

PARLIAMENT OF NEW SOUTH WALES

LEGISLATIVE COUNCIL

STANDING COMMITTEE ON SOCIAL ISSUES

CARING FOR THE AGED

INQUIRY INTO
AGED CARE AND NURSING HOMES
IN NEW SOUTH WALES

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according to Resolution of the House

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Standing Committee on Social Issues, Report No. 14

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TERMS OF REFERENCE

1. That the Standing Committee on Social Issues inquire into, and report on, the state of nursing homes in New South Wales and in particular:
 - a) the extent to which the dignity, privacy, confidentiality and other rights of residents are protected;
 - b) the effect of transferring the responsibility and management of nursing homes from the Commonwealth to the State Government;
 - c) the likely impact of the introduction of entry fees and the increase in user-fees for nursing home residents;
 - d) the adequacy of supported hostel-type accommodation to meet the needs of independent ageing persons;
 - e) the use of existing capital infrastructure to expand services for the aged; and
 - f) the impact on the aged community of the decision of the New South Wales Government to close the Office on Ageing and create the new Ageing and Disability Department.

2. That the Committee report by Monday, 30 June 1997.

PLEASE NOTE:

The reporting date was extended by order of the House to 30 September 1997.

COMMITTEE FUNCTIONS

The functions of the Standing Committee on Social Issues are to inquire into, consider, and report to the Legislative Council on:

- any proposal, matter or thing concerned with the social development of the people in all areas of New South Wales;
- the equality of access to the services and benefits including health, education, housing and disability services provided by the Government and non-Government sector to the people in all areas of New South Wales;
- recreation, gaming, racing and sporting matters; and
- the role of Government in promoting community services and the welfare of the people in all areas of New South Wales.

Matters for inquiry may be referred to the Committee by resolution of the Legislative Council, a Minister of the Crown, or by way of relevant annual reports and petitions. The Committee has the legislative power to:

- summons witnesses;
- make visits of inspection within Australia;
- call upon the services of Government organisations and their staff, with the consent of the appropriate Minister;
- accept written submissions concerning inquiries from any person or organisation; and
- conduct hearings.

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CHAIR'S FOREWORD

As in most developed nations, the Australian aged population is growing and changing both in terms of numbers and as a proportion of the population. The cohort is set to rise even more substantially as the "baby boomer" generation retires. The shape of the age pyramid is changing significantly. Clearly, this demographic trend has implications for social policy as the community faces the diverse and complex needs of this group.

Evidence shows that the majority of aged citizens are healthy and independent with only 7% requiring residential care. Older people make an invaluable contribution to their families, local communities and society as a whole. Numerous community organisations, for example, rely heavily upon the time and expertise readily given by these individuals. The healthy aged have positive ways of interacting with the community.

The Committee has been asked to look at the adequacy of nursing home arrangements including the protection of residents' dignity, privacy and confidentiality and to make recommendations to the New South Wales Parliament arising from our Inquiry.

Given the imminence of the Commonwealth's changes the Committee released an Interim Report on 30 June 1997 which outlined the changes which were the subject of the *Aged Care Bill* before Federal Parliament at that time and commented upon them. The Committee felt that there were a number of broader issues which it wished to investigate further. It has included such issues in this its Final Report.

As always, the Committee is grateful for the input it received from a number of individuals and organisations who took the time to make submissions and speak with the Committee. In addition, staff and residents freely shared their experiences with Committee Members during site visits to New South Wales nursing homes at Waverley, Summer Hill and a number of rural centres including Cessnock, Baradine, Trangie, Walgett and Warren in addition to Wudinna and Elliston on the Eyre Peninsula in South Australia.

Once again my Parliamentary colleagues set aside time to consider a range of complicated issues under exceptionally tight deadlines and I thank them for this.

I also wish to thank the Committee's Secretariat staff who performed an excellent task within a very strict time frame. Ms Tanya van den Bosch had prime responsibility for conducting the initial stages of this Inquiry and preparing the Interim Report. Ms Anita Westera, a secondee from the Ageing and Disability Department, brought considerable experience and expertise to the Inquiry and was responsible for completing the Final Report. I am grateful to both of these women for the careful manner in which they undertook the complex research associated with this topic. Committee Officers, Ms Jane Millet and subsequently Ms Heather Crichton were actively involved in all aspects of the Inquiry. Ms Millet assisted in the early phase of the Inquiry while Ms Crichton was primarily responsible for all administrative aspects of the Inquiry process and the production of both the Interim and Final Reports. Additional research assistance for the Interim Report was provided by Ms Gabrielle Leahy, a Macquarie University postgraduate student undertaking an internship at Parliament.

