



Australian  
Aged Care  
Collaboration

**Media Release**  
**14 December 2021**

## **AACC LAUNCHES AGED CARE REFORM SCORECARD TRACKING ROYAL COMMISSION REFORM PROGRESS**

The Australian Aged Care Collaboration (AACC) has today launched an Aged Care Reform Scorecard, the first of a regular series to monitor progress on Royal Commission-recommended reform and ensure it's on track.

The Scorecard consists of answers from providers to three key questions on Royal Commission reforms:

- are they on time?
- have they met expectations?
- are they instilling confidence in the future?

The inaugural report finds there are few tangible milestones to report in the first six months after the Commission's report was handed down and provider confidence with the process is low.

CEO Aged & Community Services Australia (ACSA), Paul Sadler, said, "The Royal Commission set out an urgent roadmap for reform of the broken aged care system but progress over the past six months has been disappointingly slow.

"Providers have significant concern that the reform process is too slow and lacks transparency. Every day of delay is a missed opportunity to offer someone the best quality of life and care possible as they age," he said.

The survey responses showed confidence that consumer choice will be improved, allowing for better access to aged care that meets the needs of older people and their families. But the long-standing challenges of finding suitable people to work in aged care have been exacerbated by the pandemic and remain one of the biggest challenges.

CEO Leading Age Services Australia (LASA), Sean Rooney, said, "The challenge for aged care providers in finding skilled staff is now a genuine crisis. We need a commitment from government to fully resource providers to better reward our workforce and support training and career progression for those who want to work in aged care.

“The Royal Commission provided a once-in-a-generation opportunity to fix the broken aged care system and we need a skilled and experienced workforce to deliver on the potential for better aged care services,” he said.

Following the results of the inaugural scorecard, AACC is calling on the Federal Government for:

- a strategic response to the range of workforce issues;
- a consistent flow of information about reform implementation, including timeframes for consultations and progress against milestones; and
- genuine partnering with providers and other stakeholders to work towards a shared vision of high-quality aged care.

**The Aged Care Reform Scorecard is attached.**

**The following representatives of the AACC are available for interview:**

Paul Sadler CEO Aged & Community Services Australia (ACSA)  <b>Media contact:</b> <b>Jane Garcia (Essential) 0455 111 593</b>	Sean Rooney CEO Leading Age Services Australia (LASA)  <b>Media contact:</b> <b>Kate Hannon 08 6311 7809</b>
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#### **About the Australian Aged Care Collaboration**

The AACC is a group of six aged care peak bodies: Aged & Community Services Australia (ACSA), Anglicare Australia, Baptist Care Australia, Catholic Health Australia, Leading Age Services Australia (LASA) and UnitingCare Australia. Together, the AACC represents more than 1,000 organisations who deliver 70 per cent of aged care services to 1.3 million Australians, either in their own homes or in communal residential settings.



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**Aged care**

**reform scorecard**

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## Keeping track of aged care reform

Every one of us deserves a life of dignity as we get older. We deserve equal access to health and disability services whatever our age. We deserve to be cared for by an aged care system that works for us when we need it.

But we do not have the aged care system we deserve. Government after government has forgotten older people, leaving aged care underresourced and ignoring the advice on how to fix the system.

We finally have the chance to make real change. The Royal Commission has provided a once in a generation opportunity to fix a broken system. Importantly, in reflecting on past attempts to realise significant change in the aged care system, the Royal Commissioners issued a stern warning to the nation that “the critical issue for this report is how we as a nation are to avoid a repetition of the tragedy of the past”.

The Final Report has called on us all to listen to older Australians and realise transformational change of the aged care system.

In response the Government has embarked on an ambitious plan to reform the aged care system, based on the recommendations made by the Royal Commission.

If we are to avoid the tragedies of the past, we must monitor progress of the reform process to ensure it is on track to realise the intent of the Government when it called the Royal Commission.

