

Submission template

Increasing Choice in Home Care – Stage 1

Proposed changes to Aged Care Principles and Determinations

Submissions close 5pm, 9 June 2016

Please note that the Government has entered a caretaker period. Policy decisions that bind a future Government will not be made during this period. However, the Department is proceeding to consult during this period so that if the incoming Government agrees to the proposed approach, implementation can occur as soon as possible.

Instructions:

- Save a copy of this template to your computer.
- You do not need to respond to all of the questions.
- It is recommended that you read the relevant pages in the consultation paper prior to responding.
- Please keep your answers concise and relevant to the topic being addressed.
- Upload completed submission on the [Consultation Hub](#). Alternatively, if you are experiencing difficulties uploading, you can email your submission to: agedcarereformenquiries@health.gov.au

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Thank you for your interest in participating in our consultation.

1. Tell us about you

What is your full name?

First name *Carolyn*

Last name *Kelshaw*

What is your organisation's name (if applicable)?

Baptist care Australia

*What stakeholder category do you **most** identify with?*

Service provider

Where does your organisation operate (if applicable)? Otherwise, where do you live?

NSW

ACT

VIC

QLD

SA

WA

NT

TAS

All states and territories

What is your email address?

Click here to enter text.

May we have your permission to publish parts of your response that are not personally identifiable?

Yes, publish all of my response except my name and email address

No, do not publish any part of my response

2. Prioritised Home Care Recipients Principles 2016

National prioritisation process

Do you think that any other variable should be considered in the national prioritisation process? In addition to relative needs and time waited.

Refer to pages 9 – 11 of the consultation paper

Baptist Care Australia (BCA) believes that consideration should also be given to what existing supports (both formal and informal) the consumer has in place. From the example in the discussion paper – if John had no formal/informal supports he should be prioritised above Priya, despite them both having the same approval date. This will allow consideration of the potential risk to the consumer if they have no supports in place, but have high level needs.

Do you think that the application of Item 5 is equitable?

Refer to pages 9 – 11 of the consultation paper

BCA members agree that item 5 is equitable, however as stated above, consideration of what existing supports are already in situ needs to be considered to ensure consumers are not at risk if they have no formal/informal supports available.

Cessation of prioritisation determinations

Is a 56 day period to activate a package appropriate?

Refer to pages 11 – 12 of the consultation paper

In the experience of BCA members, consumers who are seeking HCP level 3 and 4 have significant needs and are usually seeking a package urgently and require an immediate start. BCA members believe that 56 days is too long for the consumer to activate the package and 28 days is adequate. This needs to be on the proviso that ACAT's are identifying consumers who would need assistance/advocacy to access a package, for example CALD consumers or consumers with mental health issues, so they do not miss out due to a lack of understanding on the options available and where to get appropriate support. This timeframe would also be enhanced if potential consumers have already had their Income Tested Fee (ITF's) determined in advance of the package being allocated to avoid any confusion over what they are to contribute to their care costs..

Is the option to extend the period by 28 days required? Is this an appropriate period of time?

Refer to pages 11 – 12 of the consultation paper

BCA members support a 14 day extension. This in effect means a consumer has 42 days to decide if they will take up a HCP and who their approved provider will be. Extensions would be granted in situations of hospitalisations, carer not being available etc. If a period of hospitalisation runs longer than the duration allowed to accept a package, then the consumer would return to the waiting list with their priority unchanged and would then be offered again once they had returned home.

Should a consumer's package automatically cease when they permanently enter residential care?

Refer to pages 11 – 12 of the consultation paper

In the experience of BCA members, there are occasions where consumers change their mind about the decision to enter residential care and they want to return home. Consumers should be given some time post admission

into residential care as a safe guard in case they are unable to adjust/settle and wish to return home. 28 days would align with other timeframes that are already established within the aged care system. Alternatively consideration could be given regarding their prioritisation should they wish to return home and require a HCP to do so.

3. Aged Care Legislation Amendment (Increasing Consumer Choice) Principles 2016

3.1. Accountability Principles 2014

Is a 31 day timeframe for provision of the cessation date appropriate? Or should a shorter timeframe be proposed i.e. 14 days?

