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## **Submission: Consultation Paper – A new model for regulating aged care**

Thank you for the opportunity to provide comment on the Government’s proposal for “A new model for regulating Aged Care”.

### **About Community Industry Group**

Community Industry Group is the peak body working for community services and organisations in southern NSW. We support community organisations, promote expertise and innovation in community development, foster industry development and advocate for social justice.

For 30 years, Community Industry Group (CI Group) has taken a leadership role in the local community services sector. We support community organisations, promote expertise and innovation in community development, foster industry development and advocate for social justice.

Our connection with Aged Care providers across Southern NSW is well established both through our membership and our delivery of the Dept Health and Ageing funded Sector Support and Development program over the last decade.

This reform is of particular importance to our members who work tirelessly to support a community with a higher-than-average aging populations and workforce challenges that are significantly greater than those faced in metropolitan areas.

CI Group hosted consultations with providers and stakeholders in the Illawarra/Shoalhaven and in the Eurobodalla to inform this submission. The consultation in the Eurobodalla was conducted in collaboration with the Sector Support and Development team at Eurobodalla Shire Council.

## Responses and Recommendations

### Raising the quality of aged care

Overall, provider response to the Consultation Paper could be summarised as concern over lack of details. While the broad concepts were largely welcomed, the lack of detail around implementation, regulation and resource requirement caused providers to respond with caution. We therefore strongly encourage the rapid and thorough sharing of as much detail as possible about impending changes and how they will be implemented.

Certainly, we are strongly supportive of a model that incentivises improved quality and best practice for aged care providers, whilst also acknowledging that different types of service delivery carry different levels of complexity and risk.

Our conversations with aged care providers indicated a strong willingness to participate in activities to build capacity, foster innovation and encourage best practice. It should be noted, however, that providers were keen for clarity about what these opportunities would look like and expressed concern about the impact that increased education activities would have on staffing, rostering and their unit costings under the new model.

Similarly, the concept of advisory committees which include older people and their representatives was broadly supported. However, there were concerns raised about the additional administrative burden that this will place on the already stretched resources of aged care providers.

Overwhelmingly, providers are also seeking clarity about the details of the proposed sharing of organisational knowledge and best practice. Given the transition to a market-driven aged care system where providers are effectively “in competition” for clients, there was significant apprehension about having to share intellectual property and organisational knowledge. There must be clear identification of what must be disclosed without impacting competitive advantage. The consensus of feedback received by CI Group was that innovation requires investment of organisational finances and other resources. Therefore a provider’s investment in developing best practice and innovations in aged care should be recognised and compensated.

### Recommendations

- Grant funding be made available to support ongoing education and capacity building within the sector to ensure that organisations can meet these costs, and that smaller organisations with fewer opportunities for efficiencies are not disadvantaged.
- A clear outline of the expected information sharing practices be made available to providers, including how organisations will be compensated or incentivised to share their organisational knowledge.

## **Becoming a provider**

Although the proposed process for becoming a provider was identified by our stakeholders as being largely positive, the lack of information regarding the administrative process and cost involved in registering in each/multiple categories was a source of frustration to providers.

The introduction of sole traders being able to deliver Commonwealth subsidised services is an area that attracted mixed feedback during our consultations. Stakeholders from rural and remote and thin market areas see this as being advantageous to older people in their region. Often this cohort are notionally covered by some larger service providers, but in reality they rarely have workers available to actually deliver the required service. The idea of being able to have someone local offer support has significant appeal. It was acknowledged, however, that the level of visibility and oversight for the individuals delivering these services presents a significant challenge.

Throughout our consultations, there were concerns raised about the categorisation of certain types of service delivery. The two main areas of concern were Respite, and Social Support. Lack of clarity about differences in registration processes and costs will mean that providers are reluctant to commit to continuing all aspects of their current service delivery.

For example, a CHSP and Home Care Package Provider in Southern NSW also provides home-based respite. This service is delivering the same services using the same staff as those delivered to Home Care Package clients. Due to respite falling into Category 5 which will require a much higher level of oversight than any other services they deliver, they are now reconsidering delivering this service under the new model.

Representatives from providers offering group social support also questioned why all forms of Social Support were in a separate category given the differences in level of access between group and individual social support activities.

It must be recognised that service providers need to make strategic decisions which require informed economic modelling about which services they can viably deliver. Sufficient information to make these decisions must be provided well ahead of the implementation of the regulatory program.

### **Recommendations:**

- Clear information about the exact cost and process for each registration category be published 12 months prior to implementation to allow organisations to make informed strategic decisions and ensure their ongoing viability.
- Home-based and Community respite should be included in category 4 to reflect the similarities in these services.

