

# Aged Care Roadmap

Aged Care Sector Committee

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# Foreword

In April 2015, the Australian Government tasked the Aged Care Sector Committee with developing a roadmap that sets out future reform directions for aged care.

As Chair of the Aged Care Sector Committee, I am pleased to present the Aged Care Roadmap which represents our views on what is needed to achieve a sustainable, consumer driven and market based system. While the Roadmap is a product of the Committee, we urge that it be used by current and future governments, industry and consumers to shape reforms in coming years.

The aged care system has undergone significant change in recent years to become more consumer focussed. Our aged care system is in transition and we need to ensure it is viable and sustainable into the future. We also need to ensure that it can support older people to maintain their independence and receive support and care that is sensitive and appropriate, where and when they need it.

Increased consumer choice will be a major change into the future. A fiscally sustainable aged care system that requires consumers to contribute to their care costs where they can afford to do so means that there will be increased consumer expectations for greater choice and control. The ability for consumers to choose who provides care and support will create a more competitive and innovative market. This, accompanied by an aged care sector that has more flexibility to respond to the increasing diversity of consumers' care needs, preferences and financial circumstances will contribute to a sustainable system.

In developing the Roadmap, the Committee observed that health, housing, superannuation, retirement incomes, enterprise bargaining and labour supply (through immigration) influence consumer and market behaviour in aged care. While the Committee felt that they were not directly in scope for the Roadmap, it was important to acknowledge these interdependencies.

The aged care sector welcomes the opportunities this Roadmap presents and looks forward to working with government to maximise the capacity of the aged care system, to become a consumer driven, market based sustainable aged care system.

We look forward to working with leaders in government, the aged care sector, research organisations, communities, consumers and other key stakeholders to ensure these opportunities are realised for our future aged care population.

**David Tune AO PSM**

**Chair, Aged Care Sector Committee**

**March 2016**

# Why Australia needs an Aged Care Roadmap

The Productivity Commission's 2011 Inquiry Report *Caring for Older Australians* recommended fundamental reform of the aged care system to address limited consumer choice, inconsistent inequitable Government subsidies and user contributions, and variable quality. Changes have been progressively introduced in response to the Commission's report and are delivering improvements.

The aged care system is operating more like a consumer-driven market, but further reform is needed to address information asymmetries and increase choice and control for consumers. Providers are seeking a lighter touch approach to regulation to allow innovation in how they deliver services. The system also needs to be affordable for individuals, fiscally sustainable for Government and the community.

The Aged Care Roadmap has been developed by the Aged Care Sector Committee to outline what is required to realise a sustainable, consumer-led aged care market, where consumers have increased choice and control of what care and support they receive, as well as where, how and when they receive it.

The Roadmap broadly aligns with and continues the changes that commenced with the Productivity Commission's recommendations. It takes account of the progress to date, and identifies areas for further action to respond to future challenges and transform aged care in nine key domains:

- How do consumers prepare for and engage with their aged care?
- How are eligibility and care needs assessed?
- How are consumers with different needs supported?
- How do we make dementia core business throughout the system?
- What care is available?
- Who provides care?
- Who pays?
- How will the formal and informal workforce be supported?
- How will quality be achieved?

The development of the Roadmap has been informed by key policy documents, including the Aged Care Sector Statement of Principles and the National Aged Care Alliance's Blueprint *'Enhancing the quality of life of older people through better support and care'* (June 2015).

**“The aged care system suffers key weaknesses. It is difficult to navigate. Services are limited, as is consumer choice. Quality is variable. Coverage of needs, pricing, subsidies and user co-contributions are inconsistent or inequitable. Workforce shortages are exacerbated by low wages and some workers have insufficient skills.”**

**Productivity Commission Inquiry Report 'Caring for older Australians' (2011)**

# Executive Summary

The Aged Care Roadmap sets out the path to a system where people are valued and respected, including their rights to choice, dignity, safety (physical, emotional and psychological) and quality of life. They (together with their families and carers) will have access to competent, affordable and timely care and support services through **a consumer driven, market based, sustainable aged care system**.

Key features of this system are:

**Consumers, their families and carers are proactive in preparing for their future care needs and are empowered to do so**

Older Australians will be proactive, and will be encouraged and supported to have early conversations about when they may require care and support. They will understand what options are available and how to use their own resources to meet their care needs. A range of appropriate information and support services (including independent advocacy) will be made available by government to enable informed decision making regarding care options.

**A single government operated assessment process that is independent and free, and includes assessment of eligibility, care needs, means and maximum funding level**

Any older person may seek an aged care assessment, including those with the means to self-fund their care and support, to help them to make informed choices about their care. The assessment will consider time limited and ongoing needs, taking into account physical and medical needs, emotional wellbeing, existing formal/informal support arrangements and individual circumstances. An assessment process, independent of providers, will be an essential pre-requisite for older people to receive government support and the assessment will determine the level of government funding based on a person's needs and their ability to fund their own care and support.

**Regardless of cultural or linguistic background, sexuality, life circumstance or location, consumers can access the care and support that they need**

Older people should be able to choose and access aged care, regardless of their individual circumstances, however they may require additional support to do so. Assessment of need will consider individual circumstances. Government-set core standards will require providers to treat all consumers with dignity and respect, not to discriminate, and to design services around the preferences and needs of individuals. There will be continued investment in improving providers' capacity to meet the diverse needs of consumers, and monitoring of access patterns to identify and address barriers so consumers are able to access the care they need.

**The community is dementia aware and dementia care is integrated as core business throughout the aged care system**

Older people with dementia have the same rights as all other people, however they may require additional support to exercise choice and access services. Government and providers will continue to work together to ensure dementia care is evidence based and research is translated into improved dementia care and services in a timely way. Providers will have good dementia awareness and be able to identify and appropriately refer consumers requiring dementia support.

**A single aged care and support system that is market based and consumer driven, with access based on assessed need**

Aged care and support will be delivered based on consumer need. Consumers will be able to choose the setting (be it in a person's home, in the community or in a residential setting) and the types of care and support they receive. Care and support will be available on an episodic, short term early intervention/restorative, and ongoing basis. Government will no longer regulate the number or distribution of services. The market will respond to consumer demand, however when it doesn't or can't respond, government will act as a safety net to ensure services are available and accessible to those in need.

**A single provider registration scheme that recognises organisations registered or accredited in similar systems, and that has a staged approach to registration depending on the scope of practice of the providers**

Providers will have greater flexibility and incentive to develop innovative and responsive services that respond to consumer needs and expectations. They will be registered to provide care and support, based on their scope of practice, and similar registration or participation in other accreditation systems will be recognised for particular categories of registration. Providers who wish to receive government contributions and list on My Aged Care must be a registered or recognised provider.

**Sustainable aged care sector financing arrangements where the market determines price, those that can contribute to their care do, and government acts as the 'safety net' and contributes when there is insufficient market response**

Consumers will be primarily responsible for their accommodation and everyday living costs, as they have been throughout their lives. Providers will determine how much they expect consumers to pay for their accommodation/everyday living, and care/support costs. Government will set and publish reasonable prices it will pay on behalf of consumers who cannot afford to fully meet their own costs. Consumers' lump sum payments will be protected.

