Aged care industry facts (updated May 2015)

Aged care context

1. Current life expectancy is M 80 and F 84; life expectancy if you are 65 now is M 84 and F 87 (*ABS, Jan 2012*)
2. In 2014, 15% of the Aust. population was over 65 and 1.9% over 85 years. By 2032 it is predicted that around 24% will be over 65 and 7-8% will be over 85 years. (*2013-14 Report on the Operation of The Aged Care Act, p3 and ABS, Pop projections in Australia, 2012*)
3. During 2013–14, 68 per cent of Australians aged 65 years and over lived at home without accessing Government subsidised aged care services, 25 per cent accessed some form of support or care at home, while only 7 per cent accessed residential aged care. *(2013-14 Report on the Operation of The Aged Care Act, p4)*
4. Over 1 million aged care consumers in 2011 – 3.5m expected in 2050 (*Prod Com CFOA Vol 1 June 2011 pxxii*)
5. The use of aged care services in 2013–14 *(2013-14 Report on the Operation of The Aged Care Act, p5):*
   - over 231,500 people accessed permanent residential care;
   - over 83,100 people accessed home care packages;
   - over 23,500 people accessed transition care; and
   - over 775,900 people aged 65 years and over (50 years and over for Indigenous Australians) accessed Home and Community Care (HACC) services.
6. 298,000 Australians with dementia in 2011; 400,000 by 2020. Among Australians aged 85 and over, 3 in 10 (30%) had dementia (*Dementia in Australia, AIHW 2012*)
7. 112,000 people living with dementia in NSW in 2014, which is expected to grow to 132,000 people by 2021 (*Alzheimers Australia, Deloitte Access Economics report, 2014)*
8. In Aust there are around 30,000 people from a CALD background in an aged care facility and around 13,500 using Home Care. In NSW this is around 11,000 and 6,000; and in the ACT 355 and 232. *(2013-14 Report on the Operation of The Aged Care Act, p58)*
9. There is a decreasing number of veterans receiving aged care support, in Australia this is now 24,678 down from 27,132. In NSW there are 8,636 veterans receiving support and in the ACT there are 312. *(2013-14 Report on the Operation of The Aged Care Act, p59)*
10. In 2013 there were 7.42M people in NSW and 64% lived in the Greater Sydney Area. *(Regional Population growth, 2012-13, ABS, 2014*).
11. In June 2013, only 56% of those aged 65 years and over resided in Greater Sydney, indicating a preference of older people to retire to coastal and rural areas. (*ABS, 3235.0 - Population by Age and Sex, Regions of Australia, 2013)*
12. In 2013 there were 381,500 people in ACT and 11% of the people were over 65, this being the second smallest percentage in Australia. (*ABS, 3235.0 - Population by Age and Sex, Regions of Australia, 2013)*
13. Around $14.2B a year government spend nationally on aged care and expected to grow by $1B a year *(2013-14 Report on the Operation of The Aged Care Act, p5)*
14. Currently 0.8% GDP; expected to grow to 1.8% by 2050 – the same as on defence, close to the expenditure on education (*Intergenerational Report 2010)*
15. Currently there are 5 people working for every person over the age of 65 yrs. This is expected to be less than 3 people working in 2025 and only 2 people in 2050. *(Australia's Future Tax System, Retirement Living Consultation paper, Chapter 6, 2008)*
16. As Australian government spending on health, age pensions and aged care services is projected to double to around half of all government spending over the next 40 years. *(AHURI, Banking on the family home for aged care, March 2014 http://www.ahuri.edu.au/housing_information/review/evrev052#sthash.Wqiywsw4.dpuf)*

32. The government sets supply. Currently it is 113 places per 1000 people over 70 years. Will increase to 125 by 2021-22, expecting up to 45 places to be community. (2013-14 Report on the Operation of The Aged Care Act, p6)

17. One fifth of all homeless people are aged 55+ (*homelessnessclearinghouse.govspace.gov.au*)

18. Sydney 7th most unaffordable housing in the world, after Hong Kong etc; Australia is equal 2nd most unaffordable with New Zealand after Hong Kong. Biggest driver is release of land. *(Demographia 2013)*

19. Housing downsizing reduces money available for future care needs. Losses are from: 8 to 10 per cent to pay the stamp duty for their new home, legal costs, agent's fees and moving costs. *(AHURI, Banking on the family home for aged care, March 2014 http://www.ahuri.edu.au/housing_information/review/evrev052#sthash.Wqiywsw4.dpuf)*

20. The aged care sector is subject to 144 state and federal statutes and reports to 19 government entities and 74 other agencies. (Holman Webb research, 2013 and ACSA National Report 2009)

Work force

21. Health and Community Services represent the second-largest industry in Australia, employing more than 1,146,000 people as at February 2009 or 10.6% of the Australian workforce. Of these workers, approximately 22% work in the aged and community care sector.

