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A New Program for In-Home Aged Care

AMA submission to the Department of Health and Aged Care consultation

Online submission

The AMA is supportive of the following proposals put forward by the Consultation Paper:

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

The AMA is not supportive of the plan for "improving the consistency of assessment of aged care needs by independent assessment organisations" put forward by the Consultation Paper. It is disappointing to see that assessment privatisation is back on the agenda, almost three years after the process was abandoned. Any efforts to privatise the assessment process would require its own robust consultation and not be hidden within a consultation that is looking into care at home.

Independent aged care assessments

The AMA has been continuously supportive of a single assessment workforce and process for assessments to entry to aged care services. We see merit in a single assessment process and eliminating the need for older people to engage with multiple assessment providers. But we have continuously called for the assessments to be modelled on the better functioning part of the system - Aged Care Assessment Teams (ACATs) linked to local hospital networks, rather than Regional Assessment Services (RAS). The proposed process that relies on 'independent assessment organisations' has the potential to create a service that is more like RAS than ACAT, resulting in further fragmentation of care.

What is proposed in this consultation paper will lead to privatisation of aged care assessments, and bring us back to the same process that was abandoned by the Federal Government in February 2020.[1]

It has been the AMA's ongoing position that the aged care assessment service for older people with complex health and aged care needs must remain with State/Territory health services. Despite underfunding and large volume of work they undertake, most ACATs work well and meet their key performance indicators. ACATs provide medical expertise in assessments, as well as baseline clinical data for subsequent clinical monitoring and evaluation of patient outcomes.

Furthermore, with 80 ACAT services throughout Australia linked to local health districts (134 service outlets),[2] these specialists know their communities well and know relevant services, both health and aged care, they can refer patients to.

Australia has an ageing population with increasing multiple chronic, complex conditions that require medical expertise. According to the Productivity Commission's Report into Government Services 2022 – Part F, Section 14 Aged care services, in 2019-20 there were 2,849,814 hospital separations for older people.[3] AIHW National Hospital Morbidity Database 2020-21[4] shows that close to 400,000 patient days were taken up by patients with diagnosis Z75.11 or Z74.2,[5] with close to 22,000 separations. This translates into 18.2 days average number of patient days per separation for older people waiting for a place in an aged care home or for a home care package. The cited Productivity Commission's report estimated that nationally for 9.5 per cent of separations with diagnosis Z75.11 or Z74.2 length of stay in hospital was 35 days or more.[6]

These are patients who are old, frail, with complex medical conditions, who can not be safely discharged to the community. They receive the medical care they need in hospital, commonly with the involvement of geriatricians, psychogeriatricians, psychiatrists and geriatric medical teams. The medical care they receive helps inform the ACAT assessment that is performed.

There is real fear among the medical profession that a market approach will result in exclusion of medical specialists from the assessments, resulting in further fragmentation of care for older people, leading to increased and prolonged hospital stays for many of them. This is because, in addition to conducting assessments to inform the level of care required by an older person, ACAT clinicians have the clinical skills and multi-disciplinary expertise to assess eligibility for more intensive service streams including need for rehabilitation and restorative care. With deliberate exclusion of this expertise, there is a real risk that older people will be referred to services that

[1] https://www.australianageingagenda.com.au/executive/government-backflips-on-assessments-tender/
[2] https://agedcare.royalcommission.gov.au/system/files/2020-10/AWF.670.00037.0001.pdf
[3] Productivity Commission 2022. Report into Government Services – Part F, Section 14 Aged care services Table 14A.31 Public hospital separations for care type 'maintenance' for older people aged 65 years or over and Aboriginal and Torres Strait Islander people aged 50-64 years (a), (b), (c), (d), (e), (f)
[4] AIHW 2022. Principal diagnosis data cubes. Principal Diagnosis data cube under ICD-10-AM Edition 11, 2020-21. Aggregate counts for principal diagnosis at 5-character level
[5] Productivity Commission 2022. Report into Government Services – Part F, Section 14 Aged care services Table 14A.31. The code Z75.11 is defined as 'person awaiting admission to residential aged care'. The code Z74.2 is defined as 'need for assistance at home and no other household member able to render care'.
[6] Ibid. For example, in Victoria 42.6% of patients with diagnosis Z75.11 or Z74.2 stayed in hospital over 35 days, in the ACT it was 24.5%

cannot provide the care required, that they will not receive restorative and reablement care, and consequently will end up in hospital. Furthermore**,** a tremendous amount of knowledge and experience will be lost if the assessment service is outsourced to providers outside of state/territory health services. As a result, the older people will suffer.

