

# NSW HACCC TRANSITION PROJECT CONSULTATION REPORT

**2011**

**Aged & Community Services Association of NSW & ACT Inc**



# NSW HACC TRANSITION PROJECT REPORT

## Overview of COAG Reform Consultations

In April 2010 the Council of Australian Government (COAG) agreed to reforms in both the Hospital and Health (NHHNA) arena and aged care, namely the HACC program. There is a clear nexus between health, hospital stays and ageing so it is appropriate that COAG would link these two reforms.

The COAG decision on aged care proposed a change to the way aged care would be funded into the future. It gave responsibility for funding of all services to older Australians over the age of 65 years and over the age of 50 years for Indigenous Australians to the Commonwealth Government and made the States and Territories fully responsible for funding of support services to people with a disability under the age of 65 years, or under 50 years for Indigenous Australians.

The proposed change in funding arrangements is to take place from 1 July 2011. This will be a transition year where funding for HACC services will continue to be administered through the state; in NSW this will be done through the NSW Family and Community Services Department, Ageing, Disability and Home Care (ADHC). The Commonwealth will take full policy, funding and operational responsibility for ageing programs from 1 July 2012. As part of the COAG agreement a guarantee was given that there would be no substantive change to existing programs e.g. HACC, until 2015. Two states did not sign up for the COAG reforms, Western Australia did not agree to either the NHHN or the HACC reform and Victoria did not agree to the HACC reform.

In February 2011 COAG met again to review these reforms and all states signed an “in principle” agreement which reflected a change in the funding distribution for the NHHNA, the HACC agreement was not altered. Western Australia and Victoria are still considering their positions.

The NSW government agreed to the COAG reforms of the HACC program on the basis that:

- residents of NSW would not see any decline in service provision as a result of the reforms and in fact may well see an enhancement of services
- there would be no discernable change for service users
- the social capital of volunteers in NSW would be respected and maintained; and
- the sector would be kept informed and given an opportunity to have input into the reform process.

To ensure these principles are met and that the sector has a clear two way communication and consultation process, ADHC as the administering body for HACC entered into a partnership agreement with the Aged & Community Services Association NSW&ACT (ACS).

In NSW the HACC service system comprises provider organisations, made up of approximately 436 Non-Government Organisations (NGO's), for profit providers, 101 Local Government authorities as well as the Home Care Service of NSW, a state government statutory authority.

The average funding for NGO HACC services in 09/10 was \$525,000, with a range of funding from \$5,000 to \$18.8 million. Local government was funded for \$34 million with the average being \$338,000 and a range from \$13,000 to \$2 million.

The HACC program has operated in NSW for 25 years and has as its original purpose - "The program provides funding for services which support people who are frail aged, younger people with disability and their carers, who live at home and whose capacity for independent living is at risk or who are at risk of premature or inappropriate admission to long term residential care."

Over the past 25 years the HACC program has provided growth funds to meet the growing and changing needs for in home/community care services for its target groups of older people, younger people with disability and their carers.

Both ADHC and ACS acknowledged the lack of detailed information provided by the Commonwealth on the reforms and that this was contributing to a sense of confusion and concern in the HACC sector. As a result a consultation process across the state was commenced. The consultations took place in each ADHC LPA in rural regions as well as six metropolitan consultations, one of which was a pilot held in Blacktown. A list of the consultations venues is attached.

The agenda for the consultations took the form of information dissemination, logging of questions and issues of concern as well as a focus on solutions. Participants were asked to think about the current system and consider what would be good to transfer to a new aged care system, what of the current system would not be left behind and for any “blue sky” thinking.

The consultations were open to any organisations, HACC, disability and other aged care service who wanted to attend; numbers of participants ranged from 20 to 80 and were only restricted by the size of the venues. The consultations were attended by large, medium and small organisations who were HACC and disability services as well as HACC only organisations that received funding from both state and commonwealth and organisations that received funding from multiple sources. The total attendance was in the vicinity of 865 participants.

Whilst NSW Health, the Home Care Service of NSW and the Department of Transport are not in scope for this project, representatives from these government services also attended.

As a number of peak organisations were holding conferences during this period a shorter version of the consultation was presented at these conferences.

The consultation facilitator gave information and provided responses to questions where there were answers or some developed thinking on an issue. The write up of the consultations is a true reflection of participant’s views, questions, concerns and possible solutions.

Themes emerged early in the consultation process and were apparent at all consultations. These were:

- ADMINISTRATION
- WORKFORCE
- SECTOR DEVELOPMENT
- CLIENT/CARER IMPACTS
- STRATEGIC PARTNERSHIPS
- ACCESS

These themes were used for the group work in the second half of the consultations and each is expanded on in the following issues papers.