22. 305,000 people employed in Australia representing 2.7% of the workforce. By 2050, 1 in 20 will work in aged care. *(DoHA, LLLB, p17)* (there are approx. 122,000 workers in NSW)

23. 15.3 per cent of all registered nurses and 21.9 per cent of all enrolled nurses nationally work in aged care.

24. 240,000 people employed as direct care givers, with personal care workers making up 68% in RACF and 81% of community care direct workers. *(2012 National Aged Care Workforce Census, DoHA)*

25. 35% of staff were born overseas, and 65% of the workforce who speak LOTE have been in Australia more than 10 years. *(Aged Care Workforce report 2012)*

26. 58% of staff have worked in aged care more than 10 years *(Aged Care Workforce report 2012)*

27. 90% of the workforce is female; 72% work permanent part time; 25-30% want to work more hours (not RNs); median age is 48 yrs. *(Aged Care Workforce report 2012)*

28. The community care workforce will need to expand to deliver the increased number of packages funded under the reforms. In 2012, RNs were around 12% of the community direct care workers. This workforce grew from 46056 in 2007 to 54537 in 2012 and will keep growing. *(2012 National Aged Care Workforce Census, p75, DoHA)*.

29. Approximately 66% of the aged care workforce is located in metropolitan areas. *(2012 National Aged Care Workforce Census, p55, DoHA)*

30. The ratio of direct care workers per residential operational place in NSW is around 0.7 although the ratio is higher in non-metropolitan locations. *(2012 National Aged Care Workforce Census, p59, DoHA)*

31. 62.5% of aged care facilities reported a shortage of RNs, with 70.3% of facilities in remote locations reporting this. *(2012 National Aged Care Workforce Census, p61, DoHA)*

32. The most difficult staff to recruit are RNs with around 33% of facilities reporting RN vacancies, a figure that has increased from 25.7% in 2003 *(2012 National Aged Care Workforce Census, p64, DoHA)*

33. Around 30% of RN vacancies took more than 4 weeks to fill, with the average RN vacancy duration being 6.9 weeks in NSW. However in outer regional areas this was 8 weeks, remote 15.2 weeks and very remote 12.6 *(2012 National Aged Care Workforce Census, p65-66, DoHA)*

34. In the face of shortages, 63% of facilities asked existing staff to work longer hours and 53% used agency (non-PAYG) staff. *(2012 National Aged Care Workforce Census, p62, DoHA)*

35. Nationally, over half of all facilities (55%) used non-PAYG workers and 31.2% of facilities had used at least one agency RN in the fortnight of the survey. The use of agency RNs was only 26% in 2003. *(2012 National Aged Care Workforce Census, p68-69, DoHA).*

36. In NSW in 2003 only 19.1% of facilities had used agency staff; in 2012 this was 26.7% *(2012 National Aged Care Workforce Census, p70, DoHA).*

Carers

36. In 2012-13 there were an estimated 2.7 million carers, providing 1.32 billion hours of care annually. *(4430.0 - Disability, Ageing and Carers, Australia, 2014)*

37. The annual replacement cost of this care is estimated at $40.9 billion. (*Access Economics, The Economic Value of Informal Care in 2010)*

38. Carers face greater financial hardship; 50% are on low incomes, with 65% of primary carers in the two lowest income brackets. *(4430.0 - Disability, Ageing and Carers, Australia, 2014)*

39. 37% of people aged 65 and over engaged in either paid or voluntary work or provided unpaid care *(Where and how do Australia's Older People live? ABS, April 2013)*

40. In 2009-10 the care economy in Australia was worth an estimated $762.5 billion *(Counting on Care Work in Australia, 2012, Security4Women*)

41. In 2009-10, unpaid care was imputed at $650.1 billion or 50.6% of GDP; with 11.1 million FTE workers. *(Counting on Care Work in Australia, 2012, Security4Women*)