I commend this Report to the government and the community.

A handwritten signature in black ink, reading "Ann Symonds". The signature is written in a cursive, flowing style with a large initial 'A'.

THE HON. ANN SYMONDS, M.L.C.

COMMITTEE CHAIR

EXECUTIVE SUMMARY

On 31 October, 1996 the Standing Committee on Social Issues received a reference from the Legislative Council of the Parliament of New South Wales to inquire into the state of nursing homes and hostels in New South Wales and report to the Legislative Council by 30 June, 1997. This date was subsequently extended to 30 September, 1997.

The Committee was asked to report on the current state of nursing homes and hostels and examine the likely effects on New South Wales of Commonwealth Government proposals for changes to aged care as contained in the *Commonwealth Aged Care Act, 1997*. The specific issues of inquiry are: the protection of residents' rights; the likely impact of a user-pays system of funding; the adequacy of 'hostel-type' accommodation; and the use of existing capital infrastructure for the aged. Beyond these issues relating to residential facilities, the Committee has been asked to comment on the impact on the aged community of the closure of the Office on Ageing and the creation of the Ageing and Disability Department.

The Interim Report of this Inquiry was tabled on 30 June 1997, and made a number of recommendations about improving aged care for people in New South Wales. This report builds on the work of the Interim Report, and takes into account the developments which have occurred since its tabling. This Final Report highlights the need for a strategic approach to aged care in New South Wales.

The Inquiry process included extensive research undertaken between November 1996 and September 1997. The Committee has heard from the principal stakeholders: consumers; private for-profit aged care providers; government and non-government not-for-profit aged care providers; and other interest groups such as government departments, local government bodies, community groups, researchers and health professionals.

Chapter One, Aged Care in New South Wales: Setting the Scene examines the policy and administrative context within which aged care sits in New South Wales. There is currently no national or New South Wales framework and/or agreed set of principles to guide the planning and delivery of services for older people. This is compounded in New South Wales by the absence of a lead agency to undertake strategic policy and planning for aged care. As a result, older people who require accommodation, care and support are not always provided with the support services they need. Services are fragmented, and the linkages which need to be made, such as between aged care and general and mental health care, transport and accommodation, are not well made.

This Chapter makes a number of recommendations about the need to improve aged care at the policy and administrative level to ensure that older people in New South Wales have equitable access to affordable, quality aged care services which are responsive to their needs.

Chapter Two, Ensuring Quality Services: Current Arrangements examines the current safeguards of residents' rights and notes that, generally speaking, the quality of care in nursing homes is high. Quality control is supervised predominantly by the Commonwealth through a comprehensive range of mechanisms, including Outcome Standards, Charters of Rights and Responsibilities, Mandatory Residential Agreements, Commonwealth Standards Monitoring Teams, a consumer advocacy body and a complaints mechanism. The State has only the nursing home licensing provisions under the *Nursing Homes Act, 1988*, and the *Nursing Homes Regulation, 1996* and recourse to the Health Care Complaints Commission.

However, there is a significant degree of non-compliance with Outcome Standards and despite the comprehensive monitoring, there is a reluctance to impose sanctions. The Committee heard that there are a number of important workforce issues which need to be addressed if quality care for residents is to be achieved. There is concern about the use of medication and restraint practices, particularly for people with dementia who have challenging behaviour. The Committee makes a number of recommendations about improving the quality of care provided by staff in residential aged care services, including the need for appropriate training for staff and management on the care needs of their clients.

Chapter Three, Ensuring Quality Services: New Arrangements considers the ways in which residents' rights will be protected through the examination of the quality control regime proposed by the Commonwealth's accreditation system, complaints mechanisms and prudential arrangements for the accommodation bonds.

