Local Government Association of South Australia

The voice of local government.

A new program for in-home aged care

LGA Submission

November 2022

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Introduction

About the Local Government Association of South Australia

The Local Government Association of South Australia (LGA) is the voice of local government in South Australia, representing all 68 councils across the state and the Anangu Pitjantjatjara Yankunytjatjara.

The South Australian *Local Government Act 1999* recognises the LGA as a public authority for the purpose of promoting and advancing the interests of local government. The LGA is also recognised in and has prescribed functions in 29 other South Australian Acts of Parliament. The LGA provides leadership, support, representation, and advocacy relevant to the needs of our member councils.

The LGA is a strong advocate for policies that achieve better outcomes for councils and the communities they represent. Councils are a partner in government and part of the solution. Working together we can make positive contributions to the health and wellbeing of the older people in our communities.

Local government's role in service provision for older adults

The Commonwealth aged care reforms have created a high degree of uncertainty for councils and the communities they serve; however, there is a strong sense in our sector that there is an ongoing role for local government in supporting the needs of people as they get older.

Local government recognises that there is an ageing population in South Australia (SA) that will require governments to allocate more resources to ensure better outcomes for our communities as they age. Notwithstanding the significant obligations of Federal/state governments, it is the view of the sector that councils should equitably contribute to meeting the needs of an ageing population.

Local government wears many hats when it comes to providing services for older Australians. Council run services that maintain independence – such as in-home aged care services (subject to appropriate funding) and positive ageing expos were one of several activities identified in the *LGA's Ageing Strategy 2016-2021* that councils deliver that contribute to positive experiences for older people. Others included:

- Planning – Ageing Strategies, Access and Inclusion Plans, Regional Public Health Plans and contributing an age friendly approach to broader strategy and planning.
- Facilities and infrastructure - libraries, community centres, footpaths, public realm, walking trails, exercise equipment, *Disability Discrimination Act 1992 (Cwlth)* compliance.
- Social inclusion and wellbeing programs – excursions, community visitors, intergenerational activities, healthy lifestyle programs, exercise/cooking/computer/first aid classes, volunteering, grants.
- Community transport.
- Housing - Independent living units, planning policy to promote housing choice and guide, siting and location for housing for older people.
- Provision of information on various topics – information for visually impaired, acting as first point of contact for older residents.
- Pensioner concessions.

- Networks and partnerships – ageing taskforces, regional collaborations.

It is important that the Federal Government recognise local government as a planner, funder and deliverer of home and community services and work in partnership with councils to leverage our unique position to provide an integrated approach to social inclusion and support for people as they get older.

Local governments across Australia are not a homogenous group, but we do share a set of core roles and responsibilities as the level of government closest to the people.

Reform considerations

Over the past decade Australia's aged care system has been undergoing significant reform. With a growing focus on consumer choice, proposed reforms have prioritised competition and the marketisation of the service system and prioritised national consistency.

The Federal Government has long planned to transition the existing block-funded Commonwealth Home Support Program (CHSP) to a consumer-directed care model, where funding is assigned to the client rather than the service provider who would deliver services based on predetermined targets.

The LGA welcomed the move by the Albanese Labor government to delay the commencement of the proposed 'Support at Home' program for an additional 12 months, in line with the recommendation made by the *Royal Commission into Aged Care Quality and Safety* (Royal Commission).

The opportunity for local government to speak directly with the Assistant Secretary from the Support at Home Reform Branch via dedicated local government webinar, held in September 2022 was also welcomed.

The LGA's submission has been complied with feedback from the Local Government Ageing Well Network, who are comprised of CHSP providers from both metropolitan and regional councils.

The LGA's response has been prepared in line with the questions identified in the *A New Program for In-home Aged Care - Discussion Paper* (Discussion Paper).

1 – New model

The Discussion Paper identifies five key areas of focus, namely:

- how to give older Australians the opportunity to manage their own services simply and easily should they choose to do so
- how to best implement the desired clinical oversight and practical assistance through care partners for older Australians receiving care at home
- how to fund providers to meet the full cost of care while achieving value for money across different service types, regions, and client cohorts
- how to ensure the flexibility to respond to the changing needs of older Australians
- how to foster innovation and future investment in in-home aged care.