Participants were given a choice about which group to attend, in some consultations there were ‘hot issues’, reducing interest in some of the other themes. Consequently some of the consultation’s write ups do not cover all the themes. Some consultations chose to cover the themes but in the large group. As a result the individual consultation write ups may vary in form and uniformity.

# Issue Paper 1

## Administration

The consultation participants raised a large number of questions and issues under this heading. These can be broken down into the following areas: contracts, unit cost, growth funding, service types, service support, planning process, reporting requirements, dual funding sources, fees and timeframes.

### Contracts

Every consultation raised the issue of contracts/funding agreements.

The major issues expressed were:

- Will the Commonwealth contract with all existing services?
- When will a new contract come into place?
- Will HACC services need to become 'approved' providers?
- What will be the contract period?
- Will services be retendered in 2015 and will the unit cost be known and transparent?
- How will contract payments be made quarterly or retrospectively?
- How will ADHC contract with services who will continue to provide services to people under 65?

The groups had a divergence of views about contracting and funding, services that were funded by the Commonwealth for packaged care mostly found the current process of monthly claiming and adjustment effective. HACC services used to quarterly payment in advance felt that this was the preferred method as it allowed services to budget for staffing and infrastructure.

How the Commonwealth will determine which organisations to contract with was a major concern. Would existing services easily meet the requirements to be an "approved" provider and in fact would the Commonwealth continue to use the approved provider process? At the time of the consultations there was little detail about the mechanics of funding as of 1 July 2011, would it continue to be administered through ADHC meaning no discernable change?

Whilst the issue of ADHC contracts for service to people with a disability was discussed there were no strong views expressed about continuation of the existing system or suggestions for improvement of the current contracts.

## Unit Costs

There was considerable discussion about the current unit cost structure. A majority of services felt that it did not reflect the true cost of service provision and that it was becoming increasingly difficult to provide the level of service as defined by the SDS within the funding/unit cost prescribed. To provide the contracted level of service, organisations relied on the use of volunteers, program or service cross-subsidisation, fund raising and authorised or unauthorised reduction in service provision.

**There was overwhelming support for a changed system to reflect the true cost of service and to recognise the additional impost for rural and remote services and services with clients with complex needs. The additional costs for flexible approaches in service delivery for Aboriginal and Torres Strait Islanders as well as interpreter services for people from CALD backgrounds were also acknowledged.**

## Growth Funding

The HACC sector has experienced substantial growth over the past 25 years and as such annual growth has become a feature and expectation of the HACC system. The major issues in relation to growth funding were:

- Will there be growth funding during the transition period?
- Will growth funding continue once the Commonwealth has full responsibility for aged services?
- How will organisations be able to show emerging, unmet or under met needs?
- What process will be used to allocate funding?
- Will there be non-recurrent fund allocations during the transition period?

The issue of growth funding had implications around service and sector planning. If there were to be no growth funding during the transition period, service capacity would be effected both in terms of the under met needs of existing service users as well as capacity to take on new service users. Questions were raised about the Commonwealths willingness to pass on the full indexation increases.

In recent years a number of pilot projects have been funded through non recurrent allocations. This has afforded the opportunity to test the efficacy of the new service and allow for ongoing funding allocations to be factored into the triennial plan.

The HACC service sector has been used to the priorities for growth funding being identified through a comprehensive regional planning process. They have also been accustomed to this resulting in either open or select tender processes or a direct allocation method. There is no indication from the Commonwealth of how growth funding will be allocated if it is to be made available during the transition period. **The sector has a clear view that growth funding needs to be continued during the transition period and an open and transparent process for allocation is needed.**

## Service Types

One of the major issues discussed was consistency of service types across jurisdictions. Whilst the main service types may be the same for each state and territory it was thought that the operation may vary e.g. does Social Support have the same client base, unit cost, service description and expected and delivered outcomes across Australia.

Some of the concerns express in this area were:

- how will the Commonwealth compare service types in different jurisdictions in terms of cost and effectiveness?
- will new descriptions of service be developed?
- will there continue to be opportunities for service types specific to jurisdictional needs, e.g. HACC Development Officers in NSW, to be funded?

The other issue that got a lot of air time at the consultations was the specific nature of both the Home Modification and Maintenance (HMM) and Community Transport (CT) services. These services record outputs in different ways to others services, CT record by numbers of trips and HMM record modification services in \$ outputs and maintenance services in hours.