Since the tabling of the Interim Report of this Inquiry further details about the reforms have been released, and on the whole, are considered to adequately protect the rights of residents. The establishment of an independent Complaints Resolution Committee has been welcomed by consumer groups. However, the Committee remains concerned that residents will not have direct access to that Committee. The prudential arrangements are widely regarded as providing protection for residents' accommodation bonds, but there is concern that the funds will not be sufficient to generate the amount of money needed to upgrade facilities. The Committee is concerned that a number of significant details about the standards monitoring regime have not yet been made available.

Chapter Four, Residents with Special Needs addresses the needs of particular sub-groups of residents whose needs are not well met, and whose rights will continue to be compromised under the new arrangements. The Committee heard that people with dementia make up a significant proportion of residents and yet staff generally are not skilled in caring for their particular needs. In addition to staff training, the availability of specialist staff who can provide advice and support to residential services, such as a network of community psychogeriatric teams, would assist the aged care industry to better meet the needs of residents with dementia and those with mental health problems.

People of diverse cultural and linguistic backgrounds also can be disadvantaged in aged care services, as these are generally not designed or delivered in a culturally appropriate way. Similarly, the Committee has found that particular needs of indigenous Australians requires a quite different response to that of non-Indigenous Australians.

The Committee heard much evidence about the difficulties facing rural and remote communities, and undertook a study tour of a number of communities, in particular to look at the operation of the Multi-Purpose Service models. The issue of younger people with disabilities who reside in aged care facilities was a major concern to the Committee, and highlights the need for improved planning and funding of appropriate services for this group of residents.

The removal of the subsidy for those people who entered hostels for accommodation and social reasons, rather than care needs, will have significant implications particularly for older people who are financially disadvantaged.

Chapter Five, Financing Aged Care considers the current (pre -1 October 1997) and future (post - 1 October 1997) funding arrangements for residential aged care, in particular the new system of funding the upgrading and maintenance of aged care facilities by the imposition of accommodation bonds. The Committee is concerned that industry needs will not be adequately met by the accommodation bond scheme, and that the limited Commonwealth capital grants program will be insufficient to meet the capital needs. While in the Interim Report the Committee noted its concern that the accommodation bond system may lead to a two-tiered system with the loss of access to quality care for poorer individuals (concessional residents), the Committee has since heard that the subsidy for concessional residents should be sufficient to prevent this happening.

The Committee remains concerned that the financing of aged care may place an unnecessary burden on frail older people to pay for their care needs, and believes that there must be a review of sustainable financing options to meet the long term care needs of older people in the future.

Chapter 6, Impact of Reforms and Future Directions addresses the impacts of the *Commonwealth Aged Care Act 1997* on the New South Wales Government and related services, including regulation of aged care, and the effect of the Commonwealth's proposal to transfer the responsibility and management of residential aged care to the State Government. The impacts of the Act are far-reaching, including public hospitals, guardianship board applications, public housing, and community care. These impacts highlight the need for a holistic approach to aged care, including making the linkages between aged care and related accommodation, care and support services which older people use.

The transfer of responsibility for residential aged care has raised considerable concern in the aged care sector, as well as Government. The Committee received strong evidence that aged care should not be considered within the health context, either at the administrative level or through the funding mechanisms. The recent decision of the Health and Community Services Ministerial Council to enter into bilateral negotiations about a range of reforms to aged care is of concern to the Committee, particularly as there are no agreed national parameters or principles about aged care to guide such negotiations.

The Chapter also considers how existing services can be expanded to provide more responsive and innovative accommodation, care and support options for older people both now and in the future.

The Committee believes that the information and recommendations embodied in this Report, if implemented, will effect significant improvements in the provision of aged care in New South Wales.

SUMMARY OF RECOMMENDATIONS

RECOMMENDATION 1: (Chapter 1)

The Committee recommends that the total responsibility for aged care in New South Wales rest with the Minister for Aged Services, and through the Minister, the Ageing and Disability Department, including responsibility for all aged care policy, planning and related program funding, and that the Department be adequately resourced to take on this role.

RECOMMENDATION 2: (Chapter 1)

The Committee recommends the Minister for Aged Services negotiate with the Commonwealth Minister for Family Services to develop a National Aged Care Strategy, including the establishment of a sub-group of the Health and Community Services Ministerial Council.

RECOMMENDATION 3: (Chapter 1)

The Committee recommends the Minister for Aged Services take up with relevant State and Commonwealth Ministers the need for regular meetings of Ministers on matters in relation to aged care planning and provision.