**A well-led, well-trained workforce that is adept at adjusting care to meet the needs of older Australians**

The aged care sector will be considered a desirable and rewarding place to work, with providers attracting and maintaining a well-led, flexible and responsive workforce. Unpaid carers and volunteers will continue to be supported and recognised as having an important role in caring for older people. Networks and partnerships between the aged care and other industries (education, research and employment) will boost supply, and the needs of care industries (aged care, health, disability and child care) will be considered in the development of government policies and programmes.

**Greater consumer choice drives quality and innovation, responsive providers and increased competition, supported by an agile and proportionate regulatory framework**

Consumer protections will include core standards, compliance and an independent complaints mechanism, with providers required to meet core standards based on their registration category and scope of practice. Government will have a more proportionate regulatory framework that gives providers freedom to be innovative, whilst ensuring a safety net for consumers. Platforms will exist for providers to market their services, including by demonstrating the quality of what they deliver beyond these consumer protections. Consumers will drive quality and innovation by exercising choice as to which provider/s they use.

# Planning for the Future at a Glance\*

Domain	Short Term (within 2 years)	Medium Term (3–5 years)	Long Term (5–7 years)	Destination
<b>How do consumers prepare for and engage with their aged care?</b>	<ul style="list-style-type: none"> <li>Promote positive societal attitudes about aged care and benefits of talking about and planning for aged care.</li> <li>Improve access to information and support services, including advocacy.</li> <li>Co-design strategies to support consumer empowerment.</li> <li>Start building the narrative around social expectations – who is responsible for what decisions and who has to pay by starting to communicate why long term change is needed.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to highlight the individual benefits of talking and planning early and increasing awareness of home care services.</li> <li>Continue to support informed consumer choice by enhancing information published on My Aged Care.</li> <li>Implement measures to support greater consumer empowerment based on the co-design process.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to build long term messaging, based on ongoing evaluation.</li> <li>Continue to expand My Aged Care to become a core component of a virtual aged care market.</li> </ul>	Consumers, their families and carers are proactive in preparing for their future care needs and are empowered to do so
<b>How are eligibility and care needs assessed?</b>	<ul style="list-style-type: none"> <li>Rollout of a national screening and assessment framework.</li> <li>Implement a single assessment process for eligibility, care needs and funding level for home care.</li> </ul>	<ul style="list-style-type: none"> <li>Establish an integrated assessment workforce.</li> <li>Establish an assessment process for eligibility, needs and funding levels for the new integrated care at home programme.</li> </ul>	<ul style="list-style-type: none"> <li>Single assessment framework extended to cover residential and flexible care, and becomes service agnostic.</li> </ul>	A single government operated assessment process that is independent and free, and includes assessment of eligibility, care needs and maximum funding level
<b>How are consumers with different needs supported?</b>	<ul style="list-style-type: none"> <li>Identify barriers that constrain access and choice for consumers and implement strategies to address these.</li> <li>Identify information and support needs of providers serving consumers with different needs and develop information products to help them prepare for the long term.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing evaluation, review and enhancement of information and support products.</li> <li>Government and providers will monitor and adapt strategies that address barriers to access and choice for consumers.</li> </ul>	<ul style="list-style-type: none"> <li>Government and providers will continue to monitor and adapt strategies that address barriers to access and choice for consumers.</li> </ul>	Regardless of cultural or linguistic background, sexuality, life circumstance or location, consumers can access the care and support they need
<b>How do we make dementia care core business throughout the system?</b>	<ul style="list-style-type: none"> <li>Consolidate existing dementia programmes.</li> <li>Identify information and support needs of people with dementia and their informal carers and develop information products to assist these people to prepare for the long term.</li> </ul>	<ul style="list-style-type: none"> <li>An appropriately knowledgeable and skilled workforce delivers quality care to people with dementia.</li> <li>Quality, consumer directed dementia care is core business.</li> <li>Government to increase the number of specialist dementia care units for people with extreme and very severe behavioural and psychological symptoms associated with dementia.</li> </ul>	<ul style="list-style-type: none"> <li>Government and providers continue to work together to ensure dementia care is evidence based, and research knowledge is translated into care in a timely manner resulting in improved quality of services.</li> </ul>	The community is dementia aware and dementia care is integrated as core business throughout the aged care system
<b>What care is available?</b>	<ul style="list-style-type: none"> <li>Government will reduce controls on distribution of places and pilot allocation of places with minimal regional restrictions.</li> <li>Develop robust modelling for estimating future demand.</li> <li>Home Care Package consumers choose any provider to deliver care and packages are portable.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor unmet demand and supply patterns to inform removal of supply controls in aged care.</li> <li>Cease the allocation process for residential care places.</li> <li>Amalgamate existing home care programmes to form an integrated care at home programme with individualised funding that follows the consumer.</li> </ul>	<ul style="list-style-type: none"> <li>Seamless movement between home based and residential care with true consumer choice of care and provider across the spectrum.</li> <li>Uncap supply.</li> <li>Remove distinction between care at home and residential care, creating a single aged care system – agnostic as to where care is received.</li> </ul>	A single aged care and support system that is market based and consumer driven, with access based on assessed need
<b>Who provides care?</b>	<ul style="list-style-type: none"> <li>Streamline process for approved providers of one type of care to apply to provide another type of care.</li> <li>Scope changes needed to move 'approved provider' to 'registered provider' status.</li> </ul>	<ul style="list-style-type: none"> <li>Establish categories of registration for providers.</li> <li>Commonwealth Home Support Programme and Home Care Programme providers transition to care at home registered providers.</li> </ul>	<ul style="list-style-type: none"> <li>Transition remaining approved providers to registered providers.</li> <li>Implement capacity for 'mutual recognition' of similar registration/accreditation systems.</li> </ul>	A single aged provider registration scheme that recognises organisations registered or accredited in similar systems, and that has a staged approach to registration depending on the scope of practice of the providers
<b>Who pays?</b>	<ul style="list-style-type: none"> <li>Undertake work on current funding, financing and means testing arrangements in order to establish longer term financing arrangements.</li> <li>Determine the market informed price government is prepared to pay.</li> <li>Examine alternative arrangements to the Bond Guarantee Scheme.</li> </ul>	<ul style="list-style-type: none"> <li>New financial products are available to support consumer choice.</li> <li>Measures are in place to enable continued access for vulnerable consumers including additional government assistance if required.</li> <li>Integrate fee arrangements for home care and Commonwealth home support to support the new care at home programme.</li> <li>Reform or replace the Bond Guarantee Scheme.</li> </ul>	<ul style="list-style-type: none"> <li>Means test all income and assets.</li> <li>A consumer will receive the same government contribution, regardless of whether they are receiving care and support in their home or in a residential setting.</li> </ul>	Sustainable aged care sector financing arrangements where the market determines price, those that can contribute to their care do, and government acts as the 'safety net' and contributes when there is insufficient market response
<b>How will the formal and informal workforce be supported?</b>	<ul style="list-style-type: none"> <li>Clarify the roles of government and providers on workforce matters.</li> <li>Leverage government programmes that will boost workforce supply.</li> <li>Develop an integrated plan for carer support services.</li> </ul>	<ul style="list-style-type: none"> <li>Develop career structures and pathways within aged care and across care and community services sectors.</li> <li>Implement actions from the integrated plan for carer support services to support unpaid carers.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to implement actions from the integrated plan for carer support services to support unpaid carers.</li> </ul>	A well-led, well-trained workforce that is adept at adjusting care to meet the needs of older Australians
<b>How will quality be achieved?</b>	<ul style="list-style-type: none"> <li>Government co-designs and pilots a single set of core aged care standards.</li> <li>Publish information on My Aged Care about providers' performance against standards.</li> <li>Consumer choice supported by better information to drive competition and quality.</li> </ul>	<ul style="list-style-type: none"> <li>Implement the single set of core aged care standards.</li> <li>Providers grow capacity to support co-regulation and earned autonomy.</li> <li>Publish differentiated performance information on core standards and quality indicators on My Aged Care in order to continue to drive competition and quality.</li> </ul>	<ul style="list-style-type: none"> <li>Review of aged care standards.</li> <li>Fully implement co-regulation and earned autonomy.</li> <li>Government does not regulate beyond consumer protections (core standards).</li> </ul>	Greater consumer choice drives quality and innovation, responsive providers and increased competition, supported by an agile and proportionate regulatory framework

A consumer driven, market based, sustainable aged care system

\*The short, medium and long-term actions highlighted in this table are a subset of all the actions, as outlined in the individual nine domain pages.

