REPORT OF PROCEEDINGS BEFORE

PUBLIC ACCOUNTS COMMITTEE

INQUIRY INTO HOME AND COMMUNITY CARE

At Sydney on Wednesday 25 October 2006

The Committee met at 9.00 a.m.

PRESENT

Ms N. Hay (Chair)

Mr G. J. Aplin
Ms K. K. Keneally
Mr G. R. Torbay
Mr J. H. Turner
Mr S. J. R. Whan

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CAROL MILLS, Deputy Director General, Department of Ageing, Disability and Home Care, Level 5, 83 Clarence Street, Sydney, on former oath,

JANETT MILLIGAN, Executive Director, Strategic Policy and Planning, Department of Ageing, Disability and Home Care, Level 5, 83 Clarence Street, Sydney, sworn and examined,

CLAIRE VERNON, Executive Director, Home Care Service, Department of Ageing, Disability and Home Care, Level 5, 83 Clarence Street, Sydney, and

PAULINE BROWN, Executive Director, Aboriginal Home Care Service Development Branch, Department of Ageing, Disability and Home Care, Level 5, 83 Clarence Street, Sydney, affirmed and examined:

CHAIR: Thank you for appearing before the Committee today. The Committee is pleased to hear your evidence. I am advised that you have been issued with a copy of the Committee's terms of reference and also a copy of the Legislative Assembly's Standing Orders 332, 333 and 334 that relate to the examination of witnesses. Is that correct?

Ms MILLS: Yes.

Ms MILLIGAN: Yes.

Ms VERNON: Yes.

Ms BROWN: Yes.

CHAIR: The position today will be that I will ask the first couple of questions and then I will open it up to members of the Committee. In previous evidence you mentioned that there is five per cent real growth in funding each year and that this is slightly more than growth in the target population. However, the Committee has heard that 20 per cent growth per annum is needed over several years to address unmet need. Can you clarify which is correct?

Ms MILLS: It is certainly correct to say that the growth has been five per cent on average in the total available funds in recent years and that that number actually exceeds the growth in terms of the target group. In terms of the 20 per cent figure, I am not sure where that would come from in terms of any specific analysis but clearly we have seen over a number of years organisations submit budget recommendations in the annual cycle and often mention the figure of 20 per cent as I suppose an estimate of what might be required to service all people on the program. I think that the key thing for us in all government organisations and government services is that the amount of need would always grow no matter what resources are available and with all government services we have a prioritisation system and we believe that works effectively. I could not comment specifically on whether that 20 per cent would mean X more services or whether all requirements would be met. I think it is probably best treated as an ambit claim.

CHAIR: In the hearing on 22 September the Committee heard from you that 0.8 per cent of the HACC budget is spent on administration of the HACC program but that this figure is a notional amount and actual expenditure on administration is much higher. The Committee also received evidence from service providers that amounts spent by them on administration are significant and that administrative accountability requirements impact adversely on service delivery. Can you say how much is spent by service providers on administration and meeting accountability requirements? If it is occurring to the detriment of service delivery, how do you believe this could be addressed?

Ms MILLS: Can I take an additional part of that because there was a question on notice specifically about the overall administration costs that we had?

CHAIR: Yes.

Ms MILLS: Within DADHC, as we stated before, approximately 0.8 per cent of the budget, which is $3.5 million, is available for program administration. In fact, we spend the equivalent of approximately 2.44 per cent of the budget. So the gap is actually topped up by the State. Rather than $3.5 million, which is permissible, we spend across the three government agencies that administer HACC approximately $10.8 million each year. That gap of $7.3 million is made up by State funds and that is equivalent, as I said, to about 2.4 per cent.

In terms of the administration costs in non-government organisations or service delivery, there is not the same level of quota set upon them. We obviously look at the efficiency of organisations in terms of their ability to deliver services and the percentage of their effort in service delivery versus back-room and management costs. In terms of the actual requirements for reporting, whilst we previously advised that there are levels of detail required in HACC that are perhaps greater than most other programs, there is a fairly standard, in fact there is a very standardised way in which that information is collected through the MDS system and there are software packages available to each service provider in order to provide that data, and historically we have also given them further assistance in being able to easily input that data into the system in a way that can be translated across to DADHC. So in terms of accountability reporting, it is actually not much different than any other program. There are the requirements of the Commonwealth and States in terms of the MDS. There are obviously financial requirements that we have as a State agency in terms of annual reporting, but it does not differ to other programs. I would not suggest that it was a higher proportion of effort taking from service delivery than in any other area.