RECOMMENDATION 4: (Chapter 1)

The Committee recommends the Minister for Aged Services charge the Ageing and Disability Department to develop a NSW Aged Care Strategy which is consistent with the principles and directions established at the national level (as per Recommendation 2).

RECOMMENDATION 5: (Chapter 1)

The Committee recommends that the Minister for Aged Services and the Minister for Health ensure that the consultations on the NSW Healthy Ageing Strategy include a comprehensive discussion on the provision of aged care services in New South Wales.

RECOMMENDATION 6: (Chapter 1)

The Committee recommends that the Ageing and Disability Department conduct a review of relevant aged care legislation following the development of a NSW Aged Care Strategy (as per Recommendation 4) and provide advice to Government on whether the interests of older people, service providers and Government would be better served if there was a single NSW Aged Care Act developed.

RECOMMENDATION 7: (Chapter Two)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to ensure that the Commonwealth Department of Health and Family Services collects data concerning breaches of accreditation standards and publishes them annually.

RECOMMENDATION 8: (Chapter Two)

The Committee recommends the Minister for Aged Services request of the Commonwealth Minister for Family Services to include State and Territory representatives on the Residential Aged Care Workforce Review Committee, and extend the Terms of Reference to include community aged care services.

RECOMMENDATION 9: (Chapter Two)

The Committee recommends that the Ageing and Disability Department include in the NSW Aged Care Strategy (see Recommendation 4) the development of a New South Wales aged care industry training framework, which builds on the work of the Commonwealth's Residential Aged Care Workforce Review Committee, and includes community care workforce issues.

RECOMMENDATION 10: (Chapter Two)

The Committee recommends that, as part of the development of a New South Wales aged care training framework (see Recommendation 9), the Ageing and Disability Department work with relevant stakeholders and the NSW Vocational Education and Training Accreditation Board (VETAB) to review existing accredited or approved aged care programs to ensure that they are driven from a social model of care perspective, as well as including the relevant clinical components.

RECOMMENDATION 11: (Chapter Two)

The Committee recommends that all nursing and personal care staff in New South Wales residential care facilities be trained to an Assistant in Nursing Course Certificate III level by the year 2000 and that a range of programs be made available to ensure equitable access to training.

RECOMMENDATION 12: (Chapter Two)

The Committee recommends that the Ageing and Disability Department include in its monitoring of the impact of the *Commonwealth Aged Care Act, 1997* information which will reflect the quality of care for residents and appropriate staffing profiles.

RECOMMENDATION 13:

(Chapter Three)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services change the complaints resolution process outlined in the third exposure draft of the *Commonwealth Aged Care Act, 1997 Principles*, Chapter 3, Part 1: Committee Principles to provide for residents to have direct access to the independent Complaints Resolution Committee without first having to lodge their complaint with the Secretary of the Department of Health and Family Services.

RECOMMENDATION 14:

(Chapter Three)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services ensure the proposed accreditation-based system for quality control in residential aged care facilities embodies the following principles:

- an independent complaints body similar in structure to the Ombudsman's Office;
- the maintenance of the Commonwealth Department of Health and Family Services' role in monitoring the accreditation standards which are currently being developed;
- a separate unit within the Department of Health and Family Services to be responsible for imposing sanctions on facilities which fail to meet the accreditation standards;
- automatic application of the hierarchy of sanctions available under the *Commonwealth Aged Care Act, 1997* for facilities failing to meet the same standard on three consecutive visits; and
- public access to accreditation standards reports, including posting the accreditation inspection reports in the foyer of each facility.

RECOMMENDATION 15:

(Chapter Four)

The Committee recommends that the Ageing and Disability Department take into account the findings of the evaluation of the National Residential Dementia Training Initiative, and any recommendations of the NSW Advisory Group for the Initiative in its consideration of an aged care training framework (as per Recommendation 9).

RECOMMENDATION 16: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to ensure that Dementia Training is included in the training curriculum for aged care services, or any other training program being considered by the Residential Aged Care Workforce Review Committee.

RECOMMENDATION 17: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to determine what dementia training will be made available by the Commonwealth in the future.