# How do consumers prepare for and engage with their aged care?

## What's currently in place?

My Aged Care is the entry point into the aged care system. It assists older people, their families and carers to access aged care information, and find Commonwealth funded aged care services in their local area. It includes a website, contact centre, central client record, web-based portals for consumers, assessors and service providers and the ability for providers to self-manage information about the services they deliver. Current support services for existing and/or potential aged care consumers include advocacy programmes, Community Visitors Scheme, Home Care Today website, Financial Information Service and Aged Care Complaints Scheme.

## Why does it need to change?

There is a reluctance by older people to discuss and plan for their future aged care. Too often the first point of contact with the aged care system and decisions regarding aged care needs are made during a time of crisis. It is important to change societal attitudes, culture and behaviour about aged care so that older Australians welcome the opportunity to have a conversation about their aged care needs early. To become empowered to make informed decisions and exercise choice, consumers need ready access to reliable and easy to navigate information about aged care and for some consumers, access to other supports that assist them to take control.

**“Consumers will be viewed as active partners throughout the care journey and be part of decision making processes. They will be given the resources and information they need to make informed decisions.”**  
**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

#### Attitudes

- Promote positive societal attitudes about aged care and benefits of talking about, and planning for aged care.
- Celebrate successes and achievements.
- Start making the journey about the consumer — what do we want the consumer/consuming public to be saying about the system and about the reforms.
- Start building the narrative around social expectations — who is responsible for what decisions and who has to pay by starting to communicate why long term change is needed and societal benefits of change.
- Messaging can be more sophisticated for those already in the system because they have greater baseline awareness.

#### Information

- Improve access to information and services, including through My Aged Care functionality, to adequately support all consumers, irrespective of their level of knowledge of aged care, by:
  - > access to quality information and reviews of services;
  - > self-assessment and registration;
  - > access to information on the fees and costs of a full range of aged care services;
  - > access to information for Commonwealth and privately funded services;
  - > publication by providers of their policies on staffing levels and qualifications for their services; and
  - > continue to build My Aged Care brand awareness.

- Consider how we can more effectively leverage natural intermediaries (e.g. GPs, counsellors, community, pharmacists, assessors, financial advisors) to reinforce messages.
- Support for people with dementia, cognitive impairment and special needs to ensure that they can access, understand and use information and services — including information about the quality of services from a consumer perspective — to support choice, informed decision-making and access to care and support that meets their needs.
- The 2016–17 Legislated Review will consider the effectiveness of arrangements for facilitating access to aged care services.

#### Empowerment

- Undertake process of co-design with consumers and the sector as to how to support greater consumer empowerment, fully incorporating the needs of specific groups (including Aboriginal and Torres Strait Islanders; people from culturally and linguistically diverse backgrounds; homeless people; and Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) people).
- Implement new aged care advocacy programme following review of existing services and considering context and linkage to other support services. Support services are co-designed with consumers.

### Medium term (3–5 years)

#### Attitudes

- Continue to highlight the individual benefits of talking and planning early and increasing awareness of home care services.
- Identify whether consumers not yet in the system have shifted in their attitudes and readiness to engage with aged care. If not, continue as previously.
- If there has been increased consciousness of aged care issues, build on the messaging to influence societal attitudes and expectations, with more detail about the consequences of inaction and benefits of change.
- Consumers understand the opportunities and potential benefits of equity release and are supported to identify low risk products.

#### Information

- Information published on My Aged Care includes transparent information about the quality of individual services from a consumer perspective to support quality improvement, choice and informed decision-making.
- Build My Aged Care brand awareness and also brand attributes (trusted, easy to use, secure, helpful) to create positive brand associations among consumers and intermediaries.

#### Empowerment

- Implement measures to support greater consumer empowerment based on the co-design process.

### Long term (5–7 years)

#### Attitudes

- Continue to build on long term messaging, as appropriate given how far consumer attitudes have moved on (based on ongoing evaluation).

#### Information

- My Aged Care to continue to be expanded to become a core component of a virtual aged care market.

## Destination

**CONSUMERS, THEIR CARERS AND FAMILY ARE PROACTIVE IN PREPARING FOR THEIR FUTURE CARE NEEDS AND EMPOWERED TO DO SO.**

Societal attitudes about aged care are positive.

Providers and consumers have the same understanding of aged care being individualised with consumer choice.

Consumers are proactive, and discuss and plan ahead for when they may require care and support.

Aged care is available for all those in need, and those who can contribute will. People will understand that this may mean utilising their assets more fully.

Consumers, their carers and family, regardless of their individual needs and circumstances are empowered to take control and make informed decisions regarding their care and support needs.

To support this:

- information is provided on My Aged Care, but it is acknowledged that information may come from different sources (government responsible for making My Aged Care as accessible and user friendly as possible to meet consumer needs);
- support services including improved advocacy and other support mechanisms are available (co-design of support services so they best meet need, supported by government funding);
- quality standards that drive change (e.g. focussed on partnership and choice) are introduced;
- informal networks are utilised to empower consumers with their decision making;
- providers are also actively committed to and engaged in empowering consumers; and
- peer to peer support programmes are available.

Consumers, their carers and families are supported to access information and to make well informed decisions.

Intermediaries (e.g. GPs, counsellors, community, pharmacists, assessors, financial advisors) are well informed and able to provide information and support to consumers.

# How are eligibility and care needs assessed?

## What's currently in place?

Consumers currently seeking government funded aged care services contact My Aged Care in the first instance. My Aged Care contact centre staff ask them a number of questions in order to understand their needs. Consumers may then be referred to either a Regional Assessment Service (RAS), for consumers who have entry level aged care needs; or an Aged Care Assessment Team (ACAT), for consumers who have more complex aged care needs.

Consumers are prioritised for assessment depending on their needs and circumstances. Once assessed by either a RAS or an ACAT, the consumer is referred to potential providers to begin receiving care. Providers determine who receives care based on availability and the provider's view regarding relative need. Funding level is determined in a variety of ways, largely based on the assessment by providers.

In home care, the aged care provider will also assess the consumer (in more detail) in order to develop a care plan that is fit for purpose and consumer directed in its approach. The residential aged care provider assesses the consumer's care needs including using the Aged Care Funding Instrument to determine the government subsidy payable for that consumer.

A Carer Gateway is in place to provide practical information and resources to support carers.

## Why does it need to change?

For assessment to fully cater to an individual consumer's needs, a single assessment pathway that is holistic in approach and assesses eligibility, care needs (including access to early intervention models, restorative approaches or longer term care options) and maximum funding levels is necessary. Increased choice for consumers means they will want a more integrated assessment process for all care types.