**Australians must be able to trust that their loved ones will be cared for appropriately and the community should have confidence in the system.  
(Media release Prime Minister, Minister for Health, Minister for Senior Australians and Aged Care 16/9/18)**

To help keep track of the reforms, the AACC asked providers about their views on the reforms so far: are they on time, meeting expectations, and instilling confidence for the future?

The AACC plans to revisit these questions regularly, highlighting examples of timely progress, meaningful engagement, and achievement of milestones, as well as areas where delays or poor communication are threatening to derail the reforms.

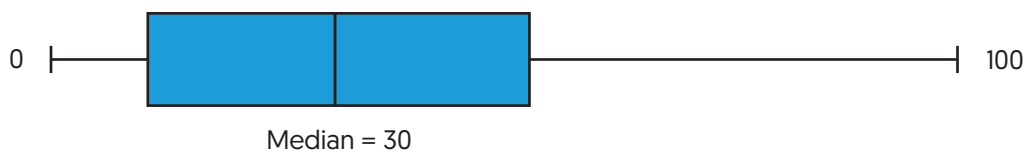
## Sector confidence in reform is low

We are only six months into the process of reform so there are few tangible ‘milestones’ against which the success of implementation can be measured. Serious concerns with the reform process are, however, already emerging. Survey responses indicate these concerns are driven by lack of transparency, ineffective consultation, perceived inattention to outcomes, and unclear commitments on a number of key issues on the part of the Government. The lack of an overarching roadmap or plan makes it difficult for older people and their families to see how the system is being reformed.

The sector is under immediate pressure from COVID-19, a workforce supply crisis, ongoing concerns about regulation and quality oversight, and unsustainable funding models. Combined, these mean that the ability of the average provider to consistently deliver high quality care and effectively meet the needs of residents and clients is compromised.

Consequently, even at this early stage, provider confidence in the reform process is low. Our survey found that the median (that is the middle) respondent was only 30% confident in the success of reform so far. Just a quarter of providers were more than 50% confident, with just two respondents giving ratings of 80% or more.

How confident you are in the **overall success of the aged care system reform process over the last 6 months?**



The Government’s response to the Royal Commission committed to giving older Australians greater access and choice and control. Measures included releasing more home care packages, removing restrictions on bed licences and providing more information to consumers. Reform is moving ahead in these areas, though there are some key details to resolve.

The Government made limited commitments, however, in relation to fixing the workforce challenges facing the sector. With the added pressure of COVID-19, these workforce challenges have evolved into a full-blown crisis for many providers, where people are being turned away from care because services do not have the staff to deliver it to them. Commitments to increase residential care staffing levels are a big positive, but there is no detail on funding to find or reward these staff with the conditions they deserve.

A series of regulatory changes have been made or are under way, but little attention has been given to ensuring that this actually improves care. The Government’s first regulatory change post-Royal Commission was to introduce changes to restrictive practices laws with insufficient consultation with industry about whether they would work in practice. These regulations have created confusion and additional administrative burden for providers, and uncertainty for families.



Key systems governance reforms such as the establishment of a Council of Elders are months overdue and no action appears to have been taken on the commitment to introduce a new inspector general for the system.

Meanwhile reliable access to quality care is being put a risk by the ongoing lack of adequate residential aged care funding. Most services are running at a loss, and some are on the verge of closing. Older people are the ones who will pay the price. While a new independent pricing authority is being created, this will take time. Lack of transparency means that residential aged care providers have little idea how much money they may or may not have to meet the needs of the older Australians they care for.

The AACC is calling for:

- a strategic response to the range of workforce issues;
- a consistent flow of information about reform implementation, including timeframes for consultations and progress against milestones; and
- genuine partnering with providers and other stakeholders to work towards a shared vision of high-quality aged care.