In South Australia, there are 26 councils who receive more than $100,000 that deliver the Commonwealth Home Support Program (CHSP) to a value of $96,934,268.01.[1] Whilst nationally, there are currently over 800,000 Australians nationally receiving CHSP services to a value of $2.7 billion.[2]

It is envisaged that the proposed new model will include a flexibility and responsiveness that will allow providers to respond to changing needs of clients and communities.

LGA Comment

The LGA acknowledge that the weaknesses in the individualised Home Care Package (HCP) model are irrefutable and a need for change is supported.

Our member councils have noted that providers of CHSP have filled the gaps where the HCP program has failed. However, it is unclear what safety nets will be available under the new system and SA councils are concerned that vulnerable clients will be negatively impacted.

The LGA call for the Commonwealth to appropriately fund local government to take advantage of our points of difference. Councils deliver cost effective and efficient services with block funding as they contribute significant in-kind funding which stretches the Federal funding even further.

Councils add value through significant infrastructure, such as kiosks, libraries and community centres, and combine our expertise in social support and community wellbeing services. With the use of volunteers, councils are offering essential services such as transport at a significantly reduced rate making it affordable and accessible for older people, particularly in regional and rural areas.

2 – Managing service across multiple providers

Should a care partner be accountable for monitoring outcomes and changes in clinical and care needs, and ensuring the older Australian is receiving their services? How might this work?

LGA Comment

The LGA believe that yes, Care Finders should be responsible to monitoring outcomes and changes in care needs and that services are received. This could be done as a quick review process within six-eight weeks of commencing services and then on a regular basis such as annually, bi-annually or quarterly, as preferred by the older person and their representative.

If an older Australian chooses to use different providers to deliver different services, what should be the responsibilities of each provider to communicate with each other, and with the older Australians' care partner? How should these responsibilities differ for providers of different service types (for example domestic assistance vs nursing)?

LGA Comment

The older Australian (and their carer/representative if applicable) needs to be involved in determining the level of and type of communication that should take place between providers and the care partner. It is important that they are always asked for consent to the sharing of information about them or the services they receive.

[1] Department of Health and Aged care - Departmental and agency contracts (Senate Order 13 Listing), https://www.health.gov.au/resources/publications/departmental-and-agency-contracts-senate-order-13-listing. Accessed 21 November 2022
[2] A New Program for In-home Aged Care - Discussion Paper. https://www.health.gov.au/sites/default/files/documents/2022/10/a-new-program-for-in-home-aged-care-discussion-paper_0.pdf

The older Australian may want to appoint their care partner or a provider as the lead communicator if they do not wish to be the lead communicator themselves. Ideally an App that everyone has access to with details of scheduled services and applicable notes would be beneficial.

All providers would need to have procedures in place regarding duty of care, Work, Health and Safety (WHS) and dignity of risk.

Should the older Australian be responsible for managing their own budget and ensuring they stay within their funding entitlements? How might this work?

LGA Comment

All older Australians should be provided with the option to manage their own budgets and be responsible for ensuring they stay within their funding entitlements. If they do not want to manage their own budget, they should be able to choose who they would like to manage it. For example, this could be a preferred representative, family member or care partner.

Ideally a user-friendly app or IT system should be available to support the monitoring of the budget.

What challenges might providers and older Australians face in coordinating services across multiple organisations? How might these challenges be overcome?

LGA Comment

Older Australians are currently receiving CHSP services from multiple providers. The challenges may relate to the scheduling of services and sharing of relevant information; however, this is unlikely to be a challenge for older Australians who are fully involved in planning their services and when they are provided, ensuring it meets their needs.

Some older Australians may prefer to have multiple providers, and some may prefer to have one provider. An app or IT system that all providers, including the older Australian, have access may overcome challenges relating to coordinating services across multiple providers.

It is crucial that choice and options are available to older Australians. However, this should be done in a streamlined way.