An efficient and effective assessment will recognise the substantive difference between a 'need' and a 'desire' and provide a mechanism to ensure appropriate use of government funds. An assessment that is independent of providers and forms the basis of government contributions will also enable greater transparency, impartiality and portability of funding.

**“By 2050, it is expected that over 3.5 million older Australians will access aged care services each year, with around 80 per cent of services delivered in the community.”**

**Caring for Older Australians,  
Productivity Commission Report, 2011**

## What needs to be done?

### Short term (within 2 years)

- Full rollout of National Screening and Assessment Framework (NSAF) — to ACATs and RASs.
- Develop and implement a single consumer-centred assessment process for eligibility, care needs and funding level for home care in 2017.
- Develop a prioritisation approach to prioritise client's access to Home Care Packages.
- Modelling to determine criteria for and frequency and nature of reassessment in integrated care at home programme.
- Development of the Integrated Plan for Carer Support Services.
- Ensure people with cognitive impairment are supported to access and participate as informed participants in assessment processes to ensure their needs are met, including carer needs.

### Medium term (3–5 years)

- Establish:
  - >an integrated assessment workforce; and
  - >an assessment process for eligibility, needs and funding levels for the new integrated care at home programme (Commonwealth Home Support Programme and Home Care Packages Programme).

### Long term (5–7 years)

- Extend assessment framework to cover residential care and flexible care — become service agnostic.

## Destination

**A SINGLE GOVERNMENT OPERATED ASSESSMENT PROCESS THAT IS INDEPENDENT AND FREE, AND INCLUDES ASSESSMENT OF ELIGIBILITY, CARE NEEDS AND MAXIMUM FUNDING LEVEL.**

Government will fund and operate a service for assessing eligibility, care needs and maximum funding level, independent of providers, and free of charge.

The assessment will:

- take into account the physical and medical needs, emotional wellbeing, existing formal/informal support arrangements and individual circumstances (all factors that may influence the care and support that a consumer requires);
- not be for a particular care type (e.g. care at home or residential setting);
- determine whether care needs are time limited or ongoing;
- determine the level of need which will inform the level of funding from the government (subject to a means test); and
- be a prerequisite/requirement for government funding.

Consumers will choose how these care needs are met (setting) and how to deploy both their personal and government contributions.

Consumers who are fully self-funding (i.e. 100% personal contributions) may utilise the assessment and the information offered through My Aged Care to make informed choices regarding their care needs.

Government will determine criteria regarding reassessment/review as needs change.

There will be early identification of carer needs and planning supports or services. This will assist in reducing the reliance on more costly and reactive or crisis services, such as emergency respite.

Carers will have their needs consistently assessed and be supported in locating and accessing the services available to them.

Government will have a transparent process to forecast expenditure that is linked to eligibility and assessment of consumers.

# How are consumers with different needs supported?

## What's currently in place?

Older Australians with different needs accessing aged care are supported through a variety of programmes and services. Government funding supports the National Ageing and Aged Care Strategy for People from Culturally and Linguistically Diverse (CALD) Backgrounds, National Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) Ageing and Aged Care Strategy, a linking service, Commonwealth Home Support Programme Assistance with Care and Housing for the Aged, the National Aboriginal and Torres Strait Islander Flexible Aged Care Programme, Dementia and Aged Care Services Flexible fund, interpreting services for government funded aged care providers, and a Viability Supplement for rural and remote providers. Furthermore, the Charter of Care Recipients' Rights and Responsibilities — Residential Care and the Home Care Common Standards include equity and access to care that takes into account the unique characteristics and circumstances of each consumer. The government plays an important role in addressing barriers for consumers with different needs where there is an insufficient market response.

## Why does it need to change?

Ensuring consumers with different needs are supported is imperative to enable a truly consumer driven aged care system. Whilst the current system has supports for providers to meet the needs of individual groups, the move to a more market based model will require innovation to ensure equitable access and the unique and individual needs of consumers are being appropriately, safely and/or sensitively met. Consumers need to be assessed and receive services based on their individual needs, rather than categorised into groups (e.g. CALD or LGBTI). Providers need to build their capacity and be responsive to the diversity and individual needs of consumers as core business and government needs to monitor access.

**“...services, which include care, assessment and information provision by service providers and Government will be delivered to consumers in a safe and effective manner that is responsive to and respectful of diversity.”**

**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

- Review the Aged Care Financing Authority's (ACFA) analysis and co-design changes designed to provide a sustainable basis for rural and remote service provision.
- ACFA undertaking an analysis of cost neutral mechanisms to ensure access to care for supported residents.
- Government and providers to identify information and support needs of providers serving consumers with different needs and develop information products that help them prepare for long term.
- Government will administer open grant funding rounds under the Dementia and Aged Care Services Fund, and will consult with groups representing older people with diverse social and cultural needs to set key priority areas for those rounds.
- Government and providers will engage with consumers and measure consumer experience to:
  - > identify barriers that constrain access and choice for consumers (particularly special needs groups) in the current system.
  - > co-design strategies with consumers and the sector to address barriers that constrain access and choice for consumers (particularly special needs groups).
- The 2016–17 Legislated Review will consider the effectiveness of arrangements for protecting equity of access to aged care services for different population groups.

### Medium term (3–5 years)

- On-going evaluation, review and enhancement of information and support products.
- Note: actions referred to in other sections of the Roadmap will also impact on how consumers with different needs are supported, including:
  - > What care is available?
  - > Who pays?
  - > How do consumers prepare for and engage with their aged care?
- Government and providers will monitor and adapt, as necessary, the strategies in place to address barriers that constrain access and choice for consumers.

### Long term (5–7 years)

- Note: actions referred to in other sections of the Roadmap will also impact on how consumers with different needs are supported, including:
  - > Who pays?
  - > How do consumers prepare for and engage with their aged care?
- Government and providers will monitor and adapt, as necessary, the strategies in place to address barriers that constrain access and choice for consumers.

## Destination

**REGARDLESS OF CULTURAL OR LINGUISTIC BACKGROUND, SEXUALITY, LIFE CIRCUMSTANCE OR LOCATION, CONSUMERS CAN ACCESS THE CARE AND SUPPORT THEY NEED.**

Assessment of need will consider individual circumstances (i.e. cultural and linguistic background, sexuality, life circumstance, geographic location).

Government and providers will continue to invest in improving capacity of providers to meet the diverse needs of consumers.

Government will set core quality standards to continue to reflect a requirement for all providers to treat all consumers with dignity and respect, not to discriminate, and to design services around the preferences and needs of individuals. These standards will require providers to demonstrate an understanding of and respond to the characteristics of the communities in which they function.

Market will continue to develop services catering to specific special needs groups (such as services specialising in provision of care for: Aboriginal and Torres Strait Islanders; people from Culturally and Linguistically Diverse (CALD) backgrounds; Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) people; and homeless people). My Aged Care will enable consumers to select providers that best meet their needs.

Government will monitor access patterns to identify and address any barriers so that consumers will be able to access the care that they need, regardless of cultural and linguistic background, sexuality, life circumstance or location.

Where there is insufficient market response or to support services targeting certain special needs groups, additional government assistance will continue to be provided.

Consumers will continue to have access to independent advocacy services, should they wish to access them.