These services also had a client base that was much less predictable than other service types e.g. meals on wheels are of an episodic nature. **Both service types contend that block funding is essential for the certainty and viability of service provision.**

If CT services had full accreditation under the NSW Passenger Transport Act they would be able to charge a fee for demand responsive transport, including partnerships with residential aged care facilities. Concerns were expressed that with a change to Commonwealth funding for over 65's transport there would be no real leverage to ensure change to the NSW Passenger Transport Act.

An issue that will need further consideration by ADHC will be people with a disability who have been accessing CT services via HACC. Will ADHC continue to fund these services/individuals when transport has not been a major feature in the specialist disability system?

## **Service Support**

Service support was discussed often during the consultation process. There is real concern in the sector about a change from the existing ADHC regional structure, both in terms of planning and contracting.

As the Commonwealth does not have a regional presence, services were concerned about the effectiveness and timeliness of response and support when issues arose. Services acknowledged they have in the main had an effective working relationship with ADHC regional staff who were able to provide information, contract support, understanding of local and regional issues and differences, as well as ensure consistency in governance and compliance.

**There was consensus that ADHC's regional structure has been effective in providing contract and relationship management support to services and this role is valued. There was strong support for this type of regional support to be duplicated by the Commonwealth. Rural services were very clear that it was essential for funding bodies to have a regional presence to really understand the distances and difference that rural and remote communities present.**

## **Planning Process**

Over the past 25 years the HACC sector and ADHC as the administrative body have developed an inclusive and robust planning and allocation methodology. The process is initiated once the regional allocation formula (RAF) has been determined in line with the available growth funding. HACC Development Officers and ADHC regional staff convene forums where regional priorities are identified and discussed with consideration given to which service types are best placed to meet the identified needs. These priorities are then transposed into the regional triennial plan which is then collated to form the HACC State plan.

**Without exception, participants at every consultation supported the current planning process, expressing support for the inclusive nature of the process and the positive outcomes it produced.**

Major concerns were voiced about the Commonwealth's planning methodology, based solely on the percentage of the population aged over 65. If the planning process were to be solely driven from a population basis it would not pick up the regional and rural differences, the

unmet and under met need or the local collaboration and innovation. Whilst there is acknowledgement that high level planning priorities have always been developed by the Commonwealth, the regional and local practices in NSW have been well served by the current planning process.

**There were strong views expressed that the planning process should continue to have local/regional input as a guiding principle, and that the current planning process should be enhanced rather than abandoned. This issue was tied to the need to continue with a regional service support system.**

## **Reporting Requirements and Dual Funding**

Currently organisations that have a number of funding sources have to complete different reporting requirements in regard to quality, financial and governance systems. The red tape reduction program the State Government has released was quoted at all the consultations with a view that the government departments need to keep adhering to this program.

**There was overwhelming support for one set of reporting requirements for services providing support to both older people and younger people with disability.** These requirements should be agreed between the Commonwealth and State governments, with submission by organisations to one government department and a process for government to government transfer of information. This process will work effectively for data, financial and quality reporting.

There were specific issues raised with both MDS data reporting and with the current acquittal process. When asked what things in the current system participants would like to leave behind in a new system the unanimous response was the ADHC acquittal process. Cumbersome, time consuming, little value, pedantic, unnecessary and retrospective were the terms used to describe the current process.

**Whilst there was a clear acknowledgement that organisations should be accountable for government funds people felt the method of reporting requires discussion and debate. A move to a financial reporting system that required services to show they have met the expected/contracted outputs with a financial expenditure statement should be sufficient to meet this requirement.**

As would be expected, MDS reporting was widely discussed at the consultations. The validity of the reports, the mechanics of inputting data, the real value for planning purposes, the information provided back to organisations on their comparative data, as well as how the

Commonwealth may use this data to determine which organisations to contract with, were some of the major issues.

Organisations were concerned that the MDS data to date was inaccurate and did not reflect either the quantity or quality of the service provided. Community transport was given as an example, outputs are recorded in number of trips, and this is not reflective of the number of people the service is being provided to and is perceived by the sector as under reporting.

The other common issue was the inability to record all of the services i.e. case co-ordination or management by services not funded as this service type. **A revamp or discontinuation of MDS reporting was the suggested solutions to these issues. A revamp of MDS would need to include at a minimum the ability to record all facets of service provision, timely feedback and comparative data with similar services, regionally as well as state wide. There was support for the role that the regional MDS workers have played in supporting HACC services with MDS reporting.**

Quality reporting or quality frameworks and the presumption that there will be dual systems was another area of some concern. The introduction by the Commonwealth of the Community Care Common (CCC) Standards at the same time as ADHC is considering what type of quality framework is best suited to its contracted services is causing some confusion. Uncertainty about when the CCC standards will come into effect and what role ADHC regional staff will have in applying these was expressed.