Mr TURNER: In your earlier evidence you indicated that the vast majority of HACC clients receive a very low level of support. Other evidence which the Committee has heard indicates across the entire regions service providers are providing services for increasingly high and complex needs. They suggest that this leaves more room for new entrants or competitive elements in the program. Can you respond to that?

Ms MILLS: Yes, we have obviously read the transcripts of some of the evidence that has been provided since we were last here and did notice that a number of people referred to HACC as being focussed on complex need clients and that other clients perhaps were not getting adequate service. On the other hand, we also read that some said that young people with a disability were not getting as high a share of it. So there are actually quite contradictory views I think coming across.

In terms of our data, the vast majority of HACC clients, particularly those receiving core domestic assistance, meals services and personal care, continue to receive very low levels of support. For example, around 97 per cent of people nationally - and New South Wales is consistent with this data - receive less than 4.5 hours per week personal care, and while the majority of clients are old people, we do have in New South Wales a higher proportion of people with a disability than across the country.

In terms of access to services, it is also true that in a large part of the HACC system there is quite a high turnover rate and where the turnover rate is greatest tends to be with people who have higher levels of support needs. So, again, I would question whether there is actually data to show that. We have a longitudinal analysis that has been done within the State and nationally that shows there has been no real shift in the population in the last four or five years to indicate the sort of comments that we saw in the transcripts about a shift in the levels of demand or types of services. So whilst we would be happy to provide more detailed analysis, we have not seen in our own records anything to reflect that position.

Mr WHAN: Can I just ask about your responses to the audit's recommendation 1 and the tables you put in your submission. In relation to DADHC's distinct roles as a funder, administrator and service provider, how are you addressing and resolving the questions that have been raised about that and what are the issues about the Home Care Service as the largest and only government provider of home care services being a service provider? You might have seen in the evidence that a number of groups raised that issue as well of regulation and provision of services. Will that role change as you see it and what changes are envisaged?

Ms MILLS: I guess DADHC is a policy maker, funder and provider and that is a complex role. We are not unique in that role. There is a number of other agencies who have similar requirements placed on them. We are very conscious of the importance of being transparent and being open about the way in which decisions are made in order to give confidence to the community that we do not blur the distinction between those various roles, and we do have, both in our administrative structure and our processes, quite clear separations in terms of decision-making about the various aspects of our business, so that it is clear where particularly the Home Care Service acts as a service provider on the same sort of level as other service providers in terms of input to planning and decision-making. We are quite confident that we have actually got the Chinese walls necessary to make that work effectively.

With regard to what role Home Care Service plays, it is certainly true that in its long history for most of that period it was not just the only government service provider, it was by far the only service provider of these types of assistances. In recent years there has been, both consciously and because the market has changed, a growth in alternative providers and at the same time there has also been an increasing view within government that where possible service delivery by agencies other than government should be encouraged. We have certainly taken a consistent view in that.

In recent years, the share of the home care budget has declined and that has been a deliberate policy decision, rather than a Home Care agency decision. Our view has been as policy makers and funders to have as diverse a sector as we can, to not be dependent on one particular provider. To enable the sector to have confidence in the transparency of that, we have in fact at times prohibited Home Care in actually bidding for work.

We have, however, continued to use Home Care as a very important provider across the whole continuum of need. It provides services from very low levels of domestic assistance and personal care to high levels of support to people with physical disabilities and those who require lots of care. Again, I think it has continued to provide a role in locations where there are not alternative providers. I think the future challenge for us is to work out what is, from a Home Care point of view, the critical mass that enables it to play that role, and obviously in order to be able to be efficient across the whole State there are certain overheads and certain administrative structures that need to be in place and we would not want at this point Home Care to fall below a level that enabled us to do that effectively.

Ms KENEALLY: I want to talk a bit about Aboriginal Home Care. The Committee understands that the department produced a Concept Report outlining changes for Aboriginal Home Care. Ms Brown, could you outline the key changes, the proposals and processes for implementation, and if possible can the Committee have a copy of the report?

Ms MILLS: I will pass it to Pauline in one moment to give you a bit of detail but if I could just provide some context. The Concept Plan was very much that. It was a preliminary piece of work done inside the organisation to look at how we might administer and structure the branches of Aboriginal Home Care more effectively to deliver some of the challenges we saw as not being really met effectively at the moment. Our primary objectives were to increase the number of people coming into the Aboriginal Home Care system, to have a more standardised assessment system in Aboriginal Home Care, which we did not presently have, and to reclarify the roles and responsibilities of the branch managers, because the jobs had very much evolved over time and policy did not meet the job descriptions and gradings that had been put in place a number of years ago. So it was an internal document to look at how we might propose to actually achieve those outcomes.

