Submission to

Department of Health and Ageing

Review of the Aged Care Funding Instrument (ACFI)

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Preamble

Anglicare Australia welcomes the opportunity to make a submission to the Department of Health and Ageing’s review of the ACFI.

Anglicare Australia is a network of 43 independent organisations joined by values of service, innovation, leadership and the faith that every individual has an intrinsic value. Our services are delivered to one in forty Australians, in partnership with them, the communities in which they live, and other like minded organisations in those areas. We are in it with those communities for the long term – our services have been around for up to 150 years.

Over 12,000 staff and 21,000 volunteers work with over 512,000 vulnerable Australians every year delivering diverse services, in every region of Australia. Between them 14 Anglicare Australia’s member organisations provide residential care for 3630 and care in the community for 9349 older Australians, employ 5641 aged care professionals and are actively supported by 1724 volunteers.

Anglicare Australia advocates on behalf of Anglicare’s clients. Its primary concern is for people who live with disadvantage, and who are vulnerable and marginalised in Australian society. It advocates for an aged and community care system where everyone, regardless of circumstance or background, has equitable access to the care and services they need, where and when they need them.

This submission represents the views of Anglicare Australia, as the national peak body of the Anglicare network. It may not necessarily represent the views of the Anglican Church of Australia or the views of an individual member of the Anglicare Australia network.

Kasy Chambers
Executive Director

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Executive summary and overarching comments

The ageing demographic changes working their way through Australia’s society are at the forefront of public discourse. Perhaps the greatest challenge for governments, NGOs and the wider community is the continuing growth of care in the community, and necessary shift in residential care away from ageing persons with low care needs towards a growing number, and proportion, with complex (e.g. dementia) and high care needs.

How Australia responds to this challenge, in the long term, will be society wide and need to include:

- greater engagement with older people and opportunities for them to stay connected with and contribute to their communities
- a focus on community development in re-shaping our notion of social service provision; and
- a move to a client driven or people centred approach to aged care, and an increasingly participative and interactive culture more broadly.

Residential aged care in one form or another will be an important part of that future. However, the mix of support and services that we will need to and want to provide for residents is destined to become more diverse and individuated, rather than less. Current funding and regulatory models would seem to militate against such an approach.

We face the risk that a fear of escalating demand will lead to a cost containment approach which factors in inadequate funding for the care provided and/or inadequate care itself. Anglicare Australia strongly supports the call from NACA (National Aged Care Alliance), among others, for a full review of the cost of care across the sector. Noting that the Productivity Commission, in a similar vein, has recommended fully costed funding for the non government sector

The ACFI is just one ingredient in that mix but at this stage it is a crucial one, particularly as it was developed in order to better support providers to deliver adequate levels of targeted care.

Consequently, the strong arguments made by Anglicare aged care providers in their submissions to this review – that ACFI neither covers the care that residents need nor adequately funds those services it covers – have direct relevance to the present sustainability of existing providers and point very sharply to the challenges that lie ahead.

The other matter of prime concern to Anglicare Australia, as well as the Anglicare aged care providers themselves, is the degree to which our health and social services connect to and meet the needs of the most marginalised and disadvantaged members of our society. Again, the evidence of Anglicare Australia’s aged care providers is that the ACFI specifically works against ensuring appropriate care is available for those who are most vulnerable.
Recommendations

1.1 That the funding formulae be adjusted in order to account specifically for the intense and continuous needs of residents with ongoing mental or physical conditions, and that supplements be introduced to cover episodic sub acute health needs

1.2 That sector advice be sought regarding the adequacy and efficacy of the assessment tools, with a focus on their suitability for the purpose

2.1 That documentation be accepted and assessed electronically, and that continual effort to simplify the process be sustained

3.1 That decisions regarding the interpretation of the ACFI user guide be documented and compiled in a searchable and accessible form

4.1 That funding subsidy levels be revised to ensure the cost of care for residents with special needs are met

4.2 That the ACFI objective be reframed to ensure the impact on the most disadvantaged and socially excluded members of our society are at the forefront when considerations are made about funding levels and the provision of care

5.1 That the Department of Health and Ageing
   • uses this review as the opportunity to engage with aged care service providers in order to set up and fund preventative care plans
   • establishes a transparent continual improvement process to address disparities between identified need, actual cost of care, and funding

