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Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024–25 — July 2023

1.0 Introduction

Incorporated in South Australia in 1984, St Basil's Homes (SA), provides residential aged care facilities and services across three metropolitan locations in Adelaide. St Basil's Homes (SA) has traditionally looked after residents with high needs, reflecting the core CALD community preferences that it primarily serves.

We were thrilled to attend IHACPA's 'The Future of Funding' earlier this month in Brisbane and had the opportunity to better understand the varying perspectives of stakeholders surrounding our challenging Aged Care sector.

St Basil's Homes (SA) welcomes the opportunity to engage in consultation related to the Price Framework for Australian Residential Aged Care Services.

2.0 Summary of Key Points

- The funding model should not curtail the IHACPA determined key principles of 'person-centred' and 'fostering care innovation'. Models of care need to be resident driven rather than government driven.
- Prioritise the development of a homogenous classification model which accurately captures resident care needs. As this is the foundation of fair and equitable funding, there should be no compromises in determining this.
- The Residential Aged Care Costing Study in 2023, must ensure indirect care time is captured accurately. The RUCS failed to do this.
- A glaring anomaly of the current AN ACC model, fails to capture the needs of residents with behaviours of concerns. This has significant



repercussions for residents, residential aged care providers and the escalating 'bed blocker' issues facing the hospital system.

- Funding model needs to consider CALD NWAU values similar to the Base Care Tariffs currently in place. This was not considered in the original RUCS.
- Funding model needs to consider Size of provider NWAU values. Essential to stem the exit of small providers.

3.0 Consultation Questions

What, if any, changes do you suggest IHACPA consider for the residential aged care pricing principles?

St Basil's Homes (SA), supports the Overarching, Process, and System Design principles that IHACPA have proposed as the residential aged care pricing principles. However, we would like to comment on the following. There is a danger that system design principles such as 'Fostering care innovations' and 'person-centred', will be hampered with the prescriptive inputs required currently in the aged care system. Mandated care minutes for prescriptive roles will inhibit innovation in resident specific models of care.

At St Basil's Homes (SA), we have acknowledged the importance of investing in building relationships, creating care leaders and communicating with our 'St Basil's family'- residents, family and staff. As such, our model of care includes non-clinical Living Well House Managers, who have fostered valued partnerships, embraced our care leadership model to develop a successful team culture and continue to drive resident driven care. The fruits of this have been remarkable. Prescriptive mandated care minutes under the current climate, make such innovative models of care, almost impossible to sustain.

The term 'person-centred' is utilised very loosely and perhaps requires us to stop and ask ourselves, 'What does person-centred care mean' in the context of pricing models? Especially as it could be argued that the current aged care environment has still not achieved this within the current funding model, yet the data being captured and driving pricing decisions is based on this current environment.

The System Design principles do not include any reference to the built environment. We are all aware that economies of scale from a rostering/staffing point of view occur when residents reside in large communal living environments. We also know that the majority of homes who have 5 star ratings are homes are smaller (average 40 residents) and homelike. We know that these homes struggle to be financially viable. The Royal Commission² recommendation 45: Improving the design of aged care accommodation embraces the concept of 'small household' models of accommodation. If we are truly going to embrace this built environment aspiration (and we should), then we need to have this as a consideration in the pricing principles as it does cost more to staff a small household environment.



Do the current AN-ACC classes group residents in a manner that is relevant to both care and resource utilisation? (that is, require the same degree of resources to support their care delivery). What evidence is there to support your answer?

What, if any, factors should IHACPA consider in future reviews of the AN-ACC classes?

1) Behaviours of Concern Consideration

It is clear that the AN-ACC model has failed to capture the 'mobile' or 'mobile-assisted' residents with behaviours of concern. While the preliminary works on the Resource Utilisation and Classification study (RUCS) contemplated with the idea of weighting the 'behaviour' element similarly seen from the ACFI legacy¹, the finalised AN ACC model did not include this component appropriately. This misrepresentation and lack of remuneration for the abovementioned cohort of residents, has led to providers choosing not to admit these residents and subsequently exacerbating the 'bed-blocking' issue, as well as causing great distress to families who cannot find an appropriate home for their loved ones. It also penalises the empathetic providers who are willing to work closely with these residents, their families and external dementia specialists in finding suitable solutions. These residents are classified predominantly in Class 3, Class 7, and Class 8. These are the residents that are involved in the vast majority of Serious Incident Response Scheme (SIRS) notices. Our internal data suggests this, and we cannot see any reason as to why a sector-wide report would not arrive to a similar conclusion.

The AN ACC model pre-dates SIRS, Changes to Restrictive Practices and other recent reforms, and as such raises the question as to the currency of the RUCS NWAU classifications and NWAU weighting.

2) Culturally and Linguistically Diverse (CALD) Consideration

As providers for a primarily specific CALD community group, St Basil's Homes (SA) is very familiar with the additional resources required to meet the care needs of CALD residents. These resources are required from the basic translation and interpreter services, up to the specialised staff training, the culturally specific culinary offering, and culturally aligned activities.

3) Provider size consideration

The Report on the Operation of the Aged Care Act 2022³, Aged Care Service list 2022, indicates that during the period of 2016-2022:

- Residential Aged Care Services remained at very consistent levels
- Number of providers have decreased by 14%
- Number of small services (<61 places) decreased by 22%
- Number of large services (>100 places) increased by 37%



This unwanted trend continues to persist as we know smaller providers are finding it difficult to remain viable under the current conditions. The last thing that we would like to see is a 'cookie-cutter' residential aged care system. It goes against all the person-centred principles that are central to the aged care objectives. We cannot ignore these persistent and worrying trends.

4.0 Other comments

The importance to accurately capture the time required to deliver care (direct and indirect), must be prioritised. While methodologies of coded activity via barcodes (RUCS) and/or proximity beacons (Residential Aged Care Costing Study in 2023); Coded Care Documentation (Telstra Health) are very good in capturing significant data inputs, they primarily relate to direct care. However, the methodologies utilised to date, have failed to understand the significant indirect time required for items such as case conferences, incident management, reporting, family enquiries, resident and family consultation, reporting, analysis, reviews, notifications, and so on. While perhaps viewed as archaic and onerous, shadowing and observing may yet be the best means available to capture this data accurately. An accurate funding model is the very foundation to effective decision making.

St Basil's Homes (SA) consent to IHACPA contacting [REDACTED] (Chief Executive) or [REDACTED] (Business Development Executive) for further information or clarification about this submission.



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References

¹McNamee J, Poulos C, Seraji H et al. (2017) Alternative Aged Care Assessment, Classification System and Funding Models Final Report. Centre for Health Service Development, Australian Health Services Research Institute, University of Wollongong.

²2021 Royal Commission into Aged Care Quality and Safety Final Report: Care, Dignity and Respect
https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-1_0.pdf

³2021-22 Report on the Operation of the Aged Care Act 1997
<https://www.gen-agedcaredata.gov.au/resources/reports-and-publications/2022/November/2021%E2%80%9322-Report-on-the-Operation-of-the-Aged-Care-Act-1997>