42. In 2014-15 more than 307,412 carers accessed funded support services such as respite, counselling, peer support and advocacy through the Department of Social Services. *(DSS Budget papers, 2015)*

Residential aged care

43. In Australia, around 57.4% of operational places were provided by the not-for-profit church, charitable and community sector; 37.4% FP; 5.2% Gov. *(2013-14 Report on the Operation of The Aged Care Act, p33)*

44. In NSW around 66% of operational places were provided by the not-for-profit church, charitable and community sector; 33% FP; 1.3% Gov. *(2013-14 Report on the Operation of The Aged Care Act, p33)*

45. In the ACT, 78% of operational places were provided by the not-for-profit church, charitable and community sector and 22% FP. *(2013-14 Report on the Operation of The Aged Care Act, p33)*

46. 192,834 operational residential care places in Aust. as at June 2014. *(2013-14 Report on the Operation of The Aged Care Act, p8)*

47. 216,477 beds allocated and 186,278 operational, therefore 30,199 (14%) not operational. (*The Report on the Operation of the Aged Care Act 2012-13, end June 2013 data not available for June 2014)*

48. Around 66,780 operational RACF beds in NSW (34.6%) in June 2014. (2013-14 Report on the Operation of The Aged Care Act, p9)

49. At June 2014, there were 95.6 bed places per 1000 people over 70 allocated in NSW but only 84.5 were operational. *(2013-14 Report on the Operation of The Aged Care Act, p8)*

50. There are 2073 operational beds in the ACT. *(2013-14 Report on the Operation of The Aged Care Act, p9).* Around 85% of beds provided, in 26 facilities are in NFP. *(2014 Report on aged care provision by ACT Government)*

51. At June 2014, there were 100.5 bed places allocated in the ACT per 1000 people over 70 yrs but only 70.6 were operational. *(2013-14 Report on the Operation of The Aged Care Act, p8)*

52. As at June 2014, there were 4000 transition places. This will increase to 6000 by 2021. *(2013-14 Report on the Operation of The Aged Care Act, p5 and 2015 budget papers)*

53. DSS predict another 76,000 beds needed in facilities by 2024. 146 new beds a week in Australia. (Approx 22,335 beds in NSW, or 55 a week, a $5573M investment) *(ACFA report 31 July 2014, p18*)

54. Average cost of a RACF bed in 2012 was $220,000 (*Grant Thornton study, 2012*)

55. Around $31B expansion of the residential aged care sector over 2014-2024, based on 2012-13 prices for new beds and rebuilding. *(ACFA report Factors Influencing Financial Performance of Residential Aged Care, 2015, p vi)*

56. NSW has 885 facilities, of which 68% are not for profit, 28% FP and government 4% (*AIHW RAC A Statistical Overview 2010-11, Tables A1.2, A1.6*)

57. There are 2723 RACFs in Australia, {1239 facilities in NSW using the DSS counting method based on high and low care allocations.} (*The Report on the Operation of the Aged Care Act 2012-13, end June 2013, p103)*

58. At 30 June 2014, 2,688 RACFs. (*The Report on the Operation of the Aged Care Act 2013-14 p30)*

59. Between 2002 and 2013 the number of facilities decreased by 8.2%, while the number of places increased by 31%. The proportion of facilities with more than 60 beds doubled to 48.6%. (www.health.gov.au, 2013)

60. 70% of residents are female, and 63% of them are over 85 years old (*AIHW, RAC Stats 2010-2011*)

61. 57% of all residents were over 85 years old in 2011, gradually increasing from 50% in 2000 (*AIHW, RAC Stats 2010-2011*)

62. Over 52% of residents have dementia *(2013-14 Report on the Operation of The Aged Care Act, p4)*

63. At June 2014 NSW had 74.7% of all beds used for high care residents, and 56.4% of ‘low care’ beds were used for high care residents. In the ACT, 78.2% of all beds were used for high care residents, and 65.4% of ‘low care’ beds were used for high care residents. *(2013-14 Report on the Operation of The Aged Care Act, p31)*

64. Over 83% of residents have an ACFI rating of high care (Mirus analysis, July 2014)

65. Average length of stay was 2.8 yrs – 2.1 yrs for males and 3.2 yrs for females (*AIHW, RAC Stats 2010-2011*)

66. 91% of discharges are due to death, 20% within 3 months and 40% before 9 months. 4% returned the community and 2% moved to a different facility (AIHW, depression in RACF report, 2013)