Refer to pages 13 – 14 of the consultation paper

BCA's members' response to this question is dependent on what the "system" is capable of doing. To date many BCA members are continuing to experience issues with Medicare claiming within the current context so are concerned about the capacity for Medicare's system to handle anything more complex. If the system is "live" and data can be entered directly into the Medicare claiming system, then a shortened time frame is possible. If this is not possible and the aim is to fit in with the existing claiming cycle period BCA members suggest that 31 days is not long enough. For example if a consumer discharges May 2, 2016, the 31st day is June 1, 2016 – if this was to fall on a weekend or someone is off sick, only having 1 day to get the data in may not be possible. In addition, BCA members have been informed previously that a client cannot be 'active' with 2 approved providers (in the claiming system) so if a consumer is pending discharge from provider A and wants to go to provider B how will this be managed in the system to deliver the best outcome for the consumer?

3.2. Allocation Principles 2014

Is there anything else that the Department should consider in the management of the cessation of home care places in the lead up to 27 February 2017?

Refer to page 15 of the consultation paper

The Department will need to consider how the sector changes will be communicated to current consumers. BCA members believe that the Department need to communicate directly with all current consumers to provide information regarding the changes so they are aware of the impact and what it means for them. The experience of the CDC transition confirms the need to be proactive in engaging with consumers in advance of the implementation date so they are aware of their rights and what it means for them. This communication needs to inform current consumers about the need for contract variations to ensure all current HCP agreements have the necessary information regarding the nuances of the new principles, including the decision to exit and the potential exit fees. In the discussion paper it states that both parties would have to agree to a contract variation which could cause a significant issue for service providers if current consumers refuse to sign the variation on the grounds that they are potentially worse off (eg exit fee). In situations where the consumer does not agree, then the Department needs to consider the financial impact this will have on service providers who will have already lost the capacity to retain unspent funds but will need to provide the consumer with all the benefits provided for in the new arrangements.

3.3. Approval of Care Recipients Principles 2014

Do you have any comments in relation to approval being at a specific level?

Refer to page 16 of the consultation paper

BCA welcomes the transition provision for consumers with current approvals being able to occupy the highest broad banded level that their current approval holds. With assessments being required at all 4 levels, dependant when a consumer enters the system in the first instance, this could result in 4 assessments for any

one individual. Consideration will need to be given to the impact this will have on the resourcing for ACAT assessments as this will increase the volume and waiting time for assessments. Currently a 3 / 4 approval enables the service provider to move a consumer to a higher package if required and available. Assuming this is managed effectively from a resourcing perspective then there is no concern about the approval being at a specific level.

3.4. Approved Provider Principles 2014

Are there any other matters that you think should be considered in the approval process for providers?
Refer to pages 18 – 19 of the consultation paper

BCA members agree with the plan to focus on the operations of an organisation as opposed to staff that hold key personnel roles.

3.5. Quality Agency Principles

Do you have any comments in relation to the proposed changes to the Quality Agency Principles?
Refer to page 20 of the consultation paper

BCA members believe that new approved providers, who have never been assessed under the Community Care Common Standards (CCCS) should have a site visit within the first 3 months similar to the current practice in place for new residential aged care facilities. A self-assessment within itself does not enable consideration of the actual operation of the approved provider in practice which is considered important when working with vulnerable consumers.

3.6. User Rights Principles 2014

Transparency and disclosure of exit fees

For consumers, do the proposed provisions provide adequate transparency and disclosure of exit fees?
Refer to pages 22 – 23 of the consultation paper

BCA members agree that proposed exit fees being listed on My Aged Care (MAC) and in the service agreement is adequate transparency for consumers.

For providers, will the proposed provisions assist to cover administration costs associated with reconciling unspent home care amounts and finalising home care packages?

Refer to pages 22 – 23 of the consultation paper

BCA members believe that approved providers, who will determine their exit fees based on financial modelling, will not be able to cover the costs of doing business if the consumer can exhaust all their HCP funds without making provisions for the exit fee. Approved providers do not want to be put in the unenviable position of having to try and mandate contingency to cover exit fees, with the proposal that an agreed exit fee would not be paid if the consumer did not have adequate funds retained in their package to cover this cost. Consumers participate in the open market with banks, phone companies etc understand that exit fees are part of the open market landscape. Subsequently if a consumer agrees to an exit fee and does not leave an allowance in their budget they would incur a debt. There is a genuine administrative impact and cost when a consumer makes a decision to exit their package and not honouring an exit fee as it is intended appears to defeat the purpose of why it exists in the first instance.