Survey comments:

**Although there is some consultation with industry on some issues, there is a lack of overall engagement with industry... The whole thing feels incredibly disjointed.**

**There should be combined and detailed project plan for all of planned reforms with clear milestones and accountability; and the plan needs to be shared with providers so that we can create our own implementation plans. [The various agencies and divisions of agencies involved in implementing the reforms] are implementing their specific parts of the reform agenda without regard for the other parts.**



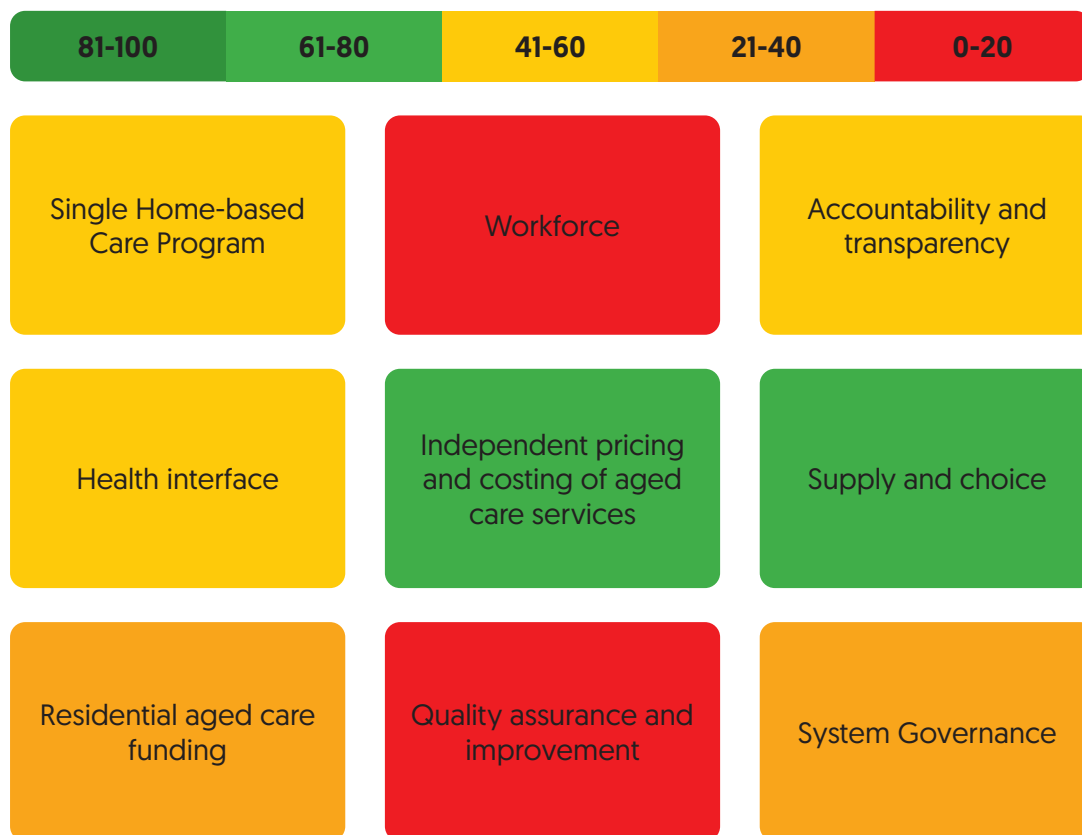
## Traffic light report on nine reform areas

The AACC has grouped elements of the Government's 'Five Pillars' reform program into nine outcome areas we must get right.

For each of these areas we have provided a traffic light rating based on survey responses that reveal the level of confidence in the implementation of the necessary changes to deliver real reform.

### Traffic light ratings for confidence in key reform areas

*[0 = not at all confident, 100 = completely confident]*



### Supply and choice

Although numbers were small, survey responses from workers suggested that they are more confident that choice will be improved for consumers than they are in other areas.

The AACC is fairly confident that the additional funding allocated for the 2021-22 and 2022-23 financial years is adequate to achieve significant progress towards, if not achievement of the goal to reduce the wait time for a package at the appropriate level to less than a month beyond 2022-23.

Progress towards allocation of residential places to the individual is also encouraging in terms of consumer choice, however a successful transition requires industry confidence and a clear plan for government market stewardship to guarantee minimum access standards in underserved markets.