Again, I am happy for Pauline to give a bit of an explanation about the detail, but it is fair to say that it remains a working document. It went only as far as discussions with the union around some of the implications if we were to introduce some of these changes. They have not been implemented. We have made some other changes to the administrative, I suppose, oversight of Aboriginal Home Care, but as a concept plan it was very much a concept plan. It has not been out to the public, although I am aware - I was at a conference in Dubbo and there were a large number of questions about the Concept Plan and we were able to explain some of this background to it, but it has

not gone beyond that status of being something to consider in future directions.

Ms BROWN: The Concept Plan covers a whole range of areas, not just structural change. It covers things like managing change, working with other providers, how is it that we can respond to the many challenges that we have for servicing Aboriginal people, how is it that we can improve our recruitment processes for Aboriginal people coming into our statutory authority, simplifying those recruitment processes, and how is it that we can provide closer management support to our Aboriginal branches on a day-to-day operational basis. That was the Concept Plan, those four components.

As the Deputy Director General has commented, it was an internal consultation document, as it did include some proposed structural changes for consultation with staff and the union, and that is as far as that went. Since that time, however, the department has devolved the day-to-day operations of Aboriginal branches to DADHC regions to provide closer management support in a range of areas, such as improving business processes and improving learning and development support to our Aboriginal branches. We have also created a central Aboriginal Home Care Service development unit which will drive the policy and procedural and strategic directions and reforms that we need to improve our business on the ground.

Mr APLIN: Many witnesses told the Committee that they believe needs assessments should be undertaken face to face with consumers. To what extent does that occur at present?

Ms VERNON: If I could talk from the Home Care Service perspective, our Referral and Assessment Centre conducts something like 30 to 35 per cent of assessments face to face. All our assessments for the high needs pool clients, of which we have over 400 clients, are done face to face. The majority of assessments are done by phone. They are for low level care, mainly domestic assistance, and those assessments are done using a functional screening tool, which was developed by the University of Wollongong for the Home Care Service based on the national HACC tool. Those assessments are then provided to the branch to deliver service and the service levels are then monitored and reviewed as clients come on board into the Home Care Service. So phone assessment is predominantly our major form of assessment.

Mr TORBAY: Just on the functional screening tool, the Committee received information that the tool was too inflexible. In particular, the needs of carers was raised as an issue. How could this be improved?

Ms VERNON: When the functional screening tool was adapted by the University of Wollongong for the Referral and Assessment Centre, it uniquely introduced two specific questions on care: Was there a carer in the house and was support for the needs of those carers able to be continued? So in 2000 we were actually leading the way when we were looking at carers' needs.

I met with the carers' coalition, together with the manager of the Referral and Assessment Centre, and talked them through the functional screening tool. We want to stay to the forefront of understanding the best way to assess people's needs for service and in particular recognise the important role carers play. As part of that you would be aware that the Commonwealth are piloting a new tool, the Australian Community Care Needs Assessment, and Home Care has been taking part in that technical trial to see whether there are improved systems of assessment and taking into account carers' needs.

CHAIR: The Committee also heard that for frail aged people the notion of systematic progression of consumers from HACC to Community Aged-Care Packages to extended aged care in the home to nursing homes is simply not occurring. Rather, consumers are being slotted into any program wherever a vacancy occurs. This suggests an unintended breakdown in the continuum of care. How can this concern be addressed together with the Commonwealth Government, service providers and consumers?

Ms MILLIGAN: We probably want to comment on that term "continuum of care". I am not sure that the service system would describe itself as being a straight continuum. Certainly, at the higher levels of support through the Home and Community Care Program and the lower levels of

support in the aged care programs, like CACPs, one would have to acknowledge that they are providing similar levels of assistance. For example, for people who are receiving a community aged care package, that is at the lower threshold of the aged care program, it is a very similar level of assistance that some people are receiving in the Home and Community Care Program. So I am not sure that we should think about the support available as a straight continuum with people progressing from one program to another. I think it is a little more complex than that.

Having said that, the Community Care Review work has certainly debated and grappled with the issue of: Do we want very clear programs with clear progression from one to the other; what is the impact on individuals of that sort of care? I think early in some of the discussions in the Community Care Review we examined a possibility of having very clear delineations between programs. I think we have come to a point now where there is a slightly more sophisticated understanding that in terms of the consumer there are some programs, maybe I will use the word substitutable, that are providing a similar level of care. They are all a little different. So I am not sure that we would support a view that said once someone gets to a certain level of need, they need to exit one program and enter another. I think the system is a little more fluid than that.

