## Submission Home and Community Care Program Inquiry

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## **Attachments**

Alzheimer's Australia NSW is pleased to submit its views on the Home and Community Care (HACC) Program.

The first Term of Reference regarding the efficiency and effectiveness of the joint arrangements between the Australian and New South Wales Governments is a very timely and appropriate point of focus for the Public Accounts Committee.

Alzheimer's Australia NSW has been concerned for some years that the processes to prepare for the Annual HACC Plan have been less than ideal. The Department of Ageing, Disability and Home Care (DADHC), through its regional arrangements, also has regional HACC planning processes which are designed to combine with state-wide and central HACC planning processes to produce an Annual State Plan for approval by the NSW Minister and subsequently by the Australian Government Minister responsible, in this case the Minister for Ageing.

(see uploaded file for full submission)

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## SUBMISSION TO PUBLIC ACCOUNTS COMMITTEE INQUIRY INTO THE HOME AND COMMUNITY CARE PROGRAM

Alzheimer's Australia NSW is pleased to submit its views on the Home and Community Care (HACC) Program.

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Alzheimer's Australia NSW has been concerned for some years that the processes to prepare for the Annual HACC Plan have been less than ideal. The Department of Ageing, Disability and Home Care (DADHC), through its regional arrangements, also has regional HACC planning processes which are designed to combine with statewide and central HACC planning processes to produce an Annual State Plan for approval by the NSW Minister and subsequently by the Australian Government Minister responsible, in this case the Minister for Ageing.

Adequate resources must be committed within DADHC to delivering a quality plan which is responsive to local needs as well as to state and national priorities. In this regard, timing has shown itself to be critical.

While there is extensive consultation by DADHC on planning, it is inherently inefficient to determine 'what is needed' when funding will necessarily limit the plans to 'what can be done'. If the reality is a fixed sum, then it would be more productive to be advised of it and then develop plans on how that sum can be used most efficiently. The current system impels two levels of administration and planning, where prima facie, one would be more efficient. In this regard, the two jurisdictions would need to negotiate to agree on some matters, at least in-principle, before the comprehensive planning process is undertaken.

It is our understanding that there are historic issues of concern regarding acquittals of the HACC program and that these concerns have meant the Australian Government has not signed off on a substantial amount of HACC non-recurrent funding (funding accrued from previous years' underspend). It is understood that this is an amount in excess of \$38 million. We believe this money should be allocated to the HACC Capital Program over the next two financial years. (To allocate it to recurrent programs would not be helpful if the spending could not be sustained into the future, and furthermore, there has been underinvestment in the HACC Capital Program).

From the perspective of HACC consumers, this delay in the allocation of unspent funds from previous years and new growth funding is completely bewildering. We advocate strongly that both jurisdictions negotiate the following:

- 1. Three year HACC agreements (rather than annual) to improve surety of service;
- 2. A facility to ensure that even if there is no final agreement and sign off regarding the acquittal of previous years' funding, this does not impede the flow of funds for subsequent years; and

3. An active linkage between HACC Funding and Federal Aged Care Funding and Commonwealth State Territory Disability Program Funding.

In relation to the second Term of Reference on the Auditor-General's Review of the NSW Home Care Service, Alzheimer's Australia NSW proposes the following strategies for addressing unmet need in the context of growing demand for service from eligible parties.

1. Consideration by the Government of an entitlement program for Community Care Service for those assessed as eligible.

At present, due to funding constraints, many people who are formally assessed as eligible are denied access to services when needed or are placed on waiting lists. An entitlement program could allow people in need of services to be paid through a "voucher" system if HACC services were unavailable so that they could at least have some capacity to access services on the private market or resource family and friends to provide a higher level of care than might be available on a voluntary basis.

Often those people have progressed to a significantly higher level of acuity by the time the relevant community service becomes available. Often these people will have progressed to needing a higher level of care because of the lack of availability of lower level services.

It is our view that because different service streams are funded by different government departments or by different jurisdictions, the system has in-built inefficiencies and often perverse incentives. Budget savings in one department may result in blow-outs in other areas, but there does not appear to be an adequate sense of over-arching responsibility for this between the NSW Government and the Australian Government, notwithstanding recent announcements by COAG.

2. The second strategy we propose for addressing unmet need would be to determine an appropriate benchmark for the number of service hours likely to be required by a particular population age cohort. Thus, if it were accepted that there should be, for example, 10 service 'units' available per 100 people aged 80+, the number of service hours would automatically grow to keep pace with demographic changes, without the need for constant lobbying and bargaining with Treasury. This system is already in existence in relation to Australian Government funded aged care places.

With no such change to NSW Government policy, there is no certainty of minimum service levels for the ageing population of NSW.

Regarding Term of Reference (2)(c), on 'the extent of consumer input to Home Care Service design, management or delivery of programs and other mechanisms for assessing service quality', our experience is that the officers of DADHC and Home Care Services are aware of consumer imperatives and on the whole, adopt a responsive approach within the confines of a complex system. We recommend the involvement of an appropriate consumer representative committee, such as MACA, in the review of programs.