RECOMMENDATION 18: (Chapter Four)

The Committee recommends that, should the Commonwealth not provide dementia training in the future, the Minister for Aged Services develop and implement a training program similar to that offered under the National Residential Dementia Training Initiative, or contract out for the development of such a program, and that the Commonwealth be approached to provide funding for such a program.

RECOMMENDATION 19: (Chapter Four)

The Committee recommends that the Ageing and Disability Department consider allocating funds from within the NSW Action Plan for Dementia Care to support the establishment and/or ongoing viability of a central dementia resource centre for staff and management of aged care services.

RECOMMENDATION 20: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to ascertain the whereabouts of resources produced under the National Action Plan for Dementia, previously housed at the Clearing House and Resource Centre at Monash University, and the possibility of including these resources in the collection to be established under Recommendation 19 above.

RECOMMENDATION 21: (Chapter Four)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services make available the findings of the environmental design consultancy undertaken as part of the National Action Plan on Dementia Care.

RECOMMENDATION 22: (Chapter Four)

The Committee recommends that when developing the NSW Aged Care Strategy, and contributing to the National Aged Care Strategy, the Ageing and Disability Department take into consideration developments in dementia and psychogeriatric care which have occurred internationally as well as within Australia, such as the cluster and group home models which have been developed in Europe.

RECOMMENDATION 23: (Chapter Four)

The Committee recommends that the development of the NSW Aged Care Strategy (see Recommendation 4) include the provision for a comprehensive network of community psychogeriatric teams.

RECOMMENDATION 24: (Chapter Four)

The Committee recommends that the Ageing and Disability Department and the NSW Health Department fund the establishment of a comprehensive network of community psychogeriatric teams, including funding for a budget-holding role which can be used for short-term interventions in community care settings and residential care services for people with challenging behaviours.

RECOMMENDATION 25: (Chapter Four)

The Committee recommends that the Ageing and Disability Department include in its monitoring of the impact of the *Commonwealth Aged Care Act, 1997* the appropriateness of funding for people with dementia.

RECOMMENDATION 26: (Chapter Four)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services release the report prepared by the Alzheimer's Association Australia on respite needs for people with dementia and their carers as soon as possible.

RECOMMENDATION 27: (Chapter Four)

The Committee recommends that the Minister for Aged Services negotiate with the Commonwealth Minister for Family Services to improve access to residential and day respite care in dementia-specific facilities and facilitate the development of more responsive and flexible models of respite care.

RECOMMENDATION 28:

(Chapter Four)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services ensure that all residential aged care facilities with residents of non-English speaking backgrounds be required to provide the services of a professional interpreter or phone interpreter for all medical assessments, consultations and any negotiations concerning accommodation bonds or residents' fees where a resident needs such services to communicate effectively.

RECOMMENDATION 29:

(Chapter Four)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services ensure that the Resident Classification Scale recognises the additional resources needed to meet the needs of non-English speaking background residents with low levels of fluency in English, and that higher funding be allocated accordingly.

RECOMMENDATION 30:

(Chapter Four)

The Committee recommends that the Minister for Aged Services support the NSW Clustering Service being funded on a five-year basis, and approach the Commonwealth Minister for Family Services to request this.

RECOMMENDATION 31:

(Chapter Four)

The Committee recommends that the specific needs of people of diverse cultural and linguistic backgrounds who use aged care services be addressed within the NSW Aged Care Strategy to be developed under Recommendation 4.

RECOMMENDATION 32:

(Chapter Four)

The Committee recommends that the specific needs of indigenous Australians should be considered within the context of the NSW Aged Care Strategy to be developed under Recommendation 4, and developed in close consultation with indigenous Australian representatives.

RECOMMENDATION 33:

(Chapter Four)

The Committee recommends that the Ageing and Disability Department include in the NSW Aged Care Strategy to be developed as per Recommendation 4 of this Report a review of the Multi-Purpose Service model, including discussion of the most appropriate management structures for this type of service.

RECOMMENDATION 34: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to ascertain the progress of the Scoping Study on Older People and Mental Health, and to request a meeting of State and Territory representatives to advance the work program and promote improved linkages between accommodation, treatment, care and support service systems for older people with mental health needs.

RECOMMENDATION 35: (Chapter Four)

The Committee recommends that Minister for Health ensure that all residential aged care facilities in New South Wales be required to set aside a private interview room for residents to consult with health personnel, including mental health specialists. The private room should be located as centrally as possible to ensure that the less mobile residents are able to access it.

