

Aged Care Taskforce

Draft Aged Care Funding Principles

Occupational Therapy Australia submission

August 2023



Executive Summary

Occupational Therapy Australia (OTA) welcomes the opportunity to provide a submission to the Aged Care Taskforce on the draft aged care funding principles.

Occupational therapy services are fundamental to aged care as they enable independence, prevent functional decline, increase quality of life, and reduce care needs. Occupational therapy is key to enabling older Australians to remain at home longer and facilitate a full and meaningful ageing experience in residential care settings.

Older Australians and their families want a great ageing experience, no matter where they are residing, with many wanting to stay in their own homes. Occupational therapists are best equipped to support the positive ageing goals of older Australians and this submission summarises the features required of the aged care funding system to support this.

The Aged care funding system should:

- remain the primary responsibility of the Federal Government with a focus on care
- be easy to understand, accessible, equitable and transparent
- support personalised restorative and preventative approaches
- incentivise use of evidence based best practice interventions delivered by suitably qualified professionals like occupational therapists
- be future focussed and flexible

Occupational Therapy and Aged Care

OTA is the professional association and peak representative body for occupational therapists in Australia. There are about 27,000 registered occupational therapists working across the government, non-government, private and community sectors in Australia. Occupational therapists are allied health professionals whose role is to enable their clients to engage in meaningful and productive activities.

Occupational therapists work with older people with age-related conditions such as poor balance and coordination, memory loss and confusion, and vision and hearing loss, which lead to changes in their ability to participate in the meaningful activities of everyday life. Occupational therapists provide services such as physical and mental health therapy, vocational rehabilitation, chronic disease management, assessments for assistive technology and the assessment of environment and safety risks. Occupational therapists work in a diverse range of practice settings including acute hospitals, rehabilitation settings, private practice, aged care facilities, community, primary health and in the home.

Definition of care

OTA has no objection to the principles proposed by the Aged Care Taskforce. Having said that, clarification around the terms used within these principles are required to truly strengthen them and assure transparency and consistency. The term 'care' needs to be defined to ensure the costs are correctly attributed, as per the intentions set out in Principle 3, and quality can be accurately measured, as outlined in Principle 4.



It is our concern that without a clear definition of care that defines and values the role of occupational therapists and other allied health professionals, funding decisions and ongoing reforms will result in care being whittled down.

This is already being observed following the introduction of new residential aged care reforms [1]. Despite the amended Schedule 1 Part 2 and 3 of the Quality of Care Principles outlining the various care services to be provided for all recipients of residential aged care, the last two Quarterly Financial Snapshots have shown a reduction in allied health minutes with the latest report indicating residents are now receiving 4.6 minutes of allied health per day. This is a significant drop from the 8 minutes per day reported during the Royal Commission, which was acknowledged at the time as inadequate [2].

The Royal Commission into Aged Care Quality and Safety identified allied health as a fundamental element of the aged care system [2]. It acknowledged that allied health professionals should be a central focus of aged care and that reablement services delivered by allied health professionals are critical to older peoples' wellbeing [2 p 101]. The Royal Commission therefore recommended that safe and high quality aged care include delivery of allied health services tailored to each person's needs.

Aged care needs to acknowledge the full range of services needed to support a successful and personalised ageing experience. This includes services that go beyond personal care or nursing care to include services that maximise the capacity of older people to engage in meaningful and high quality lives.

The final report of the Royal Commission noted that aged care does not support access to services that maintain function or health [2, p 25]. It also noted that older people should be able to balance their care needs and evolve their services as their needs change [2, p 36]. The Government's funding of care costs must support access to highly skilled clinicians like occupational therapists if it is to truly meet the care needs of older Australians.

Occupational therapists work with the older person, their clinical peers and the care services supporting the older person, to deliver restorative and preventative measures with a focus on maintaining or gaining independence and capability. Occupational therapists do this by directly delivering services that work against functional decline, making occupational therapy fundamental to meeting the ageing in place wishes of older people.

OTA recently commissioned market research with over 1400 Australian adults, of which nearly two thirds were aged 65 and older or people making decisions about aged care services on behalf of someone else. The research found that 80% of Australians surveyed feel OTs have an important role to play in providing services to older people (whether in their own home or residential care) and 90% of OT clients aged 65+ reported their life had been improved by using OT, with two-thirds (65%) saying it had been improved a lot. These results also confirmed that older people understand how occupational therapists can help them achieve the goal of living independently in their own homes for longer.



What does quality and appropriate care mean to you?

Quality care is achieved when practice has its base in evidence. Occupational therapists continually adopt best practice and evidence-based models of care, and research continues to demonstrate how delivering best practice occupational therapy can support the achievement of high quality outcomes.

