

INDUSTRY UPDATE – JUNE

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We've left budget month behind and leapt straight into end of financial year! An extremely interesting month of news this June; with the 2018-19 ACFI rates released while the conversation continues to blaze around the rise of facilities making losses; the approaching rollout of the single set of quality standards and a look at a number of varied different models for dementia care. The discussion surrounding the Aged Care workforce gets political as the topic continues to be a hot issue in the industry. Check out our summary of the busy month that was in Aged Care!

2018-19 ACFI RATES

The 2018-19 ACFI Rates have been released! You can see Provider Assist's breakdown [here](#) and also see all other New Rates of Payment from 1 July 2018 for any Aged Care Subsidies and Supplements [here](#) on the DoH website.

Peak bodies Leading Age Services Australia (LASA) and Aged and Community Services Australia (ACSA) have already [expressed concern](#) that the new indexation rates will not ease any financial pressure across the domains.

THE NEW ACCREDITATION STANDARDS

Big change afoot with a new single set of standards transition year. As you would know, 1st July marks the 12 month transition period for the new standards (with formal assessment against them to commence 1st July 2019). You can read more on our breakdown on what this will mean for you [here](#).

CONCERN THAT NUMBER OF FACILITIES MAKING A LOSS IS RISING

In our [April Industry Update](#), we referred to the rising concern the peak bodies are voicing post the StewartBrown [Aged Care Financial Performance Survey Report](#), that reported 41% of Providers ran at a loss in December 2017, a climb on the 31% reported from 2015-2016. [This trend appears to be continuing](#), with StewartBrown's March 2018 report showing facilities making losses has risen, with 43% of Providers reporting a loss over the last 9 months. The January 2017 funding changes and the indexation pause have been some of the reasons attributed to the rising number. The new ACFI rates for 2018-19 have returned to indexation from 1 July 2018 (with the Complex Health Care domain at a 50 per cent indexation pause).

2018-19 ACAR OPENS

The 2018-19 Aged Care Approval Round (ACAR) opened on the 2nd July, with priority given to regional, rural and remote areas. The largest number of residential places to be offered in a single ACAR, the focus will be on supporting non-metropolitan areas. As revealed in the budget, \$60 million for capital grants are also to be made available to

support the ACAR places. You can find out more on the ACAR process on the Department's website [here](#).

AGED CARE WORKERS DISCUSSED IN PARLIAMENT

The topic of the Aged Care workforce in Australia has been a rising issue for some time, and came to a head in June when Prime Minister Malcolm Turnbull made a [controversial comment in Parliament](#) suggesting that Aged Care workers could 'aspire to get a better job'. The comment has attracted a great deal of criticism in Parliament and the industry alike. Set in the context of Turnbull's personal income tax plans, he was questioned by Opposition Leader Bill Shorten who asked if an Aged Care worker should instead aspire to be an Investment Banker to get a better tax cut.

The comments highlight some of the issues currently facing the Aged Care workforce. The [issue of a pay gap](#) in the Aged Care industry is not new, and is considered some of the lowest in the [healthcare sector](#). Staff wages are the biggest cost for Aged Care Providers – whether not-for-profit or private – so it returns to the question of: is Aged Care being properly funded?

Aged and Community Services Australia (ACSA) has released a [media statement](#) responding to the comments made in Parliament, and the importance of sustainable funding for a better future for the industry, residents and workers.

AGED CARE WORKFORCE

In addition to the comments made in Parliament in June about the Aged Care workforce, there has been a great deal of conversation surrounding the industry's workers. With staff wages being the costliest area for a Provider, an analysis has called for more focus on strategic workforce planning in the industry. Human resource consultancy firm, Realise Performance, [compared the Aged Care workforce with different sectors](#) over 12 months, and found that recruiting and retaining staff and managing absenteeism were huge factors that needed to be addressed. The HESTA report '[Transforming Aged Care: Reimagining the aged care workforce of tomorrow](#)' added more weight to this, stating that 80,000 Aged Care staff were planning to leave the industry within the next 5 years. With [Aged Care workers themselves undergoing research](#) which looks at their health in an effort to improve working conditions, it appears that there is still a lot of conversation to be had around the workforce.

Bill Shorten said he would [consider a Royal Commission in Aged Care](#), although he followed a few days later to state that [he was uncertain one was needed](#). He has also added that he would look after the workforce in regards to staff pay.