67. Bed occupancy at June 2014, for Aust was 93%; in NSW 93.1% and in ACT was 95.5% *(2013-14 Report on the Operation of The Aged Care Act, p32-33)*

68. There are ~ 8,658 people under 65 (young people in nursing homes) living in a facility, therefore ~ 4.5% operational beds are in use for that. *(Productivity Commission 2013, table 13A.30)*

69. The Aged Care Funding Instrument (ACFI) is an extremely complex tool with 102 pages of regulations, 21 pages of business rules and 121 rating cut off points

70. The average government payment per resident was $56,100. The average was $62,750 for high care and $25,900 average for low care. *(2013-14 Report on the Operation of The Aged Care Act, p39)*

71. According to *The Report on the Operation of the Aged Care Act 2013-14 (p39)*, the average federal government care subsidy for a resident in a nursing home was just $154 a day to provide personal and nursing care. This included assistance with dressing, eating and toileting, bathing and moving around, and allied health services such as physiotherapy, occupational therapy, recreational therapy and podiatry. A hospital bed costs $1250 per day (*Australian Institute of Health and Welfare (2014). ‘Australian Hospital Statistics 2012-13’.)*

72. Over one third of all deaths annually are from residential aged care facilities (*LLLB, Better Health Connections, p10)*

73. As at 30 June 2013, 56.4% of low care beds were being used for people requiring high care, as part of ageing in place. (*The Report on the Operation of the Aged Care Act 2013-14, p 31)*

74. There were 24, 678 gold or white treatment care holders in RACFs as at 30 June 2013, (*The Report on the Operation of the Aged Care Act 2013-14, Table 38)*

75. As at 30 June 2013, occupancy rates in Aust. (and NSW) averaged 93%; ACT was 95.5% (*The Report on the Operation of the Aged Care Act 2013-14, p 33-32)*

76. 63,561 admissions to residential respite care in Aust., and the number of residential respite days used in 2013–14 was 1.5 million. NSW had 648283 (43%) days and ACT 13265 days. (*The Report on the Operation of the Aged Care Act 2013-14, p20)*

77. As at 30 June 2013, there were 147 MPS in Australia with 58 in NSW and nil in ACT. These are 'Flexible care' places. In NSW there are 735 High care beds, 235 low care beds and 119 community packages in an MPS(*The Report on the Operation of the Aged Care Act 2013-14, p54)*

78. In 2013-14, DSS received 2,353 notifications of reportable assaults. With 213515 people receiving permanent residential care this represents around 1%. *(2013-14 Report on the Operation of The Aged Care Act, p74)*

79. In 2013-14 there were 17 Notices of Decision to Impose Sanctions to 14 Approved providers in Aust. 3 of these were in NSW and they are all now resolved. *(2013-14 Report on the Operation of The Aged Care Act, p75 & 103)*

Home Care Program / Community Care

77. 66,149 community packages in Aust – 86% NFP; 9.6% FP and 4.2% Gov (*The Report on the Operation of the Aged Care Act 2013-14, p26)*

78. Community packages in NSW – 85.5% NFP; 9.5% FP and 5% Gov; and in the ACT 87% are NFP with 13% FP. (*The Report on the Operation of the Aged Care Act 2013-14, p26)*

79. 20,894 community packages, giving 26.7 packages per 1000 people over 70 yrs, in NSW or 31.5% of all packages (*The Report on the Operation of the Aged Care Act 2013-14, p24)*

80. At June 2014, there were 1178 packages, or 40.1 home care places per 1000 over 70, in the ACT *(2013-14 Report on the Operation of The Aged Care Act, p25)*

81. In NSW 20,894 packages with only 2417 by CDC on 30 June 2014; ACT 1178 with 27 CDC. *(2013-14 Report on the Operation of The Aged Care Act, p25)*

82. Under the LLLB reforms, proposed to increase from 27 packages per 1000 over 70 years to 45 packages, by 2022 *(2012-13 Report on the Operation of The Aged Care Act, p25)*

83. 71% of home care consumers in Aust are on Level 2 packages and 21% on Level 4; with only 1.1% on a Level 1 package (an occupancy rate of 48.7%) (*The Report on the Operation of the Aged Care Act 2013-14, p26-27)*