RECOMMENDATION 36: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to include in the Aged Care Rights Principles a specific reference to a right to sexual relations.

RECOMMENDATION 37: (Chapter Four)

The Committee recommends that the Minister for Aged Services ensure that any impediments preventing residents of aged care facilities under the age of 60 years accessing Home and Community Care services and other State services be removed as a matter of urgency.

RECOMMENDATION 38: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth to make the financial arrangements necessary to ensure access of residents of aged care facilities under the age of 60 years to Home and Community Care services.

RECOMMENDATION 39: (Chapter Four)

The Committee recommends that the Minister for Aged Services and the Commonwealth Minister for Family Services resolve the issue of transporting residents of aged care facilities under the age of 60 years to day centres and other Home and Community Care services.

RECOMMENDATION 40: (Chapter Four)

The Committee recommends the Minister for Aged Services approach the Commonwealth Minister for Family Services to (1) develop a joint strategy to facilitate the transfer of the 929 younger people currently residing in aged care facilities out of these facilities into more appropriate accommodation options in the community, where possible, and (2) where this is not possible, ensure that younger persons receive the appropriate therapy and services they need.

RECOMMENDATION 41: (Chapter Four)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to review the levels of Commonwealth payments for existing and subsidised residents of hostels (or low care residential aged care facilities, as they will be known) who do not have personal care needs.

RECOMMENDATION 42: (Chapter Four)

The Committee recommends that the Minister for Aged Services closely monitor the demand for Home and Community Care (HACC) services which is expected to rise as a result of the implementation of the *Commonwealth Aged Care Act, 1997* and, if demand is greater than the funds available, the Minister negotiate with the Commonwealth Minister for Family Services to secure additional funding for the Program.

RECOMMENDATION 43: (Chapter Four)

The Committee recommends that if the monitoring of the *Commonwealth Aged Care Act, 1997* shows that there is increased demand for public housing and boarding houses as a direct result of the Act, then the NSW Minister for Aged Services and the NSW Minister for Housing commence negotiations to secure additional funding under the Commonwealth/State Housing Agreement, and that additional resources are provided to monitor and licence boarding houses in New South Wales.

RECOMMENDATION 44: (Chapter Four)

The Committee recommends the Minister for Aged Services include a review of the appropriateness of the allocation of high care places/beds, in particular in rural and remote areas, in the review of the *Commonwealth Aged Care Act, 1997* and development of the National and NSW Aged Care Strategies.

RECOMMENDATION 45: (Chapter Five)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services include as part of the independent review of the *Commonwealth Aged Care Act, 1997* close scrutiny of the quality of care provided to residents, including drawing out the relationship between the care provided in facilities and related staffing profiles.

RECOMMENDATION 46: (Chapter Five)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Social Security develop and distribute guidelines for appropriate accommodation bond levels for residential aged care facilities to residential aged care facilities, Aged Care Assessment Teams and relevant advocacy services.

RECOMMENDATION 47: (Chapter Five)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services ensure that advocacy services such as the Aged-Care Rights Service are adequately resourced to monitor the accommodation bond and fees agreements and provide advice and advocacy services on behalf of prospective and current residents.

RECOMMENDATION 48: (Chapter Five)

The Committee recommends that the Minister for Fair Trading request that the Commonwealth Minister for Family Services arrange for mediation powers to be delegated to the Residential Tenancies Tribunal if the advocacy services as proposed in Recommendation 47 are found not to be sufficiently resourced.

RECOMMENDATION 49: (Chapter Five)

The Committee recommends that the Minister for Aged Services, together with the Commonwealth, monitor the impact of charging of accommodation bonds through the collection of relevant data (such as from Aged Care Assessment Teams, NSW Department of Housing, NSW Health, and Licensed Boarding Houses) and that data be collected on an ongoing basis and presented to subsequent meetings of Health and Community Services Ministers.

RECOMMENDATION 50:

(Chapter Five)

The Committee recommends that the Minister for Aged Services assess the likely growth in demand for the Guardianship Board and the Office of the Public Guardian, and negotiate an agreement to have the Commonwealth fund any increase in services resulting from the aged care reforms.