5.2 That the ACFI be amended to backdate funding of approved increased care needs

6.1 That the role and responsibilities of health clinicians is reviewed and updated as a matter of urgency

6.2 That a panel of aged care clinicians and managers with contemporary expertise and the confidence of the aged care sector across Australia be set up to regularly revise the ACFI and advise the Department on care and practice

7.1 That ACAT and ACFI guidelines are adapted to correlate and support each other

7.2 That the Department review the role and interaction of ACAT and the ACFI with a view to using the ACAT to determine eligibility for residential care with base line funding
Response to specific terms of reference of the ACFI review

In regard to the specific Terms of Reference of the review of the ACFI, Anglicare Australia makes the following comments and recommendations.

1: Better matching funding to the complex care needs of residents.

There are two key issues here.

Firstly, the complex needs of many people, such as those with alcohol or other drug problems, mental health and other behavioural issues, and those on path to dementia, are not adequately covered by this instrument. This is because

i) In some cases the level of funding available for the kind of support that is required is simply inadequate. People with behavioural difficulties, if they can nonetheless feed and shower themselves, are most unlikely to attract funding that covers the staff time that they need.

ii) The definition of ‘complexity’ as prescribed in the ACFI. Some health needs are complex due to the number of interventions that are required, rather than the complexity of the interventions themselves. People with compromised skin integrity, for example, require diligent repositioning. Others require some specialist knowledge and understanding, such as residents with dementia. The ACFI does not factor in the additional cost that comes with this form of complexity.

This also raises questions about the assessment tools (with the Cornell scale for Depression in Dementia in particular coming in for criticism) and the deficits in funding for some of these requirements when the ACFI is compared to the Resident Classification Scale (RCS) that it replaced.

Secondly, and more generally, the increasing acuity of residents is not picked up by ACFI. Clearly, the delivery of sub acute health treatment – such as end of life care, chronic pain management, post-hospital rehabilitation – lessens demand on the acute care (health) system and is more satisfactory, in most cases, for residents and their families. However, this ongoing shift is not being adequately reflected in funding formulae, which is leading to growing pressure on staff and organisations, and the risk that aged care will be seen as one of the problems rather than the solutions to the big demographic challenges that we face.

Recommendations

1.1 That the funding formulae be adjusted in order to account specifically for the intense and continuous needs of residents with ongoing mental or physical conditions, and that supplements be introduced to cover episodic sub acute health needs

1.2 That sector advice be sought regarding the adequacy and efficacy of the assessment tools, with a focus on their suitability for the purpose
2: Reducing documentation created by aged care providers to justify funding.

There are mixed views on the degree by which the ACFI has reduced the demand for documentation. However, the duplication of information, the requirement to provide hard copies, and sudden unannounced site visits to validate documentation all work against administrative efficiency.

Recommendation
2.1 That documentation be accepted and assessed electronically, and that continual effort to simplify the process be sustained.

3: Reducing the level of disagreement between providers’ appraisals of the care needs of their residents and the findings of Departmental validators.

The ACFI User Guide is subject to interpretation of course. It would add confidence and transparency to the system if the rationales behind decisions regarding appraisals, particularly where they have been contested, were compiled and available to service providers.

Recommendation
3.1 That decisions regarding the interpretation of the ACFI user guide be documented and compiled in a searchable and accessible form.

4: The impact of ACFI on funding levels of approved providers, in particular low care providers and providers in rural and remote areas.

The introduction of ACFI has added to the disincentive for aged care providers to accept older people whose particular needs do not attract funding. That includes people from non-English speaking backgrounds, those with mild disability, living with mental illness, with a history of homelessness or alcohol and other drug dependence; and people in general who are socially isolated.

Providers that maintain their commitment to accepting people that the ACAT identifies as requiring residential care, even where their care needs are not funded, risk seriously compromising their viability.

The problems that providers face in meeting the needs of residents with special needs, where they attract little or no funding, are of course accentuated in regional and remote locations where, options and resources are more limited.

Anglicare Australia views as unconscionable any government policy or industry practice which results in a publicly funded aged care system further disadvantaging and disenfranchising the most vulnerable older members of society.
Recommendations

4.1 That funding subsidy levels be revised to ensure the cost of care for residents with special needs are met

4.2 That the ACFI objective be reframed to ensure the impact on the most disadvantaged and socially excluded members of our society are at the forefront when considerations are made about funding levels and the provision of care

5: Gaps or anomalies in the ACFI in relation to care needs

The key gaps and anomalies in the ACFI have been identified in the response above.