## **Responsibilities of a provider**

The streamlining of provider responsibilities and reporting will simplify processes for aged care providers which is a welcome step towards freeing up providers to do what they do best, caring for older people.

There is still some confusion amongst providers about what their exact obligations will be in terms of registration and reporting, something that could be addressed by informing each provider of their relevant obligations and conditions when they are informed of their substantive registration categories.

Determining that aged care employees and volunteers are suitable for delivering services is essential, and the new worker registration scheme is a welcome step to supporting the industry to ensure the safety of the older people they support. Providers are seeking reassurance that the proposed worker registration scheme will not create additional cost or administrative burden for their organisation, or for their employees.

Ongoing professional development is crucial to maintaining a high-quality aged care workforce. Further detail on whether this will involve minimum qualification requirements for aged care staff should be provided prior to the go live date, and take into consideration the existing workforce shortage issues facing the sector. Most importantly, should aged care employees be expected to obtain higher levels of minimum qualification or training, this level of professionalism should be reflected in their wages.

Providers specialising in the delivery of services to Culturally and Linguistically Diverse older people have expressed concerns about the English proficiency requirements for workers. We seek clarity as to what these requirements will be, and whether special consideration will be given to providers who actively seek out specialist bi-lingual and multicultural staff to ensure the best possible level of communication with a client group who often do not speak English, or English is a second language.

## **Recommendations**

- Providers receive a detailed outline of their specific obligations when they are notified of their substantive registration categories.
- The cost of worker registration/screening should not be carried by the provider or employee. The additional cost of the actual registration, as well as any additional administration required for the provider, should be factored in when pricing for the program is set. Grant funding should be made available to providers during the scheme's initial roll out.
- Increased qualification requirements should be reflected in remuneration available to workers in the aged care sector.
- English proficiency testing for workers should take into account if their organisation or role has a specific CALD focus.

## **Holding providers accountable**

The current system of regulation provides numerous hurdles to older people wanting to advocate for themselves or lodge a complaint. Of particular concern in the regions we represent, there are no real pathways for replacing providers who have been deemed unsuitable.

It should be acknowledged that unsatisfactory service delivery is often a symptom of an aged care system under significant pressure. Feedback from stakeholders has been that providers subject to a “requirement for action notice” or a “compliance notice” will need additional support to address the identified issues and make the required changes. In regional areas with thin markets there are already limited choices for older people and their families when it comes to arranging care, and a system that supports quality care whilst also ensuring that older people have choice and access to the services they need is vital.

It is also vital that the regulator be staffed and resourced in a way that acknowledges the geographic spread of older Australian’s and aged care providers. The regulator must offer the same level of oversight and support to providers in rural and remote regions as those in metropolitan areas.

The proposed simplification of reporting for older people and their families wishing to make complaints, or even pursue compensation helps remove many of the existing barriers to older people advocating for their rights. The new model should also recognise that some people will still need support in navigating this process, and specialist roles should be resource to ensure equitable access to this process.

### **Recommendations:**

- Providers identified as failing to comply should be supported and resourced to improve their service delivery and compliance.
- Additional advocate funding be made available to further support older people to ensure they are receiving the level of care to which they are entitled.
- The proposed “right-touch” oversight for “high-performing” providers should take into account significant changes in organisational management and governance to ensure continued high-performance.
- The regulator staff should be equally available to providers and older Australian’s regardless of their geographic location.

## **Transitioning to the new model**

The proposed transition with a single go-live date and deeming process for existing providers will simplify the process for existing providers. It is essential that final information about pricing and administrative processes for each registration category be made available prior to the go live date, so that providers can make informed decisions about their intentions for future service delivery. This will also allow the Department of Health and Aging to identify and potential service gaps based on feedback from providers about their intended service delivery categories.

Recommendations:

- A clear outline of all the anticipated costs involved in the new model, from registration to reporting systems and training, be provided prior to the go-live date so that providers can adapt their financial planning.
- Feedback be sought from providers about intended service delivery to ensure older people will not be negatively affected by any changes in services delivered in their region.

Thank you for the opportunity to provide feedback on a new model for regulating Aged Care. We would welcome the opportunity to discuss this submission with you further and/or to provide more information about the work CI Group undertakes in the community sector. I can be contacted on 02 4256 4333, 0407 933 279 or email [nsloan@cigroup.org.au](mailto:nsloan@cigroup.org.au)

Sincerely,



Nicky Sloan

**CEO**