However, certainly one of the issues we are seeking to resolve in the HACC program is people who really do have very high needs and in fact those needs would be much better met in an aged care program or perhaps even in a residential setting. Ms Vernon might like to comment, as someone who runs a service on the ground, but of course individuals have choice in some of these decisions. Certainly Home Care can at a certain point and any provider, say that they feel as though they are not able to continue to meet someone's needs, but we all know people who choose to stay at home, even though the situation may not be ideal for them, rather than move into another program, particularly a residential program.

In summary, I think we are not really at the point of describing the care system as a straight continuum where people progress from one to the other. In the Home and Community Care Program and at the lower level of the aged care program, I think there is some substitution of service depending on people's needs. We remain committed to work on this issue of people remaining in some of the community care programs beyond the point that they really can be well supported and we would support some of the evidence that you have heard that at that level there is still an issue of how do we make sure that people are getting support from the appropriate service.

Mr TURNER: The Home Care Service was allocated an extra $10.5 million in the 2005 budget to increase delivery by 10.5 per cent in service hours. The 2006 budget indicates the Home Care Service only spent $5.5 million and delivered a 0.4 per cent increase in service hours. Is there a lag in bringing the money forward in the budget for which funding is given or is there an administrative reason?

Ms VERNON: I am pleased you asked that question because I was very concerned to see in people's submissions the suggestion that Home Care had received an additional funding allocation of $10.5 million during that year. That is not correct. The budget report that people referred to was in fact an expenditure line item and it showed that we were projecting a budget to budget increase of $10.5 million. That does not mean we were allocated $10.5 million. We were to source that budgeted increase in expenditure from a variety of sources. Some of it is indexation from the Home and Community Care Program which we receive, as do other providers, and revenue from non-HACC programs. Home Care provides services not just for Home and Community Care but other Commonwealth programs. We planned to increase revenues from fees and from retained earnings. So we projected to spend an additional $10.5 million.

During the year we did not expend the total amount and we did face in that year a considerable increase in cost. Unit costs, which was also raised in a number of submissions, is something which we are wanting to continue to address and drive efficiencies in the delivery of service. During that year we had a significant increase in our workers compensation premiums, which we were working to address through our manual handling strategies, because we need to ensure that our workers are safe. We also had a number of wage pressures, a four per cent increase for example to our administration staff. So like any organisation, we had a number of pressures.

We are working very hard this year. In fact we have set our unit cost this year at the same rate as last year. We are driving those efficiencies through rostering guidelines to care workers and in our manual handling strategy to manage our workers compensation premiums. So we are working very hard to deliver as efficiently as we can the services for the funding we receive. But I would be concerned at any suggestion that we were provided with an additional $10.5 million, as some of the non-government organisations observed and were concerned about.

Mr WHAN: Can I come back to the Aboriginal Home Care Concept Report. When we had the Gathering Committee here giving evidence they said that they had asked for a briefing on that Concept Report and DADHC declined to give them that briefing. Could you tell us why that was the case and was there adequate consultation in the process of that? I know you have said it was a working document and has not been implemented, but it seems to me that that gives out some poor signals. Perhaps you could explain it?

Ms MILLS: Sure. Again, I will get Pauline to perhaps give the detail, then I might just make a comment about the general approach if that is all right.

Ms BROWN: Can I give a general overview of Aboriginal Home Care. The Home Care Service funds eight Aboriginal branches and 23 service outlets. The services are located primarily in rural and regional areas. We provide services to around 2000 people, most of whom are Aboriginal people. We provide flexible and culturally appropriate services to older Aboriginal people, young people with a disability and to their carers.

In the last financial year we delivered over 210,000 service hours, as well as other meals, trips and the like. DADHC funded the HACC Gathering Committee in excess of $100,000 to conduct a conference in Dubbo in June this year, and there was a request to deliver a workshop on home care which was provided at the conference. DADHC provided a session on engaging with communities at the conference and it included an overview of Aboriginal Home Care and the sorts of challenges that we are confronted with.

As we said previously, the Concept Plan was an internal document which really was a document to consult with staff about what was being proposed. At that point of the implementation stage or the consultation stage, we were still in the process of consulting with our in excess of 300 staff about what those proposals were. I think it would have been unfair to take those proposals out of the organisation to the community to discuss some of those proposals if in fact the staff themselves had not come to some sort of agreement as to what the proposals might be and what they should be and what best suited responses to the Aboriginal community.