**There was a high level of support in the sector, for a quality frame work or process that could be applied across both the aged and disability sectors and was accepted by both levels of Government. The other option proposed was for both levels of government to accept the accredited quality frameworks that many organisations are already utilising.**

## **Fees**

Fees, including the lack of a formal policy and implementation process have been a vexed issue in the sector for many years. Unsurprisingly the fees issue was raised in every consultation. Most services use the draft fees policy and apply it in varying ways. There was a general sense that determining income levels and ability of service users to contribute fees, was not and should not be a core function of service delivery.

There was an overwhelming sense about the tension between providing service and assessing capacity to pay. The discussion centered on the capacity of the staff doing the service assessment's capability to also undertake a financial assessment. There was general agreement

that both the client and service found this situation difficult and that it created uneasiness or tension.

There was also a strong view that the current fees system resulted in many inequalities within services as well as across both service and geographical boundaries.

**The preferred resolution/solution to the fees issues was the development and adoption of a comprehensive fees policy/structure which would be clearly articulated to service users.**

**In line with the policy would be the assessment process to determine capacity to pay and the level of contribution. This assessment would be undertaken by an independent agency such as Centrelink and the assessment details sent to the service provider.**

**Centrelink was seen to be the most suitable agency as it has extensive experience in income assessment and in the main, HACC service users are also Centrelink clients.**

## Issues Paper 2

### WORKFORCE

Workforce issues raised and discussed in the consultations revolved around both the paid workforce and volunteers as service providers and members of management committees. In the main the HACC sector in NSW utilises a number of service, management and governance models and these in turn have produced a variety of workforce variations from services with a high reliance on volunteers to services that have made a conscious decision not to use volunteers at all in service provision.

Overall there was considerable commonality between the sessions and discussions regarding workforce and management committee issues.

#### **Volunteers**

Volunteers are a great source of social capital in NSW and have played a large part in the community services sector for decades. The NSW government has been committed to volunteerism and sees an ongoing role for volunteers in the aged and disability sector subsequent to the COAG reforms in HACC.

One of the major issues with regard to volunteers is the difficulty of recruitment. Traditionally volunteers were women not in paid employment and/or retirees. There is a direct correlation between the decrease in volunteerism and the increase in women the workforce. Across the board, services utilising volunteers have experienced difficulties with attracting and retaining volunteers.

The use of corporate volunteers was discussed with reports of varying success; larger services with high profiles appeared to be more able to attract corporate volunteers. People who were Centrelink recipients were also a source of volunteers, there was some concern expressed about their motivation, length of tenure and willingness to undertake training.

Services who continued recruiting and utilising volunteers raised issues with the types of roles volunteers could or should undertake. There was a clear and well supported view that the complexity of the care needs of service users in the HACC system had increased significantly in the past 25 years and that there were now real OH&S issues related to some volunteer roles.

Some examples cited were:

- Volunteer drivers travelling long distances for medical appointments that meant they could be on the road for up to 10 hours in a round trip.
- Volunteers travelling 200 km on mostly dirt road to provide respite/neighbour aid support.
- The ageing in place ethos that means a higher incidence of mental health issues, dementia and physical deterioration due to rapidly degenerative diseases.

**Some possible solutions offered at the consultations were the discontinuation of volunteers in all services and an increase in funding to provide for additional paid staff and/or a review of the types of volunteer roles looking specifically at the risks both to the service user and the volunteer and some determination of which roles and at what level use of volunteers was appropriate.** This determination would then be applied across the sector.

Related issues around volunteers are:

- training
- monetary reimbursement and
- Police/working with children clearances.

The current system for Police checks in NSW sees the volunteer being responsible for obtaining and paying for the clearance, for each service they may volunteer with. This becomes a cumbersome and expensive exercise for the volunteer and is a clear disincentive to volunteer.

**The solution to this issue as identified at a number of the consultations was for NSW to adopt the Queensland system of the “blue card”. This system is based on one application for clearance and the issuing of a card valid for 3years that is accepted by any service. There was unanimous support for the investigation and adoption of this system in NSW.**

Another issue consistently raised at the consultations was the monetary reimbursement to volunteers. The increased cost of living especially in regards to petrol has had a real impact on the willingness of volunteers to undertake driving roles and the capacity of service to remunerate volunteers at the real cost of petrol and to maintain the expected outputs for the negotiated unit cost. Clearly this impost is great in rural and remote areas as the distances travelled are more significant.