84. 80% of home care consumers in NSW are on Level 2 packages and 17% on Level 4; and in the ACT 59% of home care consumers are on Level 2 packages and 41% are on Level 4 (*The Report on the Operation of the Aged Care Act 2013-14, p26-27*

85. Around 30% of people receiving level 3 & 4 packages remained at home until they died, around 50% transferred to an RACF. (www.aihw.gov.au)

86. 48% of people on low care packages (levels 1 & 2) and 62% of people on high care packages (levels 3 & 4) received the package for less than a year. (www.aihw.gov.au)

87. 38% of Indigenous Community Aged Care package recipients were aged 65 or under, compared to 4% in the wider population. (www.aihw.gov.au)

88. Over 17% of community consumers have dementia *(2013-14 Report on the Operation of The Aged Care Act, p4)*

Commonwealth Home Support Program (CHSP) / HACC

89. Commonwealth HACC funding is $506M in NSW and $21M in ACT *(2013-14 Report on the Operation of The Aged Care Act, p21)*

90. 864,145 people received HACC services in Aust. as at 30 June 2014. 229,332 in NSW and 10,556 in the ACT. *(2013-14 Report on the Operation of The Aged Care Act, p20)*

91. 44% of people over 85yr receive HACC services in NSW, & 30% of people aged 80-84

92. At 30 June 2014, there was a total of 1,110 Commonwealth funded HACC service providers. 498 HACC providers for aged care in NSW and 29 in the ACT (47.5% of providers not including WA and Vic) *(2013-14 Report on the Operation of The Aged Care Act, p18)*

93. In Aust 75% of CHSP providers are NFP, 7.7% FP and 18% gov. In NSW 73% is NFP, 8.4% FP and 18.7% gov. In ACT there are 29 providers of whom 1 is FP. *(2013-14 Report on the Operation of The Aged Care Act, p18)*

94. Under the NRCP, there are 563 respite services and 54 Commonwealth Respite and Carelink Centres across Australia. 198 respite services in NSW and 11 in ACT. *(2013-14 Report on the Operation of The Aged Care Act, p18)*

95. The 2013 HACC funding round produced 15% new entrants, 660 organisations applied with 331 successful; 4500 applications and only 1231 successful.

Retirement Villages

96. Over 2,200 villages in Australia accommodating over 170,000 seniors *(McCrindle media release Dec 2013)*

97. Approximately 8% of Australians aged 75+ live in retirement villages *(McCrindle media release Dec 2013)*

98. Average age of entry is 76 *(McCrindle Baynes Villages Census Report 2013)*

99. Half of people surveyed (50%) stated their overall happiness and life satisfaction had increased *(McCrindle Baynes Villages Census Report 2013).* 75% were happy with their decision to move into their village and would make the decision again.

100. The three top reasons recent village residents chose to leave their previous home was to downsize while they could (84%) and their home was becoming too big to manage (62%) and concern for future health (60%) *(McCrindle Baynes Villages Census Report 2013)*

101. Most residents (77%) stated their main source of income was through government pension or allowance *(McCrindle Baynes Villages Census Report 2013)*

102. A majority of recent residents (93%) reported that the decision to move into a village had been a good financial decision *(McCrindle Baynes Villages Census Report 2013)*

103. There are 28 retirement villages in the ACT, with 1429 units accommodating around 2,300 people.

ACS

104. ACS NSW and ACT: 289 members ~ 85% of all NFP places; 11% FP places; 3.5% government places (*DoHA, ACS records June 2012*).

105. ACS members have 78% of the low care places, 40% of the high care places, 71% community care places (*DoHA, ACS records June 2012*)

106. 59% of residential aged care places in NSW and ACT were covered by ACS members *(DoHA Service List 2012, ACS IMIS 2012)*

107. As at June 2013, ACS members operate 23 High Care RACFs and 453 Low Care RACF in NSW; and 7 High care and 14 Low care RACFs in ACT. *(DoHA Service List 2012, ACS IMIS 2013)*

108. 71% of community care places in NSW and ACT were covered by ACS members *(DoHA Service List 2012, ACS IMIS 2012)*

109. 454 HACC NGO providers for aged care in NSW and 27 in the ACT; 70 are ACS members covering 239 services; the next 10 biggest other than Homecare are ACS members (*ACS records*)

110. 10 ACS members operate 19 of the 28 retirement villages in the ACT.