A recent systematic review reported that interventions delivered by an occupational therapist addressing fall hazards around the home can reduce falls by 26% [3]. When delivered to people at higher risk of falling, the beneficial effect is an almost 40% reduction. Occupational therapists are skilled in assessing and matching the person's functional capacity and personal fall risk to the environmental fall hazards. They can engage the person to understand their risk and can support them in what they need to do like making necessary behavioural changes, modifying the environment, identifying assistive equipment to reduce risk and teaching them safer ways of carrying out everyday activities. The research shows that simply removing hazards does not reduce falls, and that interventions delivered by an occupational therapist elicited measurably greater effects.

Another review shows strong evidence that occupational therapy improves functioning in community-dwelling physically frail older people [4]. The results showed that occupational therapy interventions significantly improved mobility, functioning in daily living activities, social participation and cognition and reduced fear of falling. Supporting occupational therapists to address these factors will ensure the goals of older Australians, and the intentions of Principle 1, that is to age in their own homes, can be realised.

Measurement of quality is critical in determining delivery of quality and appropriate care and to ensure value for money. Currently, the Aged Care Quality Standards fail to recognise, nor do they demonstrate to providers, the value of experienced clinicians like occupational therapists. Until quality systems embed accountability for the provision of allied health services as a critical element of the aged care system, then measurement of quality aged care is flawed.

Is funding for Australia's aged care system sustainable? If not, what is needed to make it sustainable?

Recent market research found that aged care investment is a priority for Australians, with 84% of those surveyed feeling this is important to them. Many also acknowledged a significant concern for rising cost of living and the need for quality and affordable healthcare.

OTA agrees that the Government should remain the major funder of aged care and that Government funding should focus on care, as outlined in Principle 3. Having said that, OTA does not believe the current funding system is sustainable and acknowledges that consideration needs to be taken to build a sustainable funding model.

Sustainability is achieved when funding systems offer a range of mechanisms that can support the broader community with safety nets for those who are most vulnerable. Aged care funding requires ongoing review and analysis of the various mechanisms with continual



projections on demand and capacity. There must be commitment to continue quality improvement that supports operational and administration efficiencies.

A sustainable and accountable aged care sector offers a funding system that supports older people, their families, and providers to work collaboratively to achieve a person-centred approach. This requires a system that values the assessment of individual needs, prioritises care planning and coordination across multiple professionals, and offers flexibility when needed. It also requires a system that holds aged care service providers to account, irrespective of the type of service they deliver or if they are privately or government funded.

What costs do you think consumers in aged care should contribute to and to what extent? How is this different for care, compared with everyday living expenses or accommodation?

Should co-contribution models be adopted, capacity to contribute must be assessed against an older Australian's income and assets. At all times, personal contribution should facilitate greater choice and control for older Australians and not be used to address funding or service gaps. For those older people who cannot afford to contribute to their aged care, the Government must cover their entire aged care expenses.

OTA believes accountability and governance systems are needed to ensure that co-contribution doesn't become the only mechanism for quality and appropriate care, and should never take the place of Government funding for healthcare. The model must cover all aged care expenditure and costs. This requires regular, comprehensive, and transparent reporting of service delivery (disaggregated) across the sector. Present data collection and analysis systems are inadequately monitoring occupational therapy and other allied health services. Nor are they considering service delivery against needs. Pricing systems using such data are working with data that reflects under-delivery of allied health services. Data captured by the new funding system must be regularly monitored, cross-referenced against needs assessment, comprehensive, and used to continually evaluate efficacy and outcomes.

Care funded by the Government must ensure comprehensive delivery of occupational therapy services and acknowledge that occupational therapy practice will often intersect with an older person's accommodation and everyday living. The range of services provided by occupational therapists are varied. From assessment of functional performance through to prescription of assistive technology and home modifications, these services are all provided to facilitate engagement in meaningful daily life.

Costs required to modify a person's accommodation or environment to support their safety or independence mustn't be mistaken as accommodation costs. Equally, interventions or assistive technology that supports a person to independently pursue everyday living activities, must not be considered everyday living costs and as such be borne by the older person, as per Principle 3.

What does innovation in aged care mean to you? How can funding support it?

Occupational therapists regularly use digital and smart technologies with older people with innovative assisted living solutions becoming more available on the open market. These



technologies support older Australians to take carriage of their own care, increase their capacity, support their safety, monitor their health and improve social engagement. They are also effective in supporting people who are geographically or physically isolated, allowing for telehealth or digital interventions when in-person services are limited.