LOW TAKE-UP ON NATIONAL AGED CARE QUALITY INDICATOR PROGRAM

The National Aged Care Quality Indicator Program has been reported to have an extremely low take-up with an alleged less than 10% of Providers signing up. Introduced two years ago, the voluntary standards for residential care is a program aimed at allowing facilities to provide data on quality indicators that can be measured.

These indicators are pressure injuries, use of physical restraint and unplanned weight loss. CEO of Aged & Community Services, Pat Sparrow, has stated in response that ACSA's experience with Aged Care Providers already have effective programs in place to cover these areas. You can read more about this [here](#).

DEMENTIA

At the 2018 International Dementia Conference in Sydney in June, Minister for Aged Care Ken Wyatt launched the [Report on Early Outcomes](#) as part of the Boosting Dementia Initiative. The report shows that a large number of projects to combat dementia are currently underway in Australia, working towards dementia prevention, management and cures.

In the meantime, Dementia Support Australia's Dementia Behaviour Management Advisory Service (DBMAS) and Severe Behaviour Response Teams (SBRT) are working with doctors to reduce the use of psychotropic medications for those Aged Care residents experiencing behavioural and psychological symptoms of dementia. An analysis of three months of SBRT cases, which equated to 173, found that severe behaviours were reduced by 50% and their severity by 66%. However, only a slight decrease in psychotropic drug use was recorded. To read more on outcomes of the DBMAS and SBRT, you can read the Australian Ageing Agenda's article [here](#).

In order to help people increase their understanding of dementia and learn to support their community and those impacted, Dementia Australia has developed the [Dementia Friends program](#). Dementia Friends is a free, online learning resource with the idea of empowering and supporting a community to give people who live with dementia the help and respect they deserve.

NATIONAL ADVANCE CARE DIRECTIVE STUDY OPEN

A study aimed at measuring the quality of advanced care directives and what they involve is inviting Aged Care facilities to take part in research. 'The National Advanced Care Directive Prevalence' study will audit health records of people aged over 65 years and above, looking at the frequency of advanced care directives and planning documentation. Expected to run until at least 2020, the research is funded by the Australian Government and aims to inform state and national advance care planning policy. You can read more about the study [here](#) and apply to get involved [here](#).

STRATEGIES TO IMPROVE AGED CARE FOR ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES

A new report set to improve Aged Care for Aboriginal and Torres Strait Islander peoples has been released during a Roundtable event in Canberra. 'Assuring equity of access and quality outcomes for older Aboriginal and Torres Strait Islander peoples: What needs to be done', was developed by the Australian Association of Gerontology (AAG) through its Aboriginal and Torres Strait Islander Ageing Advisory Group (ATSIAAG). The intent of the report was to outline a number of barriers in improving Aged Care access

and submit proposed actions to improve access for Aboriginal and Torres Strait Islander peoples. You can access the report [here](#).

END OF LIFE DIRECTIONS FOR AGED CARE (ELDAC) PROJECT

The second phase of the [End of Life Directions for Aged Care \(ELDAC\)](#) project has begun in mid-June, aiming to improve the care of older Australians, providing guidance to support palliative care and advance care planning. [A \\$15 million project](#), the ELDAC project also provides information, toolkits and resources to support health and Aged Care workers. Phase two includes a new website to provide the toolkits and resources, telephone and web-based support services for Aged Care workers, nurses and general practitioners, and will be emphasising collaboration and communication to connect services.

ELDER ABUSE AWARENESS DAY

On the 15th June, the world recognised World Elder Abuse Awareness Day with 'Elder Abuse: Everyone's business' as the resounding statement. The new national alliance, [Elder Abuse Action Australia \(EAAA\)](#), made up of organisations and individuals who are working towards preventing elder abuse, are working in partnership with the Government to ensure the safety, dignity and protection of older Australians from abuse through "education, capacity building, data gathering and research." You can read more on the national alliance [here](#) and see the UN's official website for World Elder Abuse Awareness Day [here](#).

REMINISCENCE THERAPY

We've seen the outstanding effects of the [music and memory](#) project for people living with dementia and other cognitive and physical difficulties. Now, a specialist dementia home in the UK has [created a 1950s diner](#) – The Pit Stop – to assist with reminiscence therapy. [Reminiscence therapy](#) is described by Dementia Australia as "a way of reviewing past events that is usually a very positive and rewarding activity." The diner will be used as a café, but also as a place where reminiscence therapy sessions will take place and residents can talk about their memories of the past. Elvis Presley even opened the diner!



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