CHAIR: Would you consider inviting the Gathering Committee in to have a discussion on where the concept document might see the Aboriginal delivery of services going? Would you see that as a problem, inviting them in for a discussion?

Ms BROWN: No. DADHC would welcome an opportunity to talk with the HACC Gathering Committee about the Concept Plan, about the underpinning principles of the Concept Plan, about our challenges. Aboriginal Home Care would welcome an invitation to participate on the HACC Gathering Committee as well. We have participated at a national HACC Aboriginal and Torres Strait Islander reference group level. We have community representation and government representation where we look at holistic issues in taking on Aboriginal communities at the regional level and local level Aboriginal Home Care, as well as NGOs, and we participate on local HACC forums. At the HACC Gathering Committee it is only a committee of NGOs and we would welcome an invitation to address the committee or be part of it.

CHAIR: I suppose that takes us back then to the Deputy Director General. The question there from me is: The Gathering Committee said that they requested a briefing and were unable to obtain one. I understand the comments made by Ms Brown, but it just seems to me that considering the specific and special circumstances of the Aboriginal community's needs, that you could not put the concept document out there, but to invite them in for a discussion or briefing would seem appropriate.

Ms MILLS: I do not disagree with that. I think the joys of hindsight make it much easier. I think one of the challenges for us was that information, or perhaps more correctly misinformation, about what the Concept Plan was, was circulating far before we actually anticipated having a broader consultation around it. I would want to say though that we absolutely agree that consultation is critical, and, as Ms Brown said earlier, there were a number of elements of the Concept Plan which had not really been structure. Although we have a four pronged objective for it, most of the initial work focussed on our structural, because that was an immediate issue for us, but certainly we are very eager to have input and consultation around directions for the system, culturally appropriate service delivery and so on.

I have met with the Gathering Committee myself on some occasions, and Pauline as well, but it is by invitation from them. What came to me out of that experience is that we need a more structured approach to our regular communication, rather than simply being by invitation and I am certainly very keen to remedy that in the near future.

Ms KENEALLY: I want to go back to the issue of ensuring service quality. In the table attached to your submission you talked about proposed surveys for unsuccessful applicants. When do you anticipate those will be held?

Ms VERNON: The Home Care Service monitors service quality in a number of ways. For example, we participated, as did all other HACC providers, in the HACC validation. There are HACC national standards. Home Care, along with other providers, participated in that. Part of those HACC standards is about client feedback, and as you know at the last Committee I tabled our clients' satisfaction survey, which showed excellent results from our clients. Not only have we validated externally, we also provide veterans home care and Community Aged-Care Packages and they have a very exhaustive validation process.

The audit committee recommendation had were two prongs. One was an independent client survey, which was conducted. We have not implemented any survey of unsuccessful applicants across the board. We did, however, in January 2005 contact nearly 300 clients who had been unsuccessful in gaining service to look at what the outcomes for those clients were. We found that 30 per cent of them still required a service. However, the majority no longer required a service from us and in fact had found services through other providers or informal supports had come in place. It is important to be hearing from people about their outcomes. Our focus is on bringing on board every month new clients into Home Care and we do that where our budget allows us to bring them on.

Mr APLIN: Remaining with the service policy fee, your response to recommendation 9 appears to indicate that no inspections have occurred to quality check service standards in the home. Is this the case, and, if not, when will the inspections be undertaken?

Ms VERNON: One of the questions that we asked in the client survey is would you know, as a client in an in-home support service, where to go if you had concerns, and 90 per cent of our clients said they knew who to contact. They were aware that there is a service co-ordinator, a local branch outlet that they can go to if they have any concerns. Those service co-ordinators are in regular contact with clients and if there are any issues raised about quality of service by the care worker, any needs for increased supervision of the care worker, those issues are taken up by the service co-ordinator.

Visits do occur into the client's home. I think the example of quality checks, we would not go so far as to say we do quality checks on the level of domestic assistance. Fundamentally, we are training our care workers. They have got a care plan. We are monitoring how that is going with client feedback. We do regular client reviews and part of that check list is about ensuring client feedback about the quality of the service. We have very close supervision of our care workers, and, as I say, we are confident that in providing in-home support for 38,000 people a month across New South Wales, we actually have a very low level of complaints and concerns about the level of that service. Notwithstanding, we have got to continue to supervise workers closely and their standard of

care.