Using these solutions with older people not only has the potential to improve their lived experience but can reduce the need for in-person care. With limitations on funding and workforce, these solutions offer a sustainable and cost-effective approach to community aged care.

Collaborating with experts and suppliers, occupational therapists are best placed to support the integration of these technologies to ensure client centred, tailored solutions. GEAT and home modifications funding streams must be structured and adequately resourced to facilitate the prescription of these innovative approaches by occupational therapists.

Furthermore, research that supports the design, development , and translation of novel clinical approaches to practice are warranted. Greater attention is needed to streamline the sharing of new and innovative approaches into practice. There must be equitable and fair dissemination of new ideas and learnings, and there must be no risk that information goes to the highest payer.

What does 'fairness' in aged care funding and care services look like?

Healthcare should be universally available to all Australians and aged care funding should not place older people at a disadvantage. Older people should receive the same level of 'care' that is afforded to all Australians, particularly those eligible for the NDIS or Veterans' funding. In both these schemes, occupational therapy is funded to support the health and wellbeing, social participation, employment and living needs of participants to improve their daily living. Occupational therapy services are provided based on assessed needs and funding for services are ring-fenced. Aged care funding must adopt the same approach to mitigate any risk of discrimination.

Older Australians should be supported to access all funding sources available to them to support their health and wellbeing. Many older Australians struggle to understand the current aged care landscape and have trouble navigating the various health and aged care funding available to them. Funding available for health and disability should be made easily accessible by older people to bolster their aged care funded services and before co-contribution is sought.

Current health funding systems are restricting access to aged care allied health for vulnerable and disadvantaged older people. Medicare not only creates inequities between those who can cover growing gap fees and those who can't but also fails to provide a model of care that supports the delivery of best practice occupational therapy services. Access to this program can also be hindered by lack of knowledge, time and sometimes motivation among referrers. Aged care funding reforms should review the effectiveness and reach of such funding schemes for older people and consider consolidation and simplification to improve access and equitable distribution.



Principle 4 acknowledges the range of systems that older people may receive their aged care from, whether that be health, hospital, or aged care systems. What it fails to acknowledge is the fragmentation of these systems and the related complications and inequities that many older people face when moving through these systems. OTA agrees that funding should encourage innovation. But the most fundamental element that is missing is the need for better integration of these systems to support older people. Rather than joining together to create innovation, there needs to be a commitment to collaborative and aligned processes to ensure greater equity and access for older people across these systems.

Is there anything else you think the Taskforce members need to know about Australia's aged care system?

A focus on the human rights and individual needs of older people appears to be lacking in some of the draft principles. While OTA acknowledges that many older people wish to remain at home as they age, this should not be defined in a way that infers a preferential or superior option to other ways of ageing. Principle 1 also fails to highlight the quality of the ageing experience. It is simply not enough to live at home if your needs are not met and your ageing experience is poor. As such we propose that Principle 1 be reworded to acknowledge that older people have the choice to live where they want to as they age, and that irrespective of their setting, they are supported to experience a healthy and positive ageing process. Reablement and restorative practice delivered by occupational therapists are central to the achievement of this principle.

To further reinforce the older person at the centre of this funding, there is a need to explicitly call out the intentions of this funding system to uphold the human rights of funding recipients. We believe this can be best integrated into draft Principle 2 and supports the sentiments already outlined in this statement. It is important that, with the rewording of the Aged Care Act to better highlight and address the human needs of older people, all correlating reforms work to achieve the same objective.

Many of these principles focus on specific aged care delivery settings. While Principle 1 does mention home based settings, Principles 3 and 6 are more tailored to residential care settings. It is questionable how these principles can address the differences across these aged care settings to develop a single funding system to cover both. The operational, regulatory and governance systems are significantly different, not to mention the needs of the older people using them. Therefore, we request the taskforce take consideration of whether funding must be designed and delivered in accordance with the setting.

Contact

Thank you for the opportunity to provide a submission about the Aged Care Taskforce Draft Aged Care Funding Principles. Representatives from OTA would gladly meet with the commission to expand on any matters raised in this submission. For further information, please contact:

Alexandra Eather/Alissa Fotiades
General Manager Government and Stakeholder Relations
Occupational Therapy Australia
Email: policy@otaus.com.au



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- [2] Royal Commission into Aged Care Quality and Safety, 2021, Final Report Volume 2 The current system, https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-1_0.pdf
- [3] Clemson L, Stark S, Pighills AC, Fairhall NJ, Lamb SE, Ali J, Sherrington C., 2023, [Environmental interventions for preventing falls in older people living in the community](#). Cochrane Database of Systematic Reviews, Issue 3. Art. No.: CD013258. DOI: 10.1002/14651858.CD013258.pub2.
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