It has been made clear in many submissions that the ACFI doesn’t provide adequate funding for the support and services required by those very people most in need of residential care. Furthermore, in many instances the funding levels don’t correlate with the actual cost of the care which the agreed assessment indicates should be, or as events prove need to be, provided.

A funding instrument which adequately funds neither the evident nor the assessed needs of the people being cared for undermines the capacity of aged care providers and staff to deliver the kind of support that we all expect for our loved ones, and would want for ourselves. The key anomaly here is that these gaps in the ACFI give little hope for a more flexible and responsive system in the future, which we will need, and consequently make work in the sector increasingly stressful and unattractive for a workforce that we will need even more.

There are two further specific anomalies. One relates transferring residents: facilities ought to forward ACFI packs with residents, as the receiving providers otherwise have no supporting evidence that validate existing ACFI ratings. That may be an oversight. The second would appear to be more deliberate. When the care needs of a resident change, the provider clearly has to meet these needs. It takes some time however before that increased need can be assessed and the rating changed. Under the previous (and imperfect) RCS, that funding would be backdated to cover the approved extra care costs. It seems both illogical and unreasonable that the ACFI does not similarly backdate that funding.

Recommendations

5.1 That the Department of Health and Ageing:
   - use this review as the opportunity to engage with aged care service providers in order to set up and fund preventative care plans
   - establishes a transparent continual improvement process to address disparities between identified need, actual cost of care, and funding

5.2 That the ACFI be amended to backdate funding of approved increased care needs
6: Recognition of the roles of care providers in the delivery of care needs, including the role and scope of practice of enrolled nurses and allied health professionals.

Anglicare Australia members that deliver aged care services point to many situations where the best therapeutic strategies, delivered by nurses and allied health professions, are not supported by the ACFI.

For example, the use of physiotherapy for pain management in palliative care and in post-operative rehabilitation is not supported. Nor is the use of spas supported for pain management despite undisputed clinical evidence. More broadly, there are a whole class of allied health professionals and assistants – including massage and music therapists – who could make a profound contribution to residents’ quality of life (well-being and health) were the ACFI prepared to support them. As the age and number of individuals in residential care increases, these types of additional support systems, aimed at holistic resident well-being, will become increasingly important for them in maintaining meaningful and healthy lives.

The evidence suggests that the Commonwealth’s validators are simply not up to speed on best practice aged care.

Evidence also points to the ACFI inhibiting rather than supporting enrolled and registered nurses working to their capacity across the board. One example being nurses who can be responsible for many residential assessments for ACFI cannot sign complex health care directives, which particularly impacts on low care facilities; another being enrolled nurses effectively ruled out of working with high care residents by assessors with a static an inflexible interpretation of care principles.

Recommendations

6.1 That the role and responsibilities of health clinicians is reviewed and updated as a matter of urgency

6.2 That a panel of aged care clinicians and managers with contemporary expertise and the confidence of the aged care sector across Australia be set up to regularly revise the ACFI and advise the Department on care and practice

7: Improved agreement between an Aged Care Assessment Team approval and the Approved Provider’s appraisal of the care needs of the resident.

The key problem identified by Anglicare Australia providers is the problematic interaction between the ACFI and ACAT. An ACAT and the approved provider may well agree on the need for low level residential care for people otherwise socially isolated, living with behavioural problems, and so on. The issue then is one of funding through the ACFI, rather than agreement between ACAT and the provider.
The bottom line ought to be that any ACAT assessment needs to lead into care that is funded by ACFI at the appropriate level. It makes no sense to assess people, through ACAT, as qualifying for residential care if the ACFI will not classify them for some funding support.

Anglicare Australia supports the argument made by NACA, that a needs based model is required which sees the ACAT used to determine eligibility for residential care, with base line funding, with residents care needs then assessed through the ACFI.

Recommendations

7.1 That ACAT and ACFI guidelines are adapted to correlate and support each other

7.2 That the Department review the role and interaction of ACAT and the ACFI with a view to using the ACAT to determine eligibility for residential care with base line funding

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