Reconciliation and payment of unspent home care amounts

Are the proposed timeframes for approved providers to manage unspent home care amounts reasonable and appropriate?

Refer to pages 24 – 27 of the consultation paper

BCA members believe 56 days to calculate and communicate unspent home care amounts is reasonable, on the provision that the approved provider has been able to reconcile payments with Medicare.

For providers, are the proposed timeframes sufficient to accurately reconcile package funds (within 56 days of the cessation day) and arrange payment (within 70 days of the cessation day)?

Refer to pages 24 – 27 of the consultation paper

BCA members believe this is an adequate time frame.

For consumers, are the timeframes appropriate, particularly where the consumer wishes to utilise the funds as soon as possible with another home care provider?

Refer to pages 24 – 27 of the consultation paper

BCA members expect that consumers would see 70 days as excessive – however in reality it does reflect the time it takes to reconcile subsidy income and finalise invoices from supplier's when a consumer leaves the package (which is out of the approved provider's control). The consumer will have their daily subsidy accessible from their first day with the new provider and will need to manage their package within this limit until any unspent funds can be transferred.

Consequential amendments

Do you have any comments in relation to these amendments?

Refer to page 27 of the consultation paper

Depending on the number of consumers who are accepting packages or exiting packages from an approved provider, this will be a labour intensive/onerous task for finance departments trying to reconcile payments going into an approved providers bank account and ensuring appropriate recording against consumer record. Notwithstanding that, consumers do need to have visibility of the funds that have transferred across with them.

3.7. Sanctions Principles 2014

Do you support or have any concerns about the proposed sanction?

Refer to page 30 of the consultation paper

While BCA members support the inclusion of this sanction it needs to be on the provision that the approved provider has all the information required to complete the action. For example, current BCA members have yet to receive payment statements for subsidy income going back 6 months. This makes it impossible to complete subsidy reconciliation for individual consumers, until this was resolved the approved provider could not finalise the calculations as to how much unspent funds are returned. In addition if approved providers are not provided with information, for example, details of a consumer's estate/families not responding to communication, then the approved provider should not be sanctioned in these circumstances.

3.8. Records Principles 2014

Are there any other records that should be kept and retained by an approved provider?

Refer to page 31 of the consultation paper

BCA members would expect to retain the documents as suggested in the discussion paper, for a period of 7 years in accordance with the Health Record Act.

4. Aged Care (Subsidy, Fees and Payments) Determination 2014 and Aged Care (Transitional Provisions) (Subsidy and Other Measures) Determination 2014

Do you have any comments in relation to the amendments to the determinations?

Refer to page 32 of the consultation paper

5. Other comments

Do you have any general comments or feedback on other issues relating to the proposed changes?

- 1. ITF** – BCA members believe that the ITF should be completed PRIOR to a consumer being offered an allocation of a place – so the consumer is aware of the charges upfront (or they have agreed to pay maximum fee and not participate in the ITF process). This would ensure that consumers who are allocated a HCP genuinely want one. Approved providers currently experience significant costs in unproductive time and effort when a consumer agrees to accept a HCP and then withdraws due to ITF. This process would also ensure MAC has an accurate waiting list of people who want a HCP. As service providers cannot waive the ITF this should be determined upfront at the MAC stage so consumers can make an informed choice on pursuing a HCP or opting to seek help privately.
- 2. Medicare** - BCA members have real concerns how the Medicare system will manage consumers moving between approved providers considering there continues to be significant issues with Medicare managing the current basic claims system with one approved provider. BCA members are concerned that the Department of Human Services (DHS) will not have the ability to stabilise the current system considering enhancements would have to be made to operate in the new environment. This will have significant impact on the approved providers' ability to make this a seamless process for the consumer and meet the relevant timeframes as described within the proposed legislative changes. DHS continue to claim that the subsidy issues are resolved however that is not the experience of many approved providers. The system used by DHS need to operate effectively and efficiently if these proposed changes are to be successful. BCA members support the overall direction however request that consideration be given to the systems that DHS will utilise to support this transition to ensure they do not pose further issues for service providers and ultimately consumers.