

INDUSTRY UPDATE – APRIL

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The past month has been very busy in the Aged Care industry, with some big issues and announcements coming to the fore. The Department has released the new reforms for quality in Aged Care, which has sparked an enormous amount of discussion and feedback. The topic of funding in Aged Care once again became a highlighted issue, as has sustainability and viability of the sector. Staffing ratios and a mandate to offer flu shots for care teams were also big topics. Check out our summary of the month that was in the industry!

NEW REFORMS FOR QUALITY IN AGED CARE

On the 18th April, the Australian Government [released new reforms](#) to raise quality benchmarks in Aged Care, and instate a national independent Aged Care Quality and Safety Commission. The Commission combines the regulatory functions of the Department of Health (DoH), along with the Australian Aged Care Quality Agency and the Aged Care Complaints Commissioner.

Starting from 1st January 2019, the new Commission is in response to the Carnell-Paterson review following the failures of the Oakden Older Persons Mental Health Service, and follows on from the introduction of unannounced reaccreditation audits across all Australian Residential Aged Care facilities.

The new commission will:

- Start from 1st January 2019
- Have a taskforce established within the Department of Health (DoH) to implement it
- Be led by an independent Commissioner, reporting to the Minister for Aged Care and assisted by a new Chief Clinical Advisor
- Combine the functions of the Australian Aged Care Quality Agency, Aged Care Complaints Commissioner and regulatory functions of the Department of Health
- Include a performance rating system against quality standards
- Have ratings against quality standards made publicly available
- Develop options in consultation with the sector for a Serious Incident Response Scheme
- Provide a comparison tool on the MyAgedCare website

Although the reforms are in response to, and take on some recommendations by the Carnell-Paterson review, the model does differ and [does not include some of the recommendations](#).

The [Australian Ageing Agenda](#) has confirmed that the new reforms are cost neutral to the Government.

PEAK BODIES VOICE CONCERN OVER FUNDING AND FUTURE SUSTAINABILITY

Post the release of the [Aged Care Financial Performance Survey Report](#), by independent industry analyst StewartBrown, Aged Care peak bodies Aged & Community Services Australia (ACSA), The Aged Care Guild (The Guild) and Leading Age Services Australia (LASA) have called for urgent budget support for the Residential Aged Care Sector.

The report shows that 41% of Residential Aged Care providers ran at a loss in December 2017, which is an increase on 31% in 2015-2016. The peak bodies have attributed the rise to the January 2017 changes and freeze on indexation.

With the review of ACFI and changes to the funding instrument still undergoing and being commissioned by the Government, there have been calls for an immediate '[adjustment payment](#)' in the May 2018 budget that will assist struggling facilities. This would then need to be followed by a longer term investigation and work put into a longer-term sustainable funding strategy.

You can find the original media release by the ACSA, The Guild and LASA [here](#).

AGED CARE PROVIDERS MUST OFFER FLU SHOTS TO WORKERS

Following the tragic flu season of 2017, the Government investigated boosting vaccination rates in Aged Care facility workers late last year. This has resulted in a mandate that all Australian Government-subsidised Residential Aged Care providers [must offer flu vaccines to every single worker from 1st May 2018](#).

The 2017 flu season saw 1,100 flu-related deaths, 90% of who were over the aged of 65. A [national review](#) undertaken demonstrated strong links between lower vaccination rates and the higher level of occurrences of the flu in Aged Care Facilities. Although there has been an [overall positive response](#) to the mandate, and widespread vaccination programs in Aged Care facilities, it has been reported that the [uptake tends to be low](#).

VIRTUAL REALITY IS HERE: DRIVING SIMULATOR BEING BUILT IN AGED CARE FACILITY

A [VR driving simulator is being built at McLean Care](#) in NSW, in partnership with Deakin University. The project, funded with a grant from the Commonwealth's Dementia and Aged Care Service (DACs) Fund, intends to create a safe environment for Drivers aged between 70 and 80, who may suffer anxiety surrounding driving.

The simulator is being built in the regional town of Inverell, addressing the issue of isolation that older people may face in rural areas. With the aim potentially enabling people to hold on to their licenses longer, and therefore maintain independence and ability for social interaction, the project is one of the first of its kind in Australia.

STAFFING RATIOS

In the wake of the horrific event at Oakden, and investigations into concerns and suspicious deaths, quality in Aged Care has been under the microscope. With the topic of quality, comes the contentious issue of staffing ratios. Currently, there are no mandated staffing ratios for Aged Care industry. Commentators have noted that childcare, in comparison, has mandated ratios, and question [why this is not the case for Aged Care](#).

In late 2016, The Australian Nursing and Midwifery Federation (ANMF) released the [National Aged Care Staffing and Skills Mix Project report](#), addressing the issue of reduced staffing levels and skills mix in Aged Care. This has been followed with increased efforts by the ANMF [to make ratios the law](#) and plans for a public awareness campaign.

With the recent announcement of the reforms to quality benchmarks, [there have been calls to focus on staffing ratios instead](#), to which Minister Ken Wyatt has voiced concern that there would not be sufficient staff for small regional towns and remote Aboriginal communities. Peak Bodies ACSA & LASA have previously stated that quality in Aged Care should be non-negotiable, so it is [important to focus on quality outcomes](#) and optimising care models.

You can read more about the ANMF campaign [here](#) and further opinions on staffing ratios [here](#) and [here](#).

REVOLUTIONARY ALTERNATIVE AGED CARE MODEL

We've seen many new ideas in the way that Aged Care is provided across the world, particularly for complex care needs such as dementia. One such revolutionary idea, a finalist in the SilverEco and Ageing Well International Awards, is a Microtown by New Direction Care. Located between Brisbane and the Sunshine Coast, the new model for care is built to support the "freedom of home", whilst ensuring that complex care needs, medication and safety are ensured. New Direction Care Founder and Chief Executive Officer Natasha Chadwick believes it is time to "radically rethink" dementia care.

Read more about the New Direction Care's Microtown [here](#) and another similar innovation under construction to be opened in 2019, a [dementia village in Tasmania](#).

That's all for this month but check back in with us next month for another industry update!

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