An analogue example to this one would be the privatisation of the Dementia Behavioural Management and Assessment Service (DBMAS) that happened in 2016, under a similar pretext: consolidation and reducing inefficiencies.[7] The AMA members advise that its privatisation has not resulted in increased localised medical expertise and advice, but quite the opposite. For example, the Australian Capital Territory currently has no dedicated medical advice staffing for DBMAS, and appears largely run from New South Wales. Some of the evidence presented to the Aged Care Royal Commission supported the views of AMA members, with submissions stating that "*since DBMAS services were centralized and detached from the rest of the health service the worth of the advice provided by DBMAS has diminished and coordination of interventions has reduced*."[8]

The AMA fails to see how having an independent external assessor coming into the hospital to perform the assessment would help improve the efficiency and effectiveness of the existing assessment process. These patients are already in hospital, the hospital medical team already has the full breadth of their health information and knowledge of their health needs. In an ideal situation a time would have to be set for the medical team to speak to external assessors. In 2020-21 ACATs conducted 181,962 assessments.[9] This new arrangement would mean, that if the intention is to include patients' medical information in the assessment, 181,962 appointments would have to be made with medical teams to inform 'independent' assessments, when ACATs are factually already independent of aged care providers. This arrangement would create unnecessary duplication and inefficiencies without any real justification. This also points to a further push towards separation of aged care from health care, when, with our growing ageing population, the two systems should be complementing each other and should be closely linked.

Solutions other than privatisation exist, and some have been proposed in the past. For example, in her submission to the Aged Care Royal Commission, Professor Kathy Eagar, Director of the Australian Health Services Research Institute at the University of Wollongong, and one of the creators of the AN-ACC residential aged care funding model, proposed that "*existing network of Aged Care Assessment Team services be expanded to include all assessment plus care planning and case management for individuals in need of aged care*".[10] Professor Eagar proposed that ACAT and RAS be brought together under a single assessment service that would be funded in would be funded via States and Territories and would continue to be employed through public hospitals. To the best of our knowledge, the Federal Government never explored this possibility.

The Consultation Paper states that "*Service providers would have access to an additional pool of funds on top of an individual's budget to facilitate minor tops ups without needing a reassessment (around 25% of the total cost of their clients' budgets each quarter*)". This in itself will reduce the

[7] https://agedcare.royalcommission.gov.au/system/files/2020-06/CTH.1000.0002.6722.pdf
[8] https://agedcare.royalcommission.gov.au/system/files/submission/AWF.660.00149.0001.pdf
[9] Productivity Commission 2022. Report into Government Services – Part F, Section 14 Aged care services Table 14A.23. Aged care assessments (a), (b), (c), (d)
[10] https://agedcare.royalcommission.gov.au/system/files/2020-10/AWF.670.00037.0001.pdf

need for multiple assessments of aged care recipients, and the need to engage with multiple assessors – which is the justification provided for 'single independent assessment workforce' provided in the Paper. It further begs the question why this continuous push to take the assessment process out of the public hospitals.

As the AMA has continuously argued, the proposed 'independent assessor' approach has the potential to further fragment the care for older people, leading to increased and prolonged hospital stays for many of them. This AMA concern was shared with the previous Government, the Department of Health and Aged Care and relevant Ministers on multiple occasions.[11] After the failed attempt to privatise ACAT assessment services in 2020, the AMA received assurances from the previous Government, that "the Government had agreed to work with States and Territories to have a consistent, uniform, efficient and integrated aged care assessment process that meets the needs of senior Australians and their families."[12]

That assurance was then reneged after the then Government issued its response to the Aged Care Royal Commission's Final Report,[13] where it committed to recruit the assessment workforce "through an approach to market that allows all organisations with the capability to provide assessment services to participate". The AMA warned then that this was not among the recommendations of the Royal Commission and that it could result in significant conflicts of interest that are to the detriment of senior Australians.

The AMA was told by the previous Minister for Aged Care that the ACAT teams/local hospital networks will be able to compete for the assessments in a tender process, same as other private assessment companies. However, there was a concern that hospital-based ACATs did not have the capacity to meet the tender criteria, as additional funding and resources would be required to manage the administrative part of the tender.

We were encouraged by the Prime Minister's (then Opposition Leader's) statement calling for the abandonment of the ACAT privatisation process. The Prime Minister said: "*Our aged care system is broken – and this Government wants to make it worse by subjecting ACAT to the indifference of the market. There is a role for the market. But markets have no conscience. The Government must abandon its plans immediately. It must act on the Royal Commission recommendations. Our elderly deserve nothing less*."[14]

As our submission shows, there are better ways of conducting aged are assessments and there are models that are independent in their nature without privatisation. What is lacking is obviously the political will.

25 November 2022

[11] https://www.ama.com.au/gpnn/issue-21-number-35/articles/ama-warns-about-outsourcing-assessments-aged-care
[12] Letter to the AMA from Richard Colbeck, Minister for Aged Care
[13] https://www.health.gov.au/sites/default/files/documents/2021/05/australian-government-response-to-the-final-report-of-the-royal-commission-into-aged-care-quality-and-safety.pdf
[14] https://anthonyalbanese.com.au/anthony-albanese-speech-respecting-and-valuing-older-australians-wednesday-19-february-2020

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