# How do we make dementia care core business throughout the system?

## What's currently in place?

Government funds a suite of mechanisms to provide support to people with dementia and their carers, as well as aged care providers. These programmes represent a small proportion of the broader support available to all people, including those with dementia and their carers, through the aged care system. The National Framework for Action on Dementia 2015–2019 (the Framework) presents seven priority areas for action to reduce the risk of dementia and improve outcomes for people with dementia and their carers. The Framework draws on current evidence to promote dementia friendly societies and delivery of consumer-focused care.

## Why does it need to change?

After the age of 65 the likelihood of developing dementia doubles every five years. Around 70 per cent of Australians with dementia are living in the community. Over 53 per cent of people living in aged care homes have a diagnosis of dementia. Dementia has a profound life-changing impact — not only on the person with dementia, but their family members, friends and carers. Dementia is one of the major reasons why older people enter residential aged care or seek assistance to continue to live in their own homes.

There is the need to build capacity to ensure all providers are skilled at providing appropriate services for people with dementia, given the current prevalence of dementia in Australia and the projected rise in the future. In addition, a lack of awareness and understanding of dementia contributes to communities functioning in a way that is not always inclusive of people with dementia and their carers.

**“Fundamental reform is required to overcome the delays, discontinuities, constraints and shortages that currently exist, and to respond to future challenges... an increasing incidence of age-related disability and disease, especially dementia.”**

**Caring for Older Australians,  
Productivity Commission Report, 2011**

## What needs to be done?

### Short term (within 2 years)

- Government to undertake analysis of Dementia Programmes, and consolidate and simplify the existing programme structure, addressing duplication and overlap.
- Government and providers to:
  - > identify information and support needs of people with dementia and their informal carers; and
  - > develop information products that help people prepare for the long term and provide these resources through a one-stop-shop.
- Government will administer open grant funding rounds under the Dementia and Aged Care Services Fund, and address a range of dementia specific needs through setting key priority areas for those rounds.
- The 2016–17 Legislated Review will consider the effectiveness of arrangements for protecting equity of access to aged care services for different population groups.

### Medium term (3–5 years)

- Dementia is core business in aged care. Aged care providers ensure they have an appropriately knowledgeable and skilled workforce to deliver quality care to people with dementia.
- Services are provided within a consumer-directed care philosophy, delivered in a person-centred way where individual needs and preferences are identified and met where possible.
- Government supports and facilitates the sharing of information about quality dementia care models between providers.
- Government (Commonwealth and state/territory) agree to increase the number of specialist dementia care units for people with extreme and very severe behavioural and psychological symptoms associated with dementia.

### Long term (5–7 years)

- Government and providers continue to work together to ensure dementia care is evidence based, and research knowledge is translated into care in a timely manner resulting in improved quality of services.

## Destination

**THE COMMUNITY IS DEMENTIA AWARE AND DEMENTIA CARE IS INTEGRATED AS CORE BUSINESS THROUGHOUT THE AGED CARE SYSTEM.**

People with dementia are valued and respected, including their rights to choice, dignity, safety (physical, emotional and psychological) and quality of life. They [together with their carers and families] have access to competent, affordable, timely care and support services.

People with dementia, their carers and families receive care and support services when needed without discrimination. Social participation is actively supported, and an approach that promotes enablement, wellness and inclusion is adopted.

Consumers and family members will be encouraged and supported to have conversations early regarding their aged care plan/wishes.

Providers have good dementia awareness and are able to identify and appropriately refer consumers requiring dementia support — dementia is core business.

Government will facilitate the sharing of information to support providers to build capacity and to promulgate and design quality models of dementia care based on evidence/research. This is in recognition of the growing need for dementia awareness across aged care and the lack of consensus regarding best practice care models.

Where there is insufficient market response or to support services targeting people with dementia, additional Government assistance will continue to be provided.

The assessment process (described above under Assessment) will take into account the impact of dementia on the care needs of consumers. Informal carers are supported and integrated as partners in care.

The system is equipped to meet the needs of current consumers and the increasing demand it will face in the future.

Care and treatment of people with dementia will include the identification and management of triggers or unmet needs to prevent and/or manage the Behaviour and Psychological Symptoms of Dementia (BPSD).

People with dementia exhibiting BPSD will have a comprehensive assessment by an appropriately skilled and resourced care team so that tailored strategies are developed to identify the consumer's needs to prevent and/or manage BPSD.

All dementia related activities including policies and practices adopt an evidence-based and consumer-centred approach. Areas where the evidence base is inadequate are prioritised for future research.

Government will continue to provide funding for dementia research.



# What care is available?

## What's currently in place?

More than one million people currently receive aged care services in Australia, with the vast majority receiving support at home. Currently aged care is a complex, siloed system, with multiple government defined care types. These include basic home support and assistance (e.g. meals, transport, home maintenance), restorative type care, as well as ongoing support, personal and clinical care. Care can be provided in a person's home, in community settings, or in a residential setting. Aged care services and care types are rationed, with Government determining the overall supply and distribution through the use of population-based service provision target ratios (growing from 113 places for every 1,000 people aged over 70 years to 125 places by 2021–22) and the allocation of grants. Government has a role in providing assistance to address insufficient market response, through flexible funding streams and capital grants. However, as with the rest of the system, these are limited.

## Why does it need to change?

Older Australians want more control, choice and better access to the services they need. Most people want to remain in their own homes for as long as possible.

By 2050, over 5 million older Australians will access aged care services. The current complex system contains care types which act independently of each other, as a result of fixed care settings and funding streams. This restrains the ability for a consumer to easily transfer between and choose services they need, and restricts smooth transition throughout the aged care system as their care needs change. Australia needs a single aged care and support system where consumers have choice and control and can access services as they need them, whether this be on a short term, episodic or ongoing basis. Regulating supply through the distribution, location and quantity of services impacts on consumer choice. There is the need to ensure equitable access and flexibility of location and supply of services. A market based aged care system, with no silos based on care settings and funding streams, can more efficiently deliver appropriate care and support to everyone with an assessed need.

**“Consumers will have access to the care they need when and where they need it...”**

**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

- Government will reduce controls on distribution of places (e.g. by simplifying the current process for transferring allocated and provisionally allocated places between approved providers).
- Develop robust modelling for estimating future demand, in conjunction with financial modelling and the 2016–17 Legislated Review.
- Reduce the red tape associated with managing residential aged care provisionally allocated places.
- Conduct sector modelling and consult with sector as part of investigation of transition to a single service system.
- Pilot Aged Care Approvals Round (ACAR) with minimal regional restrictions. Categories may include:
  - > adequately bedded;
  - > close to benchmarks with some growth; and
  - > under bedded.
- Allow movement of residential places between regions (under current legislation) while ensuring protection for regions that are significantly under planning benchmarks.
- Grow the number of Home Care places (10%) faster than the growth of population of people aged over 70 (4%).
- Providers no longer have to apply for home care places through the ACAR. However, supply cap remains.
- Home Care Package (HCP) consumers can choose any approved provider to deliver their care, and have more choice about what services they receive. Packages will be portable allowing consumers to change their service provider.
- Monitor the impacts of consumer directed care and package portability on consumers to identify benefits and respond to any unintended consequences.

- Implement change management project to support the Commonwealth Home Support Programme (CHSP) sector to implement and build on wellness approaches across their organisations at both business practice and service delivery levels.
- New Short Term Restorative Care (STRC) Programme established and allocation of places commence.
- Consider future policy, taking into account Aged Care Financing Authority analysis regarding the issues affecting the financial performance of providers operating in rural and remote locations.

