

# Residential Aged Care

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## AUSTRALIAN DEMOCRATS ACTION PLAN RESIDENTIAL AGED CARE HEALTH AND AGEING

*The Democrats value older Australians and acknowledge their immense contribution to the wellbeing of society. We want to see the aged live with dignity and to have safe and high quality services in residential aged care, regardless of ability to pay. Currently, about 160,000 Australians live in around 3000 aged care homes and this figure is set to grow by a whopping 215% in the next 40 years. In February 2007 the Government announced \$1.5b over 5 years for aged care. The Government has ruled out bonds for high care residents for the time being but these changes will see increasing accommodation charges for many older people – perhaps as a lead in to even more of a ‘user pays’ system. Some aged care homes will be worse off under the new system and it does not fix the growing gap between funding and the cost of care. The changes also don’t address the need for money to build all the extra aged care homes that will be needed.*

## Our Action Plan

- A National Institute for the Aged to provide advice on benchmarks of care, subsidies, responses to the needs of special groups, research needs, bed numbers and workforce planning, to collect data and regularly review accreditation
- National standards and data collection by Australian Institute of Health and Welfare on the health of residents
- A transparent process for determining annual indexation of operational subsidies and fee caps, that includes a capital component
- Tied funding to support high quality care and wage consistency with other health sectors
- Additional funding for dementia and palliative care supplements
- More resources for services for those with short-term medical needs such as IV therapy and complex needs including Aboriginal and Torres Strait Islanders and others from culturally and linguistically diverse communities
- Greater integration of residential aged care and GP, hospital and home-based services and discharge-from-hospital support programs and rehabilitation where appropriate
- Programs to promote health and well-being and, particularly, to prevent falls
- Funding to provide access to medical practitioners specialised in geriatrics

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- More flexibility in funding and, where appropriate, incentives for rural and remote aged care providers to co-locate with other community services
- A national workforce strategy including training in and development of seamless career pathways in aged care and wage incentives for training improvements
- Increase the number of undergraduate nursing places to the level recommended by the Hogan report
- Private hospitals required to meet their obligations to older Australians with private health insurance

## The issues

About 60% of residents in low-care nursing homes pay an accommodation bond – which can vary from \$50 000 to \$450 000 – and the average bond amount has been increasing. The number of ‘extra service’ beds is on the rise as nursing homes charge from \$10 to \$100 a day for better food and facilities.

The ‘additional supplement’ to operational grants for residential care that the Government introduced in 2004 is due to stop in 2008 and the operational grants will continue to fall behind the cost of care. There have been many changes in recent years but, as older Australians are now encouraged and supported to stay in their own homes for as long as possible, those who enter residential aged care are requiring higher levels of care and this has still not been recognised by current funding arrangements. There is a lack of national data on the health status and needs of residents of aged care facilities. This hinders care-planning.

Current funding does not allow providers to pay nurses and personal carers wages that are competitive. There is a lack of training places for skill development and career progression and little opportunity within aged care.

New residential care developments are rarely less than 60 beds and yet funding does not take account of the fact that rural residential care cannot achieve these economies of scale.

Residential care places have increased however, around 14,000 are not yet operational. One in four people wait longer than 3 months and 15%, more than 6 months. For many, this waiting time is spent in acute hospitals. Only 1500 of the promised 2,000 transitional care places have been allocated and only 595 places are actually operational.

Around 60% of people receiving nursing home or high care and 30% of those receiving hostel or low care have dementia. The Government’s funding for new palliative care and dementia supplements is to come from existing care funding, rather than provide additional money.

It can be difficult to attract specialists, for instance podiatrists, psychologists and physiotherapists and the costs are usually borne by residents. The incidence of severe oral diseases is many times greater for people in residential care than for those living in the community and neglect of dental hygiene often leads to more serious, life-threatening conditions.



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