Given the deterioration in capacity to find enough suitable workers across all types of care and all roles, as well as uncertainty about the level of service to thin markets, it is critical that there is an effective system of monitoring:

- the capacity of providers to meet demand and deliver additional packages,
- geographic distribution of service availability (including gaps), and
- wait times for initiation of services by a preferred provider.

We note there is NO provision in the Forward Estimates for further growth in demand for home services post 2022-23.

## Workforce

Aged care workers should be paid according to the value of the work they perform, and pay levels need to be sufficient to attract and retain skilled workers across the range of roles in the sector.

The current national shortage of workers is exacerbated in aged care by the wages gap that exists between aged care workers and those performing work of equivalent value in other sectors, including in the health sector.

The Government is implementing a number of workforce-related measures and we welcome that investment. Regular reports are needed on the take-up and effectiveness of these measures, including impact in rural and remote locations. It is however disappointing that the Government has not taken up the Royal Commission's recommendation to join with unions and providers in the Work Value case underway in the Fair Work Commission. This is a missed opportunity to take an active role in lifting the pay and conditions on offer to aged care workers in recognition of the contribution they make to the quality of life of older people.

Of the priorities respondents to our survey identified, 40% related to wages, staffing or workforce.

**Q. Looking forward to the next 6 months, please tell us what three priorities you think the Government should focus on (in any order).**

**A. Workforce PLEASE - we are at stage of not accepting new HCP clients in some areas**

**Workforce - without staff no amount of increased HCP funding will support our ageing population**

**Workforce - I just cannot stress enough the need to attract staff to the aged care workforce**





## Accountability and transparency

Regulation of providers needs to be effective and practical. We know that duplicative and burdensome compliance is adding to the workforce crisis: front line workers are leaving, managers are leaving, and leaders are leaving. Respondents are asking to reshape the relationship with providers: 'focus the regulator on resident care not compliance for the sake of it'.

The regulatory environment is overwhelming providers, with little perceived improvement in capacity to achieve consumer outcomes due to increasing compliance and reporting requirements without any resolution of structural funding issues. In many cases staff time and focus is being diverted away from the delivery of care, to administration.

There is support for regulatory visits as part of the quality assurance process, but a sense that the Government is taking a 'big stick' to the sector when providers need support for continuous improvement to internal governance structures.

**I am not confident any of the reforms have resulted in better care or outcomes for residents/consumers. It is more red tape, more compliance and even more frustratingly, they don't even provide regular reports on the data they collect... If I were in Government I would have really focused on the things that would make a difference to consumers - getting more workers into the industry, more money to pay good wages, more training opportunities, map out the career path and do some marketing for us (instead of always leaving it to the industry) about what a great industry it is to work in, more money for qualified staff (as we compete against the acute sector).**

## System governance

The AACC supports independence in key system roles. Although the Commissioners supported different models, both recognised the need for external mechanisms to oversight the reform process and the aged care system.

System governance is an area in which Government progress has been regrettably slow. Confidence that the system will deliver the right 'of everyone to the enjoyment of the highest attainable standard of physical and mental health' is foundational, and has not been delivered. The delay in the establishment of the National Aged Care Advisory Council and other oversight mechanisms has contributed to uncertainty about commitment to a 'human rights' based system, which is supported across a range of stakeholders.

The apparent absence of any kind of intergovernmental [National Cabinet] structure to focus on the growing needs of an ageing population is another ongoing concern, particularly when aged care is considered in the context of holistic delivery of primary and acute health services to consumers.



## Residential aged care funding

AACC members are seeking a funding approach that appropriately reflects the true cost of providing holistic care and supports. For providers to have confidence in the new AN-ACC system for residential aged care subsidies, they need to be able to understand the implications for their business and the older people that they support. Shadow assessment of current residents is progressing, to allow October 2022 implementation, however the Government has advised no data from this process will be available until at least April 2022. This compromises the ability of providers to prepare their budgets for 2022-23.

A notable number of survey respondents highlighted uncertainty about AN-ACC as a priority to be addressed in the next six months. Many providers, including rural and regional services, are unclear on how the new system will impact their viability, and the decision to abandon the stop loss policy has caused significant concern.

