contains a number of measures designed to create a more consumer friendly aged care system. These include:

- An Aged Care “Gateway” with website and National Call Centre” to streamline access to support and care
- **Nationally consistent, strength-based, timely assessment bases in consumer direction**
- More than doubling of Home Care packages from 60,000 to 140,000 or more
- **All home care packages based on “consumer directed care by 1 July 2015 (all new ones from 1 July 2013)**



LLLB contains a number of measures (continued) ...

- Increased levels of funding for residential care and changes to pricing of accommodation
- Choice of payment method for residential accommodation
- Nationally consistent and (reasonably) equitable fees and charges, with safeguards and safety nets



- Regret to say between the announcement of LLLB and putting legislation to Parliament aged care provider representatives abandoned the consensus that got us that far.
- Tried to use the fact we had a minority government in balancing act to force it to go further with the reforms - playing politics with Opposition and media.
- Politically very naive and almost resulted in no reform at all – not because Opposition wouldn't pass it but because government almost dropped reform.



- COTA forced to organise major media and political counter – offensive, using its connections to many leading providers to counter-act peak bodies
- Ultimately successful through working with all three main political parties. Legislation was passed at the last possible minute.
- Regrettable fracturing of consensus could have caused much damage; and providers did themselves long term harm.



Of all the LLLB changes the mainstreaming of **Consumer Directed Care (CDC) Home Care packages** is the most significant.

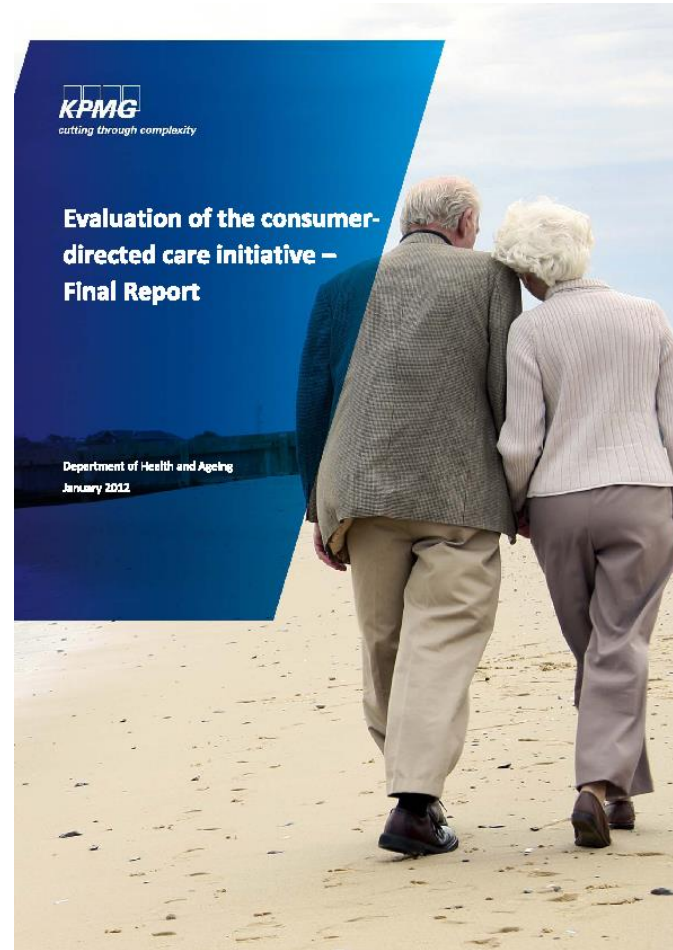
- Its not perfect but its a dramatic shift
- **Not a new set of rules or a different template**
- **Its a profound cultural shift – a new paradigm for aged support and care**



- We asked for end to rationing and consumer fund holding; the PC recommended it; NACA supported it;
- However the government thought providers and sector weren't ready for it
- So they went for something that they had already been trialling - CDC



CDC had just been trialled in home care – not that well



CDC based on six principles

- 1. Consumer choice and control**
- 2. Consumer Rights**
- 3. Respectful and balanced partnerships**
- 4. Participation in community**
- 5. Wellness and re-ablement**
- 6. Transparency**



- Our aged care system developed as a provider - anchored system - increasingly regulated.
- Providers get the beds, the packages, the dollars.
- Providers and government set the menu and the quality control measures.
- The consumer fits in as best they can in a supply constrained system.



- CDC does not turn that on its head, compared to an entitlement based system
- **But it takes a big step forward**
- Consumers get service and financial information, right to choice, greater control (within boundaries), the freedom to negotiate with legal backing ...



- CDC is about the fact that most people have managed their lives all their life and want to go on doing so, despite challenges they face
- And ... that actually most people can continue do that if the system allows and enables them.
- Consumers want to have as much control as possible, to make a contribution, to exercise freedom and choice and experience dignity



- Providers will need to find new ways to talk with consumers separate from within the service relationship.
- Consumers need their own space; their own ground; their own language, not that of providers.
 - THEN there can be the possibility of real dialogue - *“people who never complained start asking for things they and we never thought of before.”*



- CDC is a first and significant step toward a vastly different aged care system.
- In which much of the “red tape” regulatory regime of today would be swept away, while maintaining consumer protections.
- And so there are new opportunities for both consumers and providers.



- But CDC does contain its own contradiction – the package (later on, the bed licence) still goes to the provider, who is accountable for it to government.
- This will limit the degree to which consumers can exercise full rights and control over their support and care.
- We need to move beyond this to full fund holding by consumers as soon as possible.



- We have a new government that's policy is to “implement, monitor and build upon” the LLLB reforms.
- They have a commitment to a new “statement of principles ” with the sector intended to move us closer to the PC proposals.



- The government has also moved Aged Care from the Health department where it has been for 30+ years, to a new Social Services department that includes income security and other transfers.
- This is consistent with a policy direction of entitlement and directing government support to the consumer.



- The new Minister and Assistant Minister for Social Services have both confirmed that the current reforms will proceed and then move on.
- The Assistant Minister has described CDC as something that will inevitably gather substantial momentum of its own
- We are on a new road and it will inexorably escalate .







QUESTIONS AND DISCUSSION