RECOMMENDATION 51:

(Chapter Five)

The Committee recommends that the Minister for Aged Services request the Commonwealth Minister for Family Services to extend the period in which residents of aged care facilities must sign an agreement from seven days to two months.

RECOMMENDATION 52:

(Chapter Five)

The Committee recommends that the Minister for Aged Services urge the Commonwealth Minister for Family Services to develop alternative methods for residents of aged care facilities to raise funds for an accommodation bond that enable them to retain ownership of the family home.

RECOMMENDATION 53:

(Chapter Five)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services allow facilities with high levels of concessional residents to have access to the Commonwealth's designated \$10 million capital fund program.

RECOMMENDATION 54:

(Chapter Five)

The Committee recommends that the Minister for Aged Services approach the Commonwealth Minister for Family Services to review the levels of Commonwealth payments of subsidies for pensioners who are residents of low care residential aged care facilities, and that the resident contribution for such residents be decreased so that their disposable income remains at the current level.

RECOMMENDATION 55:

(Chapter Five)

The Committee recommends the Minister for Aged Services monitor the capacity of smaller providers of residential aged care services to upgrade their facilities in order to achieve accreditation.

RECOMMENDATION 56: (Chapter Five)

The Committee recommends that in the event that smaller providers are found to be experiencing difficulties in obtaining funds for upgrade, then the Minister for Aged Services should discuss with the Commonwealth Minister for Family Services the possibility of the Commonwealth Government acting as guarantee for the funds.

RECOMMENDATION 57: (Chapter Five)

The Committee recommends that the Minister for Aged Services request that the Commonwealth Minister for Family Services increase funding for Commonwealth capital grants for residential aged care facilities to ensure that rural and remote facilities are able to access sufficient capital to maintain and improve facilities.

RECOMMENDATION 58: (Chapter Five)

The Committee recommends that the NSW Minister for Aged Services and the NSW Minister for Finance discuss with their relevant Commonwealth Government counterparts the need for more sustainable financing options for long term aged care, either through the taxation system and/or incentives regarding long term care insurance.

RECOMMENDATION 59: (Chapter Six)

The Committee recommends the Minister for Aged Services represent New South Wales in any discussions about aged care at the next Health Ministers meeting scheduled for November 1997.

RECOMMENDATION 60: (Chapter Six)

The Committee recommends that the State retain its regulatory role until the impact of Commonwealth changes can be assessed, and, in particular, the efficacy of accreditation is determined. Thereafter it may be appropriate that one level of government be responsible for all regulation, providing that all current facets of regulation of standards are maintained.

RECOMMENDATION 61: (Chapter Six)

The Committee recommends that the Minister for Aged Services prepare a consultation document for the purposes of entering negotiations with the Commonwealth regarding improved planning and service provision for aged care in New South Wales.

RECOMMENDATION 62:

(Chapter Six)

The Committee recommends that in the development of the NSW Aged Care Strategy the Ageing and Disability Department consult with NSW Health to include consideration of the provision of appropriate care and support services across service settings, including sub-acute and palliative care.

RECOMMENDATION 63:

(Chapter Six)

The Committee recommends that the Ageing and Disability Department, in developing the NSW Aged Care Strategy as proposed Recommendation 4 of this Report, consider the adequacy of the provision of respite care in New South Wales, including evaluation of flexible and responsive respite options to better meet the needs of carers and older people.

RECOMMENDATION 64:

(Chapter Six)

The Committee recommends that in the development of the NSW Aged Care Strategy the Minister for Aged Services include discussion of the range of alternative supported accommodation options which might be available for older people, including assessing the Victorian moveable units program as an option for New South Wales.

GLOSSARY & ABBREVIATIONS

ACCOMMODATION BOND	The accommodation bond is the money required to be paid to the proprietor of a residential aged care facility in exchange for admission to an aged care facility. The amount of the accommodation bond will be negotiated between the proprietor and the resident. The proprietor may draw down a maximum of \$2,600 per year for five years, and may keep any interest raised on the bond. The remainder must be refunded to departing residents or their estate. The Government has set no limit on the amount which may be charged for the accommodation bond, but a resident must be left with a minimum of \$22,500 in assets.
ANHECA	Australian Nursing Homes and Extended Care Association. Industry group representing aged care service providers.
ASA	Aged Services Association. Industry group representing non-profit aged care service providers.
CADE UNITS	Residential care units designed for confused and disturbed elderly people.
CAM - CARE AGGREGATED MODULE	This is the funding providing by the Commonwealth to nursing homes to subsidise the nursing and personal care of residents.