**The solution proposed for this issue was the recognition in funding levels of the real costs of volunteers and a subsequent increase in funding to reflect these.**

Training requirements of volunteers was also cited as an area of difficulty. Many participants spoke about the need for training to ensure volunteers were able to undertake their role safely

and professionally versus the view of many volunteers, that they just wanted to be able to “help out” or “make a contribution” without the formality.

**It was thought that training requirements contributed to the difficulty in attracting and retaining volunteers. A suggested solution was to provide a greater emphasis on volunteering to better attract and retain volunteers, increase the training available and offer coordinated volunteer programs.**

Governance was raised as an area where there was a significant use of volunteers on Boards and Management Committees. With increased funding and regulative/legislative requirements this role has expanded and the level of skill, knowledge and expertise required has increased, making it difficult to attract people with the willingness to take on these roles and associated risks.

**The overall solution suggested was the need for special recognition and strategies regarding recruitment including issues of cost, distance and appropriateness of roles for volunteers and that particular emphasis is placed on rural volunteering.**

## **Paid Staff**

Consultation participants identified a number of workforce issues that impact on service provision, these include:

- Competition for staff
- Poor remuneration
- Ageing workforce
- Uncertainty in future of HACC

The HACC sector has approximately 800 service providers within NSW who are potentially competing for staff. Given the way the sector has grown over the past 25 years, there can often be a number of like services in a LGA or LPA all attempting to attract appropriate staff. HACC services are looking for the same type of staff as disability services and residential aged care. These potential employees would also be attracted to roles in retail and/or domestic work. **The general view was that there are a large number of providers in competition in the sector for recruitment of staff and there is a need for greater portability of employment standards and conditions between the range of employers e.g. long service leave.**

A related issue is the varying conditions of employment including pay rates and leave entitlements across the sector and other aged care employees. There is a need to establish better career paths in the sector rather than through individual agency, NGO or other direct employer options.

**Other solutions included investigating the potential for shared or pooled workers who have the capacity to be employed across agencies or geographic boundaries, including establishing specialist workers or volunteers as well as increased funding for recruitment, marketing and cross sector activities establishing a national award for staff in the sector offering standardised remuneration and portability of conditions linked to funding.**

A large number of providers raised the issue that the type of work required in HACC services is not seen as attractive or highly valued. For those workers that are driven by altruism, the work has rewards other than monetary. However, in general, the sector sees this line of work as very poorly paid. There were many comments about workers being able to earn the same or more money stacking shelves in a supermarket!

Currently the sector is made up of an ageing workforce at both the voluntary and paid level. Consideration should be given to the need to better plan for this group as well as attracting younger people to both paid and volunteer employment.

Concerns were expressed about the loss of skills due to both an ageing workforce and the leeching of staff to other sectors and the need this creates for increased activity in training.

The provision of culturally appropriate services and the special workforce needs of ATSI and other culturally diverse groups were also seen as an area that required considerable thought and action.

The COAG reforms and HACC transition are creating high levels of uncertainty in the sector, bringing with it the perception that the sector is unstable and that staff should be looking for more secure employment. The other side of this issue is organisations starting to think about industrial issues including retrenchment and redundancy and the associated costs.

There is also the potential for future cost and administrative imposts caused by the need for criminal records checks and a move by the Commonwealth for increased skill development through completion of competency based training programs.

**The preferred options for resolution of these issues included greater recognition of skills required in the sector and increased funding to meet the workforce development required.**

**In addition there is a real need for government to provide continuing reassurance to the sector in the form of ongoing information and consultation on future directions in both the aged and disability sectors.**

## Issues Paper 3

### SECTOR DEVELOPMENT

The sector development section of the consultation discussions were characterised by concerns regarding the potential loss of key sector development roles in the community and the need to retain and strengthen them.

Also of significance was the need to ensure that there is local consultation and input into decision making around planning and the need for the sector as a whole to embrace and develop new opportunities for service delivery and governance.

There were a large number of issues that overlapped with the other consultation themes and these have been dealt with in the relevant issues paper.

In the main the key issues raised for discussion included:

- The nexus between the current reviews of HMM , HACC DO's and the HACC transition and concerns that the reviews could give a negative view of these service types and would impact on the Commonwealth's determination to fund these services into the future.
- The value of non-output services e.g. Dementia Advisors, Development Officers both generic and Aboriginal, Multicultural Access Program Services, Peak Bodies, and Local Government Aged and Disability Workers and the need to continue these positions for sector development purposes. **There was unanimous support for the continuation of these non-output services and real concern that the specialised skills and resources may be lost with the COAG split.**
- The duplication of some specialist positions e.g. Dementia Advisors, which are currently funded under both State and Commonwealth programs was raised as an issue and the question asked about how this would be resolved?
- Questions were raised about how to measure the quality outcomes of the non-output development worker roles as these are not currently reflected in a quantitative way e.g. work on social inclusion, active ageing, keeping people in the community, information, increasing the profile of services in the community, advocacy and supporting services in the transition phase.