Mr TORBAY: Are there consumer representatives on the Home Care Advisory Board?

Ms VERNON: I have brought along a list of members on the board. One of the members, Betty Johnston, describes herself as a very active consumer advocate. One of the other members of the board is a Home Care client and receives services from Home Care, and I am happy to table an updated list of members of the board.

Mr TURNER: In the response to terms of reference 1, there is a reference under the background section of that saying in 2004-2005 there were approximately 582 non-government, local government and State Government providers of HACC services to 186,083 HACC clients. I notice on page 7 there is an estimation of the HACC target population, and it is a very complicated system there which I will come back to if we have time. It says the New South Wales HACC target population in 2006-2007 is 558,530 as against providing services to 186,083.

The first part of the question is: Can you explain the difference between the target and the providers? Secondly, in the terms of reference 2, Home Care Services, it says the HACC program funds over 700 providers to provide HACC services, and yet in terms of reference 1 it says 582 service providers. The figures do not gel.

CHAIR: What page is that?

Mr TURNER: Page 3, 7 and 1 of the terms of reference.

Ms MILLIGAN: If I can answer the first part of your question, which is the number people who receive a service from the Home and Community Care Program versus the target population. The target population for the Home and Community Care Program is aged people and younger people with a disability. The methodology for working out how much money goes to each jurisdiction obviously requires us to identify the whole target population. Clearly not everyone in that target population will require a HACC service. For example, not all people who are over a certain chronological age have care needs. So the reason that the target population, which is 558,000 people, is a higher figure, is that it includes everyone who is within the eligible target population for this program. It is not suggesting that all of those people have immediate needs that need a response from the HACC program.

The 186,000 clients, that figure is sourced from the minimum data set. That data comes from people who have HACC funds to provide a specific service. They report back in the accountability framework that Ms Mills talked about earlier; they report back to us in terms of how many people they are servicing. The collection has a methodology in it that we collated from unique people. So I might be receiving my domestic assistance from one provider, personal care from another and I use a transport service from another. The collection identifies people with what is called a statistical linkage key, so we have 186,000 individuals actually having received a HACC service.

Mr TURNER: If you have got the three services you just mentioned, you should only show up once?

Ms MILLIGAN: Correct. The data will show that I had X hours of this service, X hours of another. My hours are collected in total but there is a method in the collection to know that it is one person.

Ms MILLS: I will just recheck those numbers and I would guess that the numbers in terms of reference 1 are the correct numbers.

Mr TURNER: As to the service providers?

Ms MILLS: Yes.

Mr WHAN: You may have mentioned this last time you came in, but I wanted to raise the Auditor-General's recommendation about the working with children checks. Why is it considered not feasible to have a quite clear record declaration for existing staff? Why do you think that Home Care workers do not fit the definition for performing mandatory checks?

Ms VERNON: There are two issues that have been raised. One is around criminal record checks which we introduced in February 2004 for new staff. Existing staff are required to advise the department under our code of conduct to disclose a criminal record which may affect their employment. Existing staff are required to notify. When we become aware of any charge or conviction, we take appropriate action.

The working with children checks, which are currently in place for a number of organisations, the advice to the department is that the definition of child related employment does not cover our care workers at the moment. There have been discussions and we are continuing to meet with the Office of Children and Young People to scope out the definitions, but our current advice is that under the legislation our care workers do not fit their definitions and we are wanting to look at how we can work with the commission to scope out those issues. So we are not currently able under the legislation to do a working with children check on our care workers.

Mr WHAN: You are not legally able to do it but do you think it would be desirable to do it?

Ms VERNON: That is what we are meeting with the Commission to do, to scope out the possibility of doing it for even a proportion of our care workers who are in households where there are children or where we have children as clients.

Mr APLIN: The performance audit report found that the Home Care Service costs more than other providers. Your response to recommendation 12 about benchmarking indicates that HCS has participated in a DADHC benchmarking project but does not have access to the costs of other providers. Why are these costs not available and could the Committee see the benchmarking project results?

Ms MILLIGAN: The benchmarking study provided us with information on - I do not remember the number, sorry - a number of our providers participated and gave us access to information about their cost structure and their unit cost. I think probably the main thing that the benchmarking study confirmed was there was a very significant range of costs within the provider population. We have made available to people who participated in the study the outcome of that work in the form of showing them the range of costs that the providers reported to us. So the information of the range of costs is available.

The study I think did not really give us very detailed information that we could then use to identify cost drivers and implement specific strategies. It is a bit of a first step in understanding the range of costs. In some services the range of costs is very broad and so I think for an individual provider, they could certainly have a look at their own costs within that range. I am not sure that the study gives them the tools they might need then to work on reducing their costs.