CONCESSIONAL RESIDENTS

Concessional residents are full or part pensioners who have less than \$22,500 in assets, and have not owned a home in the last two years. Concessional residents will be exempt from accommodation bonds.

DHA FS

Commonwealth Department of Health and Family Services.

**ENTRY CONTRIBUTION OR
ENTRY FEE**

The entry contribution is now known as an accommodation bond. See accommodation bond.

EPAC

Economic Planning Advisory Council.

**FDP - FINANCIALLY
DISADVANTAGED PERSONS**

See concessional residents. Note that poorer individuals are referred to in this Report as financially disadvantaged (uncapitalised, to distinguish them from concessional residents).

HACC

Home and Community Care.

HCCC

Health Care Complaints Commission.

NANHPH

National Association of Nursing Homes and Private Hospitals. Industry group representing aged care and private health care service providers.

NCOSS

Council of Social Service of New South Wales.

NESB RESIDENTS

Residents from a non-English speaking background.

**NURSING HOMES AND
HOSTELS**

Currently there are two types of residential facilities for the aged - nursing homes and hostels - this will change after 1 July 1997, when the nursing home and hostel systems will be amalgamated and renamed "residential aged care facilities".

Up until 30 September 1997, nursing homes are residential aged care facilities for people requiring nursing care 24 hours a day. Hostels provide personal care and support in daily living tasks such as feeding, dressing and showering but no nursing care. According to State regulations, nursing homes require a registered nurse to be on duty at all times, but hostels are not required to have nursing staff.

**OCRE - OTHER COST
REIMBURSED EXPENDITURE**

This is the funding provided by the Commonwealth to nursing homes to subsidise staff related costs such as workers compensation and superannuation.

OUTCOME STANDARDS

The minimum standards of care required by the Commonwealth for nursing home residents.

PROVIDERS

Organisations and individuals who provide nursing home or hostel services.

RCI

Resident Classification Instrument. This classifies nursing home residents according to their care needs.

**SAM - STANDARD
AGGREGATED MODULE**

This is the funding provided by the Commonwealth to nursing homes to subsidise the non-care related costs of residents, such as food and laundry.

**RESIDENT CLASSIFICATION
SCALE**

The system under the *Commonwealth Aged Care Act, 1997* to assess the care needs of all residents of aged care facilities. Facilities are paid subsidies according to the care levels of its residents.

OLDER PEOPLE AND RESIDENTIAL AGED CARE: FACTS AND FIGURES

OLDER PEOPLE:

- 2.2 million people (12% of Australia's population) are people aged 65 and over. This has increased from 1.3 million (9% of the population) in 1976, and is expected to reach 3.5 million (16%) in 2016.
- The number of people aged 80 and over has increased from 218,000 in 1976 to 485,200 in 1996, and is expected to grow to 852,100 in 2016.
- 17% of older people have a profound or severe handicap (that is, requiring some help for self-care, mobility or communication).
- 7% of older people live in residential aged care facilities.

RESIDENTIAL AGED CARE SERVICES:

- There are 62,645 hostel (lower dependency) places and 75,008 nursing home (higher dependency) places in Australia as at 30 June 1996. In NSW there are 21,206 hostel places and 29,905 nursing home places (Society of St Vincent De Paul, 1996: 11).
- The median length of stay for hostels in 1995-96 was 746 days; for nursing homes it was 356 days.
- The majority of residents are women (75% hostels and 72% nursing homes).
- 75% of nursing home funding comes from the Commonwealth, with the remainder coming from resident contributions. Total Commonwealth outlays in 1995-96 were \$2,001 million.
- Hostels receive less than half of their funding from the Commonwealth, the remainder coming from resident fees and entry payments. Total Commonwealth outlays in 1995-96 were \$417 million.
- 55% of nursing home places are privately owned and operated for profit (Gregory, 1993); 39% of nursing home beds are operated by charitable and religious organisations, and are not operated to make a profit. The remainder, 6%, are State Government operated (Gregory, 1993:).

Source (except where otherwise stated): *Older Australians at a Glance*, Department of Health and Family Services, 1997.