**NSW has enjoyed the benefits of 'sector development' and the sector does not want to see a decrease as these specialised positions are not funded in all jurisdictions. The proposed solution is to continue to fund Development Worker positions and advise the Commonwealth of the value of the non-output sector development work undertaken across NSW.**

Clarification of role and function for peak bodies and equity in funding, as some peaks don't receive government funding was also discussed. **There was generally support for the continuation of peak bodies with an emphasis on support, advice, information and innovation.**

The continuation of local forums, networks and interagencies were seen as vital in ensuring a strong sector. The lack of information and clarity about how 'planning' will be conducted in the future was raised.

**Localised planning is the preferred approach – it is more person-centred and has as a guiding principle that people live in and need to be supported by their local community. Improved methods (consistent across service types & areas) of identifying unmet and under-met needs are also required. The continuation of research and pilot projects was strongly supported.**

**Maintain regional and state wide networks to ensure Commonwealth policy and service delivery is responsive to local needs.**

Sector development is needed to enhance relationships between services, Local Government and other sectors such as Health. There is fear of a clinical approach to care under the Health reforms leading to a move away from community care.

The way in which local communities have input into decision making was a concern, as there is a perceived lack of Commonwealth presence at a local level. The question most asked was "will Commonwealth officers support HACC services as the ADHC regional staff have in the past?"

**The consultations recorded the need for the Commonwealth to establish Regional Offices or have officers based in Regions to provide support.**

The issue of who should and will undertake capacity building in the sector was also raised. There is a need for this to occur at the sector, service and governance level. Co-operation between the disability and ageing sectors, working in partnership for continuity of care for people with a disability who are ageing is critical.

The services currently provided by NSW Health and the Home Care Service of NSW were discussed and concern raised about the ability/capacity of the sector to "pick up" these services if the Commonwealth chooses not to continue funding state government instrumentalities.

Capacity building related to Boards/management committees was also raised within the Administration theme. **It was suggested that provisions for education, support and training of**

**volunteer Board members was needed throughout the transition, including funding for training, education, networking and participation in conferences and sector development activities.**

**A possible solution is the introduction of a Professional Management body that is able to support small management committees either by providing support or services.**

## Issues Paper 4

### CLIENT/CARER

The client/carer section of the consultation discussion was characterised by issues related to the potential negative impacts of the proposed reforms and questions on the classification and identification of clients and carers, the relationship of age to funding systems and the potential transition across the state and Commonwealth systems.

At all consultations the issue of continuity of care was raised. Questions about how this will be achieved when the age based funding split is implemented were common. The crux of this issue centres on what impact turning 65 years old will have on service provision. Will there be a need to change providers? Who will determine which is the most appropriate service, the funding body or the one stop shop or the service or the service user? Does age dictate which service system can be accessed?

A common scenario put forward centred on a person with disability living in supported accommodation funded by the State who turns 65 years. Will this person need to change accommodation providers and potentially move house?

If not then will the funding level that this placement attracts remain the same or will there be a differential in the level of funding applied by the Commonwealth? This issue has the potential to impact on ADHC's vacancy management process.

Traditionally younger people, who don't have a disability as defined by the Disability Services Act, have been part of the HACC system. The specialist disability service system in NSW to date, has not developed the appropriate range of models for people with physical disability, acquired brain injury (ABI), rapidly degenerative diseases and early onset dementia.

There was great concern expressed at the consultations about this group of clients and their service provision. Is ADHC proposing to recreate HACC services in the specialist disability system or would services be purchased from existing expert providers in the new aged care system? And if so, what mechanisms would be utilised?

What will service provision look once the reforms are in place? Will respite for example, change from flexible and/or overnight for younger people with disability to only centre based day once they reach the age of 65?

Is it possible to split clients from carers and disability from age? This question was asked in numerous ways throughout the consultations. How do we maintain a holistic approach to care when client and carer may fall under different funding sources? Examples were given of carers, caring for an older partner and an adult child with disability, would these carers have to navigate different service systems and which level of government will support younger carers?