**The reform objectives are sound, in delivering choice, dignity and care to our residents... there does not seem to be acceptance at government level that the expectations of government, the regulator and to a large extent the community are not deliverable in a financially sustainable way with the current funding structure. The AN-ACC and independent pricing function MAY help to recognise and respond to this but this is not assured... we are unable to properly plan for the future and assess financial risks**

## Independent pricing and costing of aged care services

The sector believes that to achieve a sustainable funding regime it is critical that the new Independent Health and Aged Care Pricing Authority is independent; transparent; appropriately resourced; and supported by aged care-specific expertise.

Provider capacity to recruit and retain a quality workforce, to comply with mandated staffing levels and to implement fair wages and conditions for staff are all contingent on the full cost of the value of care work being reflected in subsidies for all forms of aged care.

Our survey indicated there continues to be significant uncertainty within the sector about the timing of reforms, transition, and impact on provider sustainability.

Government assurances that Budget allocations will be adequate to meet expectations are clearly not addressing the lack of confidence in future funding that was common among respondents.



## Health interface

Improving the aged care-health interface was a prominent recommendation of the Royal Commission. Although there are no milestones in this area it is concerning that there has been limited action from government, including through the Primary Health Networks.

This is a complex area requiring intergovernmental cooperation and strategies to involve practitioners – particularly GPs – in the cultural change needed to improve outcomes for older people. Anecdotally, there is resistance from some GPs to new restrictive practices regulation.

## Quality assurance and improvement

The design process is an opportunity for positive change informed by stakeholder expertise. The sector has had narrow opportunities for meaningful input on the design of reforms including the new 'care at home' program and the outcomes/star ratings systems. Providers are becoming increasingly concerned at the lack of commitment to co-design of measures. Consultations on quality indicators and the star ratings systems commenced after our 'reporting' period however we are aware of deep concerns around parameters that appear to have been determined ahead of discussions with stakeholders.

## Single Home-based Care Program

A significant amount of development work remains outstanding with implications for the attributes of the new program. Changes to residential respite introduced into Parliament as part of the second reform Bill are welcome. There is however no further information available about additional CHSP respite funding, nor how it fits with the design of the new single home care program.

Tight timelines are a given, however it is concerning that consultation has been limited in scope and opportunity, and there has been no advisory or reference group guiding reforms since the Aged Care Sector Committee was dissolved in June 2021.

It will be critical ensure that reforms aimed at providing a more comprehensive assessment of needs do not remove the flexibility of older Australians to make decisions about their care, or prevent care managers from quickly adapting services to rapid changes in need that might be brought on by an incident like a fall, or a carer needing to take an extended break.

## Confidence ratings against Royal Commissioners' principles for successful reform

In the final report on the Royal Commission, Commissioner Briggs outlined a list of principles that reform would need to achieve to deliver real transformation of the aged care sector, which were backed by Commissioner Pagone. We asked survey respondents to rate their confidence against these principles.

How confident are you that the reforms will **lead to a system that reflects the preferences and needs of older people?**



How confident are you that the reforms will **allow people to choose how they want to be cared for and by whom?**



How confident are you that the reforms **give older people fair and equal access to high quality aged care?**



How confident are you that the reforms ensure that **high quality aged care delivers the best possible outcomes for older people?**



How confident are you that the reforms deliver **an aged care system that is the very best it can be?**



How confident are you that the reforms underpin **an aged care system that is resilient, adequately funded and enduring?**





## About us

The Australian Aged Care Collaboration (AACC) is a group of six aged care peak bodies: Aged & Community Services Australia (ACSA), Anglicare Australia, Baptist Care Australia, Catholic Health Australia, Leading Age Services Australia (LASA) and UnitingCare Australia.

Together we represent more than 1,000 organisations that are responsible for about 70 per cent of the services delivered to the 1.3 million Australians receiving aged care-either at home or in communal residential settings.

Our members include not-for-profit providers, primarily church and other charity organisations, but also a number of private operators.



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