The system can be very complex for older people and/or their loved ones who are organising their care needs. The following need to be taken into consideration:

- Who does what service? How does the older person know?
- The different options to pay for the service? What if the older person wants to use cash?
- How easy it for the older person to compare their options? Such as charges, quality etc.
- Does the older person's choice match their Care Plan?
- Who tells the older person if their choices are not appropriate?
- What if they choose two providers for one service, for example, one transport service for a short trip, and another service for a longer trip.

The digital literacy levels amongst older people differs greatly, even if someone is digitally savvy with finances, this is a new system for everyone, and it needs to be easy to navigate otherwise there could be unintended consequences.

It is suggested that offering easy to access and "friendly" face-to-face navigational support to service users will be essential to the success of the program.

It is also suggested that a guide for self-management is developed to aid with self-management. Much more detail is required around provider transparency when multiple providers are being utilised and around collecting fees when clients have overspent their budgets.

3 – Care partners for older Australians

LGA Comment

The proposed model recognises older people would like to see an appropriately trained person - or care partner – who can support them to achieve the best outcomes from aged services.

The concept of a care partner is supported and provides a good pathway to support older people through the system, to access appropriate services and stay within their care plan and budget, but it does raise many questions and may present several operational issues.

Feedback from member councils has identified that the care partner should be impartial to ensure the older Australian has the best opportunity to services that suit them and not just suiting the service provider. Therefore, the care partner should not sit with a service provider.

The findings of the *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability*[3] echoed this belief as it found that:

> *"a support coordinator employed by an agency that provides other services for the same NDIS participant is not truly independent. The report concluded that not separating the roles invites conflicts of interest and 'participant capture".*

Additionally, our members have raised whether a care partner can be a family member or a friend. The Discussion Paper states that the person should be "appropriately trained", but it is unclear what this would entail or look like and is it training that a family member could undertake to support their loved one. Likewise, it is acknowledged that it could be difficult for a person who is not experienced in the Aged Care system.

Regarding the type of skills set required for a care partner, our members suggest that the training or qualifications should be more about people and communication skills and experience, rather than clinical or allied health. The care partner should understand the local community and services to support the person appropriately.

A concern for our members is where the funding for the services of a care partner be taken from. This is likely to increase administrative costs and there is a concern that this will result in a reduction of services the older person will be able to receive.

It is agreed that the care partner should be available for all people accessing Aged Care and not just for those with complex needs. Early intervention is best and good quality and appropriate services may assist to prevent the older persons needs becoming complex.

Our members also seek to have clarity on whether a "care partner" and a "care manager" are the same as both terms are noted on page 21 of the Discussion Paper. A care manager suggests someone who is overseeing (managing) someone's care and services. A care partner suggests a consultant with the best interests on the person in mind. In this context would it be reasonable to suggest that a family member could be appropriate as the care manager but not the care partner.

[3] Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability - Report on Public hearing 14 - Preventing and responding to violence, abuse, neglect and exploitation in disability services (South Australia) Adelaide, 7 to 11 June and Virtual, 30 September 2021, page 84

If an older Australian is using more than one provider, how can information and observations of care workers from different organisations be communicated to the care partner? Does it matter where the care partner 'sits'?

LGA Comment

It is suggested that an App that all providers, including the older person, can use would support communication to the care partner. It is important that the care partner has impartiality and unless the older person chooses differently, they should be independent of other providers.

The proposed model suggests that a care partner can support transitions in care and proactive responses to prevent crises.

Our members have told us that supporting transitions in care and proactive responses to prevent crises need to be clearly defined in the role of care partners. This may include monthly to quarterly check-ins with the older person, depending on the level of support required or specific situations at any given time. Care partners may need to have strong collaborative partnerships with the older person's GP or health services provider.

What does successful care management look like? What should a care partner's 'Key Performance Indicators' look like?

LGA Comment

It is suggested that the older person and their representatives should have a say in the KPI's of their care partner, as the KPI's will be determined by the support that the individual requires.

What should the role of a care partner be in relation to ensuring services are meeting quality standards? How might this link to Quality Indicators for in-home aged care providers?

LGA Comment

The care partner would play a vital role in identifying if the services provided are meeting quality standards by seeking specific feedback from the older person (and their families) relating to standard expectations and linking the response to the Quality Indicators of the providers. This would provide a level of oversight for the older person and their families, which is important.