The current interface between HACC service and Commonwealth packaged care can be problematic for clients and services. Some of the problems cited were around the process of full cost recovery for HACC services from packages and clients choosing not to go on packaged care because it didn't provide the same level of service hours or flexibility as HACC. Will the COAG reforms eliminate this issue? There was consensus amongst providers that this is a desired outcome of the reforms.

There was a lot of discussion amongst providers about the introduction of client directed care and enablement models. There was general agreement about these being positive initiatives for clients, with a tinge of concern about how the system would be configured to more actively meet client expectations.

A number of consultation participants made the point that clients need to be consulted and informed about the impacts and potential changes to the service system.

## Issues Paper 5

### STRATEGIC PARTNERSHIPS

The strategic partnerships section of the consultations were characterised by issues related to the sector having a clear understanding of the governments vision for the future to assist in making informed decisions about partnerships, alliances, mergers and/or co-location.

Participants at the consultations discussed a range of options around partnerships but expressed the need for more information about the government's expectations and their vision for the aged and disability sector into the future. They felt that developing a true partnership arrangement was very resource intensive and wanted to ensure that this time and effort was not wasted if the government had a particular view of what the sector would look like in the future.

One of the major elements of discussions at all consultations was the impact of the changes on small organisations. Of particular concern was the need to ensure that clients across NSW have choice about the types of service they receive and where those services come from.

There was a strong view expressed that governments think "big is better" meaning only large organisations will survive the changes and the smaller organisations will be forced out of existence or into merger/take over arrangements that are not equitable, resulting in a reduction of choice for clients.

Participants acknowledged that while change is inevitable there are opportunities for small and large organisations to co-exist in the sector and work in collaboration ensuring local input and greater flexibility.

Rural providers were extremely concerned about large organisations from metropolitan areas moving into rural and remote locations without infrastructure or local knowledge leading to a possible loss of identity for local communities.

There was a strong view that the tendering processes used by both levels of government in the past has created competition and deterred strategic partnerships. This appeared to be less of an issue in some rural and remote locations. There were examples of meals being delivered by the Flying Doctor Service and assessments being undertaken by one organisation on behalf of other services.

Maintaining CALD and ATSI specific services within the sector to ensure access and choice for these client groups was strongly supported. There was concern that the transition will drive changes in the sector that will result in more of a business approach to service delivery with less client focus. The lack of knowledge about culturally appropriate service delivery among many mainstream services was also raised as an issue.

There was general discussion at most consultations about the types of strategic partnerships that could be possible for HACC services. Some of the options that were being explored included;

- Mergers and amalgamations
- Co-location/ Multi Service Outlets
- Regional budget holder models
- Consortiums focusing on back of house functions

Some of the key comments related to this issue were:

- There is a need to understand the governments strategic direction in order to make informed decisions about strategic alliances, partnerships, mergers or co-location
- Building strategic partnerships is resource intensive ('hard work') and the outcome must be worth the investment,
- What are the cost benefits for strategic partnerships,
- Shouldn't strategic partnerships be formed ultimately to better meet client needs,
- Partnerships may include centralisation of back of office administration or combination of HACC service types.
- What is the best size for an organisation?
- Will organisations be expected to merge – who would assist this process and will there be funding to support it,
- Service administration needs to be streamlined as this is time consuming and often impedes growth and innovation
- The local government structure is conducive to partnerships but there is a fear that it is overly bureaucratic
- What are the legal and financial implications of partnerships,
- There are challenges in building true partnerships,
- Will there be open communication between government and the sector and within the sector.

At each consultation at least one person voiced the view that amalgamations need to happen now, so that services would survive. The consultation facilitator was clear in giving the message that it's "business as usual", organisations should not merge or amalgamate based only on the COAG reforms, as the Commonwealth has stated no substantive change to service provision until 2015. There was also a view that services needed to decide now if they would be disability

or aged care providers, this decision has direct impact on what type of strategic partnerships were formed. Again the consultation facilitator reiterated the need for providers to undertake their usual business planning processes and make decisions accordingly.

While it is timely to look at what sort of strategic partnerships may be appropriate, it was also acknowledged that these processes can take substantial time and resources.

There were really only two preferred options for resolution of the strategic partnership issue and both were based on a holistic approach to service management and delivery and open communication processes between organisations, the sector and the government.