### Medium term (3–5 years)

- Allow home care consumers choice to receive home care payments directly or to direct payments to third parties of choice (e.g. service provider/s or care coordinator).
- Monitoring of unmet demand and supply patterns to help inform timing and sequencing of uncapping supply, with a decision to be made in 3–5 years.
- No ACAR for residential places (funding follows consumer).
- HCP and CHSP combine to form an integrated care at home programme.
- There will be:
  - > predominantly individualised funding that follows the consumer;
  - > additional government assistance where there is insufficient market response; and
  - > block funding (e.g. grants to providers) where considered most appropriate/efficient.

- Some of the key issues to be considered in the development of an integrated care at home programme include:
  - > eligibility and assessment;
  - > linkage of funding to consumer needs;
  - > user contributions and fees;
  - > requirements for service providers;
  - > balance between individualised funding and block funding;
  - > implications for quality, complaints and compliance processes;
  - > interface with other programmes, e.g. National Disability Insurance Scheme, health services and programmes administered by the Department of Veterans' Affairs; and
  - > change management and transitional arrangements.
- Providers will review and adapt their business models to respond to consumer preferences under an integrated care at home programme.
- A consistent national approach to prioritising access to care at home developed in consultation with the aged care sector.
- STRC places continue to be allocated.
- Review STRC and Transition Care Programme (TCP) policy frameworks in line with how they sit as part of or alongside a single subsidy system.

### Long term (5–7 years)

- Seamless movement between home based and residential care with true consumer choice of care and provider across the spectrum.
- Uncap supply.
- Remove distinction between care at home and residential care, creating a single aged care system — agnostic as to where care is received.
- Implement outcomes of the review of the STRC Programme and TCP.

## Destination

**A SINGLE AGED CARE AND SUPPORT SERVICE SYSTEM THAT IS MARKET-BASED AND CONSUMER-DRIVEN, WITH ACCESS BASED ON ASSESSED NEED.**

Consumers assessed with having care needs will be able to access appropriate care.

The market will determine the nature, location and quantity of services. Government will no longer regulate the number or distribution of services.

Consumers will be able to choose:

- the setting (e.g. at home or in a residential setting); and
- type of care and support they will access.

Providers have greater flexibility and incentive to develop innovative and responsive services that respond to consumer needs and expectations including episodic, early intervention and restorative care programmes.

Where there is insufficient market response, additional government assistance will continue to be provided.

# Who provides care?

## What's currently in place?

Three distinct markets currently exist.

1. A government funded market that requires potential providers to undergo an approval process to be eligible to provide care. Funding flows directly from government to providers on behalf of eligible consumers within the government funded market.
2. A mixed market where providers can deliver services to self-funding consumers as well as government funded consumers.
3. A private market of aged care services operates outside of aged care specific regulation and only for self-funded consumers.

## Why does it need to change?

Providers currently have to undergo significant competitive application processes to become an approved provider, and then be allocated places. This has limited the breadth of the provider pool, and consequently the choice of providers available to consumers. The system has unnecessary red tape which creates barriers to entry so suitable providers aren't able to participate. A system that is easier for providers to enter the market in the way they want offers greater diversity and choice. This will drive competition, increase innovation and responsiveness to the diversity of consumer's needs.

An aged care system which is market based, where supply and distribution of aged care services and care types are no longer regulated requires significant reconsideration of the approval process for entities who wish to provide accommodation, and/or care and support for older Australians.

**“Contestability of delivery will promote quality, productivity, efficiency, innovation and value for money services that are responsive to consumer needs and preferences.”**

**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

- Review suitability criteria for organisations seeking to become approved providers (update, make more appropriate and reduce unnecessary red-tape):  
> amend 8.3 of the *Aged Care Act 1997*.
- Implement a streamlined process for approved providers of one type of care to apply to provide another type of care.
- Transition full funding, policy and operational responsibility for Victorian Home and Community Care (HACC) services to the Commonwealth by 1 July 2016.
- Develop criteria for Commonwealth Home Support Programme (CHSP) providers to become approved providers under the *Aged Care Act 1997*.
- Scope changes that will be required to move 'approved provider' to 'registered provider' status.

### Medium term (3–5 years)

- Preparation and 'Go live' for new aged care legislation to support integrated care at home programme:
  - > establish categories of registration for providers (to replace approved provider processes);
  - > streamline and review provider responsibilities to align with new registration categories;
  - > establish new compliance pathways (consistent with changed provider responsibilities); and
  - > across all aged care providers, distinguish which services will require registration.
- Transition full funding, policy and operational responsibility for WA HACC services to the Commonwealth.
- CHSP providers and home care providers become 'care at home' approved/registered providers.

### Long term (5–7 years)

- Transition remaining approved providers to registered providers.
- Develop and implement capacity for "mutual recognition" of similar registration/accreditation systems.
- Noting that in order to ensure appropriate consumer protections for the consumer:
  - > government would need to be satisfied that the 'other' standards are broadly equivalent to standards established under aged care legislation; and
  - > the relevant professional association who had responsibility for accrediting and monitoring the 'other' standards would be willing to take action against those standards if government felt regulatory and/or compliance action was required.
- Monitor and refine registration categories as required.

The Aged Care Financing Authority will continue to have a monitoring role on the impact of funding and financing arrangements on the viability and sustainability of the sector. Government will then consider how it responds to areas of concern.

## Destination

**A SINGLE PROVIDER REGISTRATION SCHEME THAT RECOGNISES ORGANISATIONS REGISTERED OR ACCREDITED IN SIMILAR SYSTEMS, AND THAT HAS A STAGED APPROACH TO REGISTRATION DEPENDING ON THE SCOPE OF PRACTICE OF THE PROVIDERS.**

There will be a sustainable and vibrant market which is responsive to the diversity of consumer needs and delivered by a range of providers, underpinned by a regulatory approach that encourages investment.

There will be a provider registration scheme.

Providers will be registered where such registration is necessary to ensure appropriate consumer protections and adequate care of the consumer.

Providers who are an incorporated entity can apply to be registered with government. This will enable an approach that reduces duplication with corporate law.

Providers must be registered/mutually recognised to receive consumers' government contributions.

There will be different categories of registration (scope of practice) for example:

- short term restorative care;
- care co-ordination /case management;
- clinical and personal care;
- services with an accommodation component; and
- financial services (holding payments in trust).

There will be capacity for "mutual recognition" of providers with similar registration/accreditation systems for particular categories of registration where it is the provider's traditional scope of practice.

Registered providers must adhere to provider responsibilities, and meet core standards based on their registration category, set by government (refer to Quality).

Consumers can spend their personal contributions with any registered provider or private provider.

Consumers can spend their government contribution with any registered provider.

Only registered providers and providers with "mutual recognition" can list on My Aged Care.

# Who pays?

## What's currently in place?

Consumers are primarily responsible for their accommodation and everyday living costs, as they have been throughout their lives. Generally, consumer contributions are capped by government. Government provides support for accommodation and living costs on behalf of low means residents. Providers are generally responsible for sourcing capital finance and rely heavily on lump sum deposits from consumers. Government guarantees the repayment of consumers' lump sums should an aged care home be unable to refund these. Contributions are not currently based on ability to contribute. Care costs are paid for by government (through subsidies/block-funding), and consumers (based on assets, and/or income, and provider determined fees). The respective contributions of each party vary greatly depending on the care type and do not consistently take account of consumers' capacity to contribute to the costs of their care.