That is the context of the benchmarking study and certainly a summary feedback report of that is available, and another part of your question I think was specifically to Home Care.

Mr APLIN: I think you have answered it. It was to get the benchmarking results and to ask about the access to costs of other providers.

Ms MILLIGAN: Right.

Mr APLIN: So you have answered those.

Ms MILLIGAN: It is presented as a range. For example, the information we have made available says for nursing care in HACC providers in New South Wales, the range of the costs reported by the organisations in the study went from X dollars to X dollars per hour. It does not list

the providers and their individual costs but it shows the range of costs that were reported in the study.

Ms MILLS: If I can just make one brief comment on that as well. In terms of the information made available to the Home Care Service it was equivalent to that made available to other service providers. As part of our funder/provider split, we have actually got that separation in. So what was reported back to Home Care was absolutely equivalent to the information provided to the rest of the sector.

Mr TORBAY: Your submission states that Home Care Service is monitoring costs and hours but does it monitor service quality?

Ms VERNON: As I mentioned around service quality, I talked about how we get feedback from clients, about the quality of services they are having in their own homes. We also monitor a range of performance indicators, for example the time from referral to assessment and when people can start service. We ensure that we set benchmarks around within ten days, that is between referral and assessment. When the assessment goes to the branches, we are expecting the client to be contacted within the first week and for service to commence within the second week.

There are a number of benchmarks which we use. We regularly look at the number of Aboriginal clients that we are seeing, age profile of the clients, service intensity, that is on average what level of service people are getting. We monitor how many people leave our service every month. I said in the submission around 800 to 1000 people leave Home Care and no longer require our service. We are bringing on that number every month to replace those clients. So in terms of quality, as a State-wide organisation there are a number of benchmarks and performance measures that we use. We report monthly to the department's executive on hours, dollars and a number of other benchmarks.

Ms KENEALLY: How has bringing Alleena Warrumbucca Aboriginal Home Care under DADHC's Metro South Home Care stream worked? The areas are large. There is Eastern Sydney, the Inner West and Campbelltown. Are there extra resources available to the service to address that additional workload?

Ms BROWN: The Warrumbucca service outlet is at Campbelltown. The Alleena Aboriginal branch is at Redfern, which covers a whole range of areas. The fundamental principle underpinning that decision was to have them reporting to the same DADHC region. Previously, the Campbelltown service outlet reported to Mt Druitt, Wangarry Aboriginal Branch, which is another DADHC region. So for local support, local management support, occupational health and safety support, learning and development support, that was a fundamental underpinning about bringing them together into one DADHC region.

In terms of resources, we have a discrete service outlet at Warrumbucca which was reporting to another branch and now reports to Alleena. The branch manager's position at Alleena was upgraded to accommodate the management responsibilities of both. There were no other impacts on resources, no decrease in resources. Resources are the same; the clients are the same. The only change was a branch manager, plus the support of one regional manager. Previously there was one regional manager looking after eight branches across the State. Now we have all of our branches reporting to a regional manager in our DADHC region.

Ms KENEALLY: So it was a reporting change as opposed to a change to the way services are delivered?

Ms BROWN: That is correct. It was a reporting change and to provide closer management support to both.

Mr TURNER: Going back to the terms of reference response number 1, page 7 again, it says:

> The significant differences between Commonwealth Government estimates of the NSW HACC target population over time suggest the HACC target population and equalisations methodologies should be reviewed to provide more stable projections and a more robust base for planning of future growth.

The significant differences between whom, New South Wales and the Commonwealth? That being the case, has anything been done to date?

Ms MILLIGAN: I will just check that reference.

Mr TURNER: The second last paragraph on page 7.

Ms MILLIGAN: The basis on which the funds are offered - and it picks up on your previous question, and I might just recap one part of that - the target population is survey based from the estimates. It is a survey of people with a disability and their carers. The information does not come from the census because, as you would know, until the census this year there was not a question about disability. So it is survey based information, and the target population identifies people of all ages who have a moderate, severe or profound disability. The Commonwealth uses the outcome of that survey in each jurisdiction to work out who gets what money.

The survey is undertaken every five years. So we have new data about every five years. The most recent survey in New South Wales, for a reason that ABS could not explain, had a significant dip in the New South Wales population. The figures in New South Wales went down by about 50,000. In the previous allocation of funds we had been given a share, based on what we understood the New South Wales population to be in this group. In the latest survey our figures went down. The ABS has described it as an aberration, could not really work out why it went down. That meant that the Commonwealth in carving up the money had to take account of that.