**The first option maintained the status quo in terms of the number of providers with an emphasis on organisations operating on the basis of partnerships, networking and sharing resources. This would maintain local services and encourage networking rather than competition between services. This option would also maintain local ATSI and CALD services and encourage networking with mainstream organisations. A key component of this option would be the exploration of brokerage options between organisations.**

**The second option was supportive of a strategic partnership approach allowing for differing models of partnership. For these partnerships to work effectively there needs to be clear and defined procedures for partnerships, alliances or mergers e.g. Memorandum of Understanding**

**The view that organisations should have access to a transitional fund and use independent facilitators for advice on partnerships was strongly supported. Along with this mentoring and support to help smaller organisations develop partnerships was also supported**

**For any significant movement around strategic partnerships in the sector there would need to be increased consultation with the community to ensure local input into decision making. The current tender processes also need review to ensure an equitable system for all organisations regardless of size or cultural specificity. Some providers encouraged the development of partnerships outside the square such as lions club and other volunteer groups.**

## Issues Paper 6

### ACCESS

Access was a significant concern for all groups based on the potential impact on clients as well as the potential for an independent access/intake system removed from a direct role of the provider. The perceived change in eligibility for Indigenous Australians from 45 years to 50 years was raised at every consultation; this was one of the biggest issues of the consultations.

As part of the COAG reform a single point of access (SPA) or “one stop shop” is being proposed. There was a great deal of discussion about this issue. As there was little information at the time of the consultations, participants were unclear about how the “one stop shop” would operate and the following questions asked:

- How will a single point of access (SPA), capable of referral to local providers, be established and operate?
- Who will do the initial assessment and who develops the care plan?
- How will a flexible intake arrangement recognise the changing needs of clients and the need for regular follow up and reassessment?
- SPA arrangements may not be appropriate for some client groups e.g. CALD and ATSI and clients with complex or special needs. How will intake processes ensure recognition of the needs of special groups or clients?
- How will a SAP maintain appropriate waiting lists and client choice?
- Will a SAP ensure geographic equity in access to services?
- How will person centred planning be incorporated in the philosophy of access?
- How will case management fit into the new intake systems?
- How will the system avoid time delays associated with the demand for referral and assessment and meet the needs for quick turnaround for clients?
- Who will ensure people know where to and how to enter the system?

The discussion from these questions focussed mainly on the need for timely assessment and referral. The current role of ACATs and the Home Care RAC were given as an example of how having one assessment and access point can cause a “bottle neck.” There were differing views about the Hunter Access Point pilot by those who had experienced it and little information known by services outside the Hunter region.

Reassessment and what role providers would have in identifying and assessing increased need was also a point of discussion. Would the new system dictate that clients needed to be

reassessed by the SPA? In the current HACC service system older people, younger people with disability and their carers are able to access the service system through the same services. There was concern expressed that the reforms would lead to two access systems, one for older people and another for people with disability. Which system carers would access was unclear. **There was support for the SPA to continue to be accessible to the current HACC target group.**

**The current service system uses a number of assessment and referral tools; there was agreement that a reduction in these tools was needed.**

Case management and the role of the Community Options Programs (COPs) was discussed at every consultation, with agreement that COPs played a vital role in assisted referral through an often complicated system. **There was strong support for the continued funding of COPs.**

It was thought that a Federal access system would create flexibility across states and stop the current cross border issues.

In NSW Aboriginal and Torres Strait Islander (ATSI) residents are able to access HACC services as a frail aged person from the age of 45 years in recognition of reduced life expectancy. There was a strong view by participants that the reforms are proposing a change in eligibility to 50 years. Questions were asked about who made this decision and on what basis it was made? Were Aboriginal people involved in the discussion and decision? Many participants raised the view that this change was contrary to the philosophy in “closing the gap.”

The issue of people under 45 years currently receiving HACC services was discussed at length. Would the Commonwealth give a commitment to continue funding services for this group or would ADHC assess this group as younger people with disability and commit to their ongoing support. **There was strong support for the state and commonwealth governments to resolve this issue and ensure ATSI people continued to be provided with appropriate service irrespective of age.**

In an overall sense, participants agreed on the following as preferred solutions around the range of access issues identified.

#### **PREFERRED OPTIONS FOR RESOLUTION**

- Essential to have a single point of contact that has the flexibility to allow local entry and feedback to the SPA – Other opinion is that there should be a no wrong door entry policy.
- Need for standard information to be disseminated within communities about government programs with the additional ability to share information and assessment across services.
- Designate standard assessment requirements and standardised assessment processes and tool.

- Standardise entry requirements to services for particular needs (service providers not determining the criteria).
- Balance service provision between choice and packaged approaches.
- Intake and assessment system complimented by a strong case management system.
- Commitment from both levels of government that the client can commence and continue service regardless of changing age and funding sources.
- Adoption of the enablement/wellness model that encourages clients to meet their goals and link to funding.
- Better use of the current communication system to distribute information and direct clients into the system.