## Why does it need to change?

A fiscally sustainable aged care system requires consumers to contribute to their care costs where they can afford to do so. The increasing population of older people who are living longer necessitates an aged care system that is sustainable into the future. The system will need to continue to rely on consumers' contributions, as an increasing source of funding. Fees and payments need to be transparent to consumers and matched to the services they receive, with a range of financing mechanisms to allow consumers to use their assets more effectively.

**“Consumers will be responsible for meeting some of the costs of their care... where they have the financial means to do so... Financing and funding arrangements will enable efficient aged care services to thrive while being financially sustainable for Government and the public, private and not-for-profit providers who deliver programmes.”**

**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

- For both accommodation and everyday living costs (residential care only) and care and support:
  - > Financial modelling of future cost to consumers, providers and government under various scenarios, including consumer fee scenarios.
  - > Determine the market informed price that government is prepared to pay (through the 2016–17 Legislated Review or other process including Aged Care Funding Authority (ACFA)).
  - > Identify and assess options for securing the development of affordable home equity release and other financial products to facilitate consumer contributions.
  - > Monitoring of impacts of fees arrangements by ACFA.
  - > Change official aged care regulatory concepts and language away from 'subsidies to providers' to 'government contributions for consumers'.
  - > ACFA to report on funding, financing and pricing issues to inform the 2016–17 Legislated Review.

### Accommodation

- Include rental income in means testing arrangements for residents who pay their accommodation costs by periodic payments to align with the arrangements that currently apply to those residents who pay via a lump sum.
- The 2016–17 Legislated Review will consider:
  - > the effectiveness of means testing arrangements for aged care services, including an assessment of an alignment of charges across residential care and home care services.
  - > the effectiveness of arrangements for regulating prices for aged care accommodation.

### The Bond Guarantee Scheme

- ACFA project to examine alternative arrangements to the Bond Guarantee Scheme to inform the 2016–17 Legislated Review.
- The 2016–17 Legislated Review will consider the effectiveness of arrangements for protecting refundable deposits and accommodation bonds.

### Care and support

- ACFA project to consider cost neutral mechanisms to ensure access to care for supported residents.
- The 2016–17 Legislated Review will consider the effectiveness of means testing arrangements for aged care services, including an assessment of an alignment of charges across residential care and home care services.

### Medium term (3–5 years)

For both accommodation and everyday living costs (residential care only) and care and support:

- New financial products available to support consumer choice (e.g. home equity release).
- Measures are in place to enable continued access to care and accommodation by vulnerable consumers (low means, special needs, people with dementia, as under the *Aged Care Act 1997*).

### The Bond Guarantee Scheme

- Reform or replace the Bond Guarantee Scheme in response to the findings of the 2016–17 Legislated Review.

### Care and support

- Integrate fee arrangements for home care and Commonwealth home support as part of the intended 2018 consolidation of the Home Care Packages Programme and the Commonwealth Home Support Programme.

### Long term (5–7 years)

- Means test all income and all assets and treat them equally.
- Re-calibrate consumer contributions in line with capacity to pay.
- Ensure measures are in place to enable continued access to care and accommodation by vulnerable consumers.

### Care and support

- Align consumer subsidies for care and support in residential with those for home care for people with the same assessed care needs.

## Destination

**SUSTAINABLE AGED CARE SECTOR FINANCING ARRANGEMENTS WHERE THE MARKET DETERMINES PRICE, THOSE THAT CAN CONTRIBUTE TO THEIR CARE DO, AND GOVERNMENT ACTS AS THE 'SAFETY NET' AND CONTRIBUTES WHEN THERE IS INSUFFICIENT MARKET RESPONSE.**

### Accommodation and everyday living costs (residential care only)

Consumers are primarily responsible for their accommodation and everyday living costs, as they have been throughout their lives.

Providers will set and publish their price for accommodation and everyday living costs. These prices will take account of the costs of maintaining, renewing and expanding their capital stock.

Government will set and publish a reasonable market informed price for accommodation and everyday living costs for low means consumers accessing residential care. The price may vary, for example, based on the geographical location of the consumer.

Consumers will be able to compare and negotiate the price that they pay for accommodation and living costs with their preferred provider.

Government will not regulate provider prices or what consumers choose to pay for accommodation and everyday living.

For consumers with limited means, government will contribute to the cost of the consumer's accommodation and everyday living based on the reasonable market informed price and the consumer's ability to pay.

The market will provide an expanded range of financial products to provide flexible ways for people to pay for their aged care.

Where consumers have negotiated to pay a lump sum (bond) with a provider, there will continue to be protections in place for consumers. This will include a combination of prudential regulation and a means for refunding lump sums in the event that a provider defaults on repayment. The means for doing this will be determined through the 2016–17 Legislated Review.

The nature and degree of regulation of accommodation payments will be determined through the 2016–17 Legislated Review.

In addition to consumer contributions, providers' capital needs will continue to be funded through debt and equity markets.

Where there is a service need and insufficient market response, additional government assistance may contribute to capital costs.

### Care and support

Consumers are best placed to determine how their needs will be met.

Providers will set and publish their price for care and support.

Government will set and publish reasonable market informed prices for care and support based on levels of need.

Government will contribute to the cost of a consumer's care and support based on the reasonable market informed price and the consumer's ability to pay.

Consumers will decide how much they personally contribute to their care and support costs.

Government will not regulate provider prices or what consumers choose to pay for care and support.

Consumers will be able to compare prices and negotiate the price that they pay for care and support with their preferred provider/s.

An expanded range of financial products will be available to provide flexible ways for people to pay for their aged care and use their means to meet their costs.

Consumers will be able to use their government contribution with any registered provider/s to purchase care and support of their choice, but will not be able to spend any government contribution on excluded items.

Consumers can also purchase care and services from any provider/s using their personal contributions.

Where there is insufficient market response, or to support services targeting certain 'special needs' groups, additional government assistance will continue to be provided.

### For both accommodation and everyday living costs (residential care only) and care and support:

New payment arrangements that will enable consumers to direct government and personal contributions to their provider/s of choice.

# How will the formal and informal workforce be supported?

## What's currently in place?

The aged care system is supported by formal and informal (families, friends, neighbours, carers and volunteers) workforce groups, each playing an important role in providing care and support. Of these groups, informal carers provide the majority of care for older Australians. While providers are responsible for attracting and maintaining the formal aged care workforce, both government and providers have roles in delivering a workforce of sufficient quality and quantity. Funding of vocational and higher education opportunities is provided. Government is currently establishing priorities to recognise, support and sustain the critical work of carers.

A national carer gateway that includes a website, service finder and national contact centre is in place to support carers.

## Why does it need to change?

Over the next 35 years, it is expected that the aged care workforce will need to nearly triple in size in order to be able to continue to provide support for consumers of aged care. As demand for aged care services increases, so will demand for a well-trained, responsive and diverse aged care workforce. With the predicted decline in the informal carers' workforce coinciding with an increased demand for aged care services, people will have to rely more heavily on formal aged care services, resulting in increased pressure on the system.

Government and providers will need to work collaboratively in order to address the challenges facing the aged care workforce into the future. Clearer roles for government and the aged care sector are necessary, with government focussed on ensuring major policy levers (e.g. education, employment, immigration) consider the needs of care industries. Measures will need to be in place to support and recognise the importance of informal carers, and continue to help ensure families undertake a caring role that suits them.

