

WHAT TO EXPECT FOR AGED CARE IN THE FUTURE

After over two years, tens of thousands of submissions, hundreds of witnesses and a pandemic, the Royal Commission into Aged Care Quality and Safety's final report was released on 1 March 2021. The report includes 148 recommendations, which at times include differing opinions by the two Commissioners.

How can the system be repaired after two decades of systemic failures and constant cutbacks from governments?

A new Act

The first recommendation is for abolition of the Aged Care Act 1997 (Cth) to be replaced by a new Act no later than 1 July 2023. A new Act intends to put older Australians' needs and wellbeing at the forefront. The Act will allow a system "of care based on a universal right to high quality, sage and timely support and care; to enable people to exercise choice and control."

A better governance for older Australians

While there was a difference of opinion on how to effectively govern the Aged Care system, with Commissioner Pagone suggesting an independent commission be responsible, at arm's length from the health department. On the contrary Commissioner Briggs advocates for a reformed health department with equality regulation managed by an independent commission. Both agree that there needs to be a significant cash injection into Aged Care to maintain ongoing guidance and future direction.

Better pay, better education

The final report recognises the sector workforce is significantly underpaid with no education standards in place. In addition to increase in pay rates for workers, the report recommends for better training and education and in particular requiring minimum education standards for all. Specifically better training requirements for staff working in areas such as dementia and palliative care.

The Commissioners call upon the need for all facilities to have a nurse on duty 24/7 to provide 40 mins of direct care per session to residents. All residents to receive 200 minutes of care per day by a combination of a nurse and personal care workers. We have heard of carers abusing older Australians, some leading to tragic circumstances, which explains the need for the recommendation of a National Registration Scheme for personal care workers to log abusers and prohibit them from moving from one facility to another.

Implementation of star ratings to be made public on My Aged Care. Based on specific and measurable data to compare different facilities based on performance, staff, serious incidents and details of complaints to allow individuals and families to make informed decisions. Currently there is little or outdated information available on nursing homes and in an era where we extensively research all services we engage be it insurance policies, utilities, hotels it makes sense to allow for reviews of services to be published.

The Commission also depicted significant shortfalls in the home care system. During the Royal Commission concerns were raised on insufficient home care package availability and insufficient funding for home care packages to adequately meet the needs of applicants. Findings show up to 100,000 people are waiting for home care packages and thousands of Australians have died before receiving a package.

The Commissioners agree there should be an overhaul of the existing Aged Care fees to be included in the new Act and phasing out of refundable accommodation deposits which vary from \$250,000 up to \$ 1 mil. Although they vary in their opinion on how this should be funded.

As a first step, the government announced a \$452 million package for immediate recommendations advising more would be revealed in their May Budget.

Australians will be waiting in anticipation as to which of the recommendations the government will choose to implement over the coming years and how they plan to fund it. One thing is expected; a better quality and dignified life for older Australians and a fairer and more easily accessible system for those who need it the most.

Aged Care advice remains a complex and emotional process. Should you wish to discuss the financial impact of moving into care under the current regulation please contact your Bell Potter adviser.



Ayten Ozder

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