4 – A Funding model that supports provider viability and offers value for money

General LGA Comment

The LGA supports the implementation of a mixed funding model and echoes the statements noted in the Discussion Paper, namely, that the recommendations of the Royal Commission did not recommend a purely fee-for-service model for all services. It is encouraging that the Royal Commission's recommendations are supported and that alternative arrangements are being explored.

Local government providers have long voiced their concerns about the proposed fee-for-service model, including increased administrative burden and lack of detail regarding client contributions.

Any model that relies on clients having access to the internet or being digitally literate is problematic as it will reduce accessibility of the program and may be an issue for thos in areas where internet services are not reliable.

What key services and types of providers may require supplementary or additional grants?

LGA Comment

It has been suggested that social support groups, community centres offering centre-based meals, organisations that offer delivered meals and organisations that provide transport will likely need additional longer-term grants. This is due to stable funding arrangements being required to plan and build or maintain the infrastructure required to deliver the services. Therefore, the comments noted in the Discussion Paper that some service types need a degree of funding certainty is strongly endorsed.

Other providers may include those that service niche groups such as culturally and linguistically diverse older persons and those providers servicing rural and remote areas.

Local government is unique compared to other service providers. There is much planning around budgets and these budgets are established and authorised by Council's Elected members long before the financial year starts. Therefore, some guarantees on the funding will be essential for councils to commit to the various services that they provide to their community.

It is likely that this will be a key contributing factor as to whether local government will continue to be a provider of aged care services in their community.

What are the positive and negative experiences providers have from current grant programs for in-home care, and the key learnings for future provision of grant funding?

LGA Comment

The current 'block' funding arrangements provides certainty of services where demand fluctuates due to various reasons (for example social support groups during the pandemic or adverse weather conditions). This ensures fixed cost for infrastructure, vehicles and staffing to endure continuity of service regardless of the number of people in attendance or on the vehicles required.

For some services the current unit prices do not meet the actual cost of providing the service and client contributions are necessary to meet the costs. This may result in equity issues in some areas.

The comments noted in the Discussion Paper that prices need to reflect the full cost of service delivery are supported.

As an example, for transport in regional areas, it is suggested that these should be funded in a proportionate way. For example, a "trip" from Victor Harbor (80km from Adelaide) to Adelaide for doctor's appointment should be funded differently from a "trip" that occurs wholly within the metropolitan area.

Which diverse groups may be at-risk from the shift to activity-based payments, both in remote areas and metropolitan areas, and what are the specific supports grants should address?

LGA Comment

Member councils have advised that all rural and remote services and in particular Indigenous providers will be at risk to activity-based payments. In metropolitan areas niche providers with small numbers of

consumers, such as those providing services to cultural and linguistically diverse groups, will also be at risk.

For these providers fixed costs of staffing, vehicles and infrastructure expenses would need to be supported.

It is important to understand that local governments have different issues compared with smaller private and not-for-profit providers. As mentioned previously the budget process requires a long lead time before the financial year commences. Therefore, it is crucial that some guarantees regarding funding occur to assist council decision making and commitments to the services.

Other groups that would need supports include those with hoarding and squalor issues, those with a low literacy, those with episodic mental health issues and those with dementia.

In relation to unit costs, there is a concern that these costs are not keeping up with the actual costs of delivery. This is leading many councils to reconsider their involvement in service delivery, particularly in lieu of sufficient information regarding client contributions and supplementary grants for providers in thin markets and geographically isolated clients.

The Discussion Paper noted that "… *the Department would anticipate retaining a fund to run a standing ad hoc grants process to address unforeseen pressures such as workforce constraints or to address emergencies as they arise."* The LGA would support the development of such a fund.

What should be the reporting requirements of these grants?

Our member councils have suggested that reporting requirements would need to be easy and simple to prepare and would be the expenditure against those fixed costs.

What are the fairest arrangements for reporting on grant performance, including options for the roll-over of funds across periods, or to other essential service delivery?

LGA Comment

It is suggested that there needs to flexibility to enable funds to be used for essential service delivery and that if the grant is for a specific expenditure, this would be reported via an annual financial acquittal.