**“An appropriately skilled workforce will deliver quality care and services that are evidence-based. Informal carers play a vital role in providing support to people who receive aged care services and ensuring the sustainability of the aged care system...”**

**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

- Development of the Integrated Plan for Carer Support Services.
- Establish links between the national carer gateway and My Aged Care such that they complement each other.
- Clarify the roles of government and providers on workforce matters to enable a strong shared understanding of the workforce needs of the future and who is responsible for meeting them.
- Target the flexible funds to priorities designed to support the workforce in a changing industry and consumer landscape.
- Embed a strong performance culture in future grants rounds.
- Develop mechanisms to improve the quality of student placements in aged care, covering vocational and higher education.
- Leverage specific government programmes that will boost workforce supply.
- Utilise migration to improve workforce supply.
- Influence higher education to be more inclusive of aged care issues in courses (i.e. to include as mandatory content).
- The 2016–17 Legislated Review will consider the effectiveness of workforce strategies in aged care services, including strategies for the education, recruitment, retention and funding of aged care workers.

### Medium term (3–5 years)

- Implement the practical actions identified in the Integrated Plan for Carer Support Services to recognise, support and sustain the vital work of unpaid carers.
- In line with the roles agreed to in the short term, government and providers will:
  - > develop career structures and pathways within aged care and across care and community services sectors;
  - > build the skills, capability and knowledge of the workforce to enable flexibility and responsiveness in providing care for consumers; and
  - > make use of digital and electronic supports for the workforce to improve productivity and consumer choice, particularly in regional, rural and remote areas.

### Long term (5–7 years)

- Implement the practical actions identified in the Integrated Plan for Carer Support Services to recognise, support and sustain the vital work of unpaid carers.

## Destination

**A WORKFORCE THAT IS WELL-LED, WELL-TRAINED, AND ADEPT AT ADJUSTING CARE TO MEET THE NEEDS OF OLDER AUSTRALIANS.**

The workforce considers aged care a desirable and rewarding place to work.

Government will manage a national carer gateway which will provide a recognisable source of clear, consistent and reliable information that will help carers navigate the system of support and services available.

Permanent linkages exist between the national carer gateway and My Aged Care.

The work of unpaid carers is recognised and supported.

Providers will continue to have responsibility for attracting and maintaining a well-led, flexible and responsive workforce to provide care for consumers, with career pathways.

The aged care industry develops and sustains a good reputation as an employer in the care and community services spaces, supported through the work of peak organisations and provider reputation.

Providers will have a leading role in creating networks and sustaining partnerships between the industry and vocational and higher education, research organisations and employment sectors to boost supply and meet demand.

Government policies and programmes in relation to mainstream activities, including education, employment and immigration will consider the needs of the care industries (i.e. aged care, disability, health).

Where government is setting prices (e.g. low means), government will ensure that prices are sufficient to enable an efficient provider to offer viable service, including to attract and retain an effective and appropriate workforce.

Volunteers will continue to have a role. The regulatory regime will not include unnecessary roadblocks.

# How will quality be achieved?

## What's currently in place?

The Australian Aged Care Quality Agency is the single organisation responsible for quality assurance across the aged care sector. A single organisation responsible for quality is bringing a greater focus to achieving greater consistency in quality assurance arrangements and the promotion of better practice across end-to-end aged care. The Agency accredits and monitors residential and home-based aged care providers against mandatory standards which underpin the aged care regulatory framework. On 1 January 2016, the role of complaints management was separated from the funding and regulation of aged care services to improve confidence in aged care complaints handling processes. Quality Indicators (defined measures that relate to the outcomes of care and services) are being progressively implemented with an initial focus on quality of care in residential care.

## Why does it need to change?

Regulating the quality of aged care seeks to manage the risk to consumers as well as assure the public that providers of aged care services are fit for purpose. But government can only do so much and regulation alone won't deliver the consumer focussed, flexible and responsive aged care system people expect.

Consumers accessing aged care services expect high standards of care and accommodation. To make informed choices about their care, they need to have access to improved information on safety and quality. Consumer views and choices will play a critical role in driving quality and innovation in the future. As consumers exercise choice, increased market competition will provide incentives to providers to respond to consumer needs and expectations, and drive competition in quality. To build on changes to date, several initiatives were announced by the Australian Government in the 2015–16 Budget including establishing a single quality framework for all aged care services and exploring options for establishing private market provision of accreditation services but there is still work to be done.

**"... a light touch approach to regulation will give providers freedom to be innovative in how they deliver services."**

**Aged Care Sector Statement of Principles**

## What needs to be done?

### Short term (within 2 years)

- Co-design a single set of core aged care standards, differentiated by service type, taking into account how this would map to registration categories.
- Pilot the single set of core aged care standards.
- Government will consider and undertake (if appropriate) necessary actions to establish private market provision of accreditation services.
- Streamlined quality assessment arrangements.
- My Aged Care publishes information about provider's performance against current standards for each service.
- Consumer choice will be supported by better information and will drive competition in quality.
- Providers will become more sophisticated in terms of how they market the quality of services to consumers, including via My Aged Care.
- New entrants will be attracted to market opportunities and the market will innovate and offer new models of care and products that drive competition and quality.
- Quality indicators implemented across residential care and home care.
- Develop electronic platforms to disseminate resources, tools and information needed to support core quality standards, quality assurance and quality indicators.
- Independent Aged Care Complaints Commissioner has responsibility for handling aged care complaints from 1 January 2016.
- Further strengthening of Aged Care Complaints Scheme arrangements.

### Medium term (3–5 years)

- Implement the single set of core aged care standards.
- Single sector wide quality assurance process against core standards.
- Providers grow capacity to support co-regulation and earned autonomy.
- Differentiated performance information on a single set of core standards and quality indicators will be published on the service finder in My Aged Care.
- Providers will continue to develop electronic platforms to disseminate resources, tools and information needed to support core quality standards, quality assurance and quality indicators.

### Long term (5–7 years)

- Review of aged care standards.
- Co-regulation and earned autonomy fully implemented. Government does not regulate beyond consumer protections (core standards).

## Destination

**HIGH QUALITY CARE PROMOTED THROUGH GREATER CONSUMER CHOICE THAT DRIVES QUALITY AND INNOVATION, RESPONSIVE PROVIDERS AND INCREASED COMPETITION, AND THAT IS SUPPORTED BY AN AGILE AND PROPORTIONATE REGULATORY FRAMEWORK.**

Government will establish and maintain consumer protections (including accreditation against core standards, compliance and complaints mechanisms) and encourage quality improvement by registration category.

This includes:

- mandating consumer involvement in the quality assurance process across end-to-end aged care; and
- ensuring reporting against standards is transparent and publicly available.

Consumers will drive quality and innovation by exercising choice, supported by better information about safety and quality beyond consumer protections.

Providers will drive quality and innovation through communities of practice, research, education and peer review (beyond core standards).

Government will provide a platform for market to share information (safety and quality beyond consumer protections).

Government will not regulate quality beyond consumer protections.

Government will provide education regarding consumer protections, including core standards.

Providers have greater flexibility and incentive to develop innovative and responsive services that responds to consumer needs and expectations.

Consumers will continue to have access to an independent Aged Care Complaints Scheme.

Mechanisms are in place that support a systems view of quality and access, informed by consumer experience. This informs government policy and action to ensure that consumer needs are met within the market environment, especially for vulnerable consumers and those with special needs.