I think I mentioned this when we talked about it last time. The Commonwealth also acknowledged that this was a statistical problem. They were helpful in looking at the previous two surveys and taking a bit of an average approach to what the figures said, but until we have more robust census based information about the number of people with a disability in all age groups, we do have to rely on this survey data and it went down in New South Wales in the last survey.

Mr WHAN: We have heard evidence about the lack of a client fees policy which some people suggested was causing concern. When is it proposed that the operational aspects of the client fees policy will be introduced and is it proposed that access to services will be income or means tested?

Ms MILLS: In regard to a fee policy, each separate organisation has its own fee policy. Under the National HACC agreement there are broad parameters around the charging of fees and the principles that should underpin that. They relate to affordability and so on. Whilst there is not a State-wide determined fee policy, there is within each organisation a fee policy, and one of the challenges is the comment by Ms Milligan in answer to your question earlier about the wide range of costs in different services. Where there are common fees in areas like the aged care system, residential system, where there is a standardised fee process, there is also a highly standardised structure and highly standardised subsidy levels which are not available in the Home Care HACC system.

In terms of directions, however, there are two pieces of work that will underpin where we may go in terms of fees. Certainly, with regard to your question as to are we going to means test, we do not have a policy position on that, but we do have two pieces of work in which we are involved. The first is under the Community Care Review national project to look at the cross community care system and we are very keen in that not only to look at what should be base line, either philosophically or actual fee levels, but also to ensure, coming back to the earlier question about different programs and continuum, that there are not perverse incentives for people to stay in a particular program when they need to change because it is actually more cost effective for them, when in fact they may not be getting their needs most effectively assisted.

The second project that we are involved in is with other State Government agencies. Recognising that a high proportion of our clients are low income people and often living alone, particularly in the HACC service systems, we are conscious that we have many of those clients accessing a number of government services and whatever fee policies that we introduce, we do not want the similar perverse incentive where people simply cannot afford a very important service, because the accumulative impact of fees, be they housing, health or DADHC type fees, actually means that they have to make a choice about what service they can afford to access.

We are presently working with a number of other government agencies on a set of principles that will guide our overall approach to fees and take into account the needs of individuals in terms of fee setting. That work will influence our future direction, but we have not yet reached a policy decision on the sorts of specific questions you asked.

Mr WHAN: What sort of timeframe are you looking at? Is there a specific fees policy for Home Care Service?

Ms MILLS: Yes, there is and Ms Vernon can speak about that in just a moment. In terms of timing, the project on fees under the community care programs of the national project has recently commenced with the commissioning of a piece of research to examine the current types of fee approaches across the programs, and that timetable is probably at least 12 months' work before we get to anything even close to a national approach.

In terms of the work with other State agencies, we are very close to finalising a set of principles which we will be taking to Cabinet before the end of this year, which will drive then the approach we take in any changes to fee setting.

Ms VERNON: As you would be aware, Home Care has charged fees for clients for a number of years, and last year collected something like $12 million in fees. They are not intended to cover the full cost of service delivery but be a contribution. We are consistent with the national guidelines on fee collection. What we have not had in Home Care is a consistent schedule of fees across the State and we are currently looking at that. We are also very conscious of the need to take into account the Aboriginal clients, and when we are looking at ability to pay, the guidelines do say that inability to pay can never mean people do not get a service. So we are very clear on that, that people get a service. 90 per cent of our clients are on some form of pension or benefit, so again we take that into account. Where we want to be is to set a State-wide fee and then have in place a consistent review process to ensure that people are not missing out on services because of an inability to pay.

CHAIR: On behalf of the Committee and myself, it is very much appreciated that you have come in and shared with us information and answered the questions so freely and willingly.

Ms MILLS: Could I make one quick concluding remark, if I may, is that possible?

CHAIR: You may.

Ms MILLS: A lot of the evidence was about the late payment and I spent a lot of time at our last meeting talking about the ways in which we were trying to improve the processes and that in the new HACC agreement we had agreed at a national level a number of changes and I know that there was some concern about whether that will have an impact. Although the full impact will not be until the new agreement, we have already introduced some of those changes by mutual agreement with the Commonwealth, and so the State plan has already been signed and 80 per cent of the funding already allocated this financial year. That is the best we have done in a long time and that is really due to these changes.

(The witnesses withdrew)

(The Committee adjourned at 10.15 a.m.)