5 – Support that meets assessed needs, but is responsive to changes over time

What are the benefits and limitations providers anticipate in distributing pooled funds: which services should see increased use, and which may be limited by workforce availability?

LGA Comment

It is suggested that the benefits and limitation will depend on an individual's unique situation, including that of their carers. It will be important that this is discussed at the point when an assessment takes place. If the older person has a care partner, they will need to be involved in identifying and determining the requirements of the individual and supporting the providers in allocating pooled funds by using a standardised priority tool. It unclear, at this stage if an Older Australian was to require a temporary change in needs - how this will be assessed.

It is suggested that all services should be included. It is also acknowledged that all services are likely to be limited by workforce availability. Councils are also experiencing the impact of workforce shortages and are a key partner for ensuring local strategies and solutions can be brokered.

In relation to workforce, it is important to note that councils' in-home care services employ local people in local jobs; and council staff are experienced, well-trained and above all, dedicated to their clients. They are not there for profits and council staff deserve certainty and where possible consistency, likewise with their clients.

How should the flexible pool be set – is 25% of client budgets appropriate?

LGA Comment

It is suggested that the percentage of money would be dependent on the client's budget. There may need to be a scaling applied so that those with a lower budget will have sufficient flexible pool and that those who have a higher budget do not have excessive flexible pool.

What should be included in guidance for prioritising the use of the funds across clients?

LGA Comment

Member councils have advised that a standardised prioritisation guidance tool would be useful to help guide the prioritisation of funding. Some examples may include items required for health and clinical purposes, the need for multiple appointments, the possible loss of an informal carer, responding to impacts associated with an immediate health concern or a natural disaster.

Are there any unintended consequences of this type of payment model?

LGA Comment

There is a concern that this type of payment model may result in some service providers "overservicing" clients to ensure that their 25% of pooled funds are used each quarter. There is a need to balance those services that are essential with those that are not. Many domestic and home maintenance services may be considered essential for some people and not others. Some criteria to support this decision making would be encouraged.

6 – Encouraging Innovation and Investment

How can innovation and investment in in-home aged care be fostered under the reforms? How might we support innovative approaches to safely deliver higher levels of care at home? How might we encourage innovations that increase the quality of care?

LGA Comment

The LGA supports the idea of an annual innovation grants program for each state or territory that fosters and publicises new and innovative practices in the delivery of in-home aged care.

Innovation should be incentivised and not made difficult by strict systems. As an example, a Social Support Program at one SA council offers lunch outings six times per month. These activities provide for a 'normal' social environment, a choice of meal and an outing in the local area. Participants who attend this program pay for their meal direct to the venue, to ensure that they have choice in their own

meal. In addition to their meal, they pay a small client contribution for transport to and from the venue/location.

Council have advised that they have difficulty in explaining to their Funding Agreement Manager that participants were contributing to their outing as they were paying for their own meals/drinks etc, but as this wasn't captured through the council accounts system, it reported low client contributions.

These lunches are very popular with 20-30 participants attending at each outing and demonstrate a need for different approaches depending on the need of the community.

Member councils have suggested that realistic unit prices are needed to support and train new workers coming into the sector and that innovative approaches may need to be developed to allow this to occur.

It is worth noting that member councils expressed concerns about how the competition on quality element may work and that Star Ratings would need to be agile to ensure that comparisons are made with like-minded providers. It is also important that such a scheme is regularly updated to remain relevant.

How might we enable innovation in home care for providers working in congregate care settings?

LGA Comment

It is suggested that flexibility provisions would be needed to pool funds in congregate care settings based on the needs of the clients in those settings.

Summary

Councils can, and will, play a unique and integral role in the new support at home system and we urge the Federal Government to acknowledge this as an opportunity to work collaboratively for the benefit of all older Australians.

As a level of government, we are committed to promoting the wellbeing of all citizens, including older people. We also add value through our volunteer networks and significant infrastructure, such as libraries and community centres. We want to get aged care right.

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148 Frome St
Adelaide SA 5000

GPO Box 2693
Adelaide SA 5001

T (08) 8224 2000

E lgasa@lga.sa.gov.au

www.lga.sa.gov.au