

Stage 2a: Funding for the Support at Home Program

December 2024

Contacts



UnitingCare Australia

Level 3, 42 Macquarie St.

Barton ACT 2600

Phone (02) 6249 6717

Email ucaremail@nat.unitingcare.org.au

Website unitingcare.org.au

About UnitingCare Australia

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provisions.

The UnitingCare Network is the largest network of social service providers in Australia, supporting 1.4 million people every year across 1,600 urban, rural and remote communities. We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

The UnitingCare Aged Care Network is the largest not-for-profit aged care provider network in Australia. Our services support approximately 102,000 older people, comprising 8% of total residential beds and 8.5% of Home Care Packages nationally.

Introduction

UnitingCare Australia welcomes the opportunity to provide a submission on stage 2a of the draft Aged Care Rules: Funding for the Support at Home Program (the Rules).

The new Support at Home Program (SaH) is going to be a fundamental shift in the way older Australians receive care in the home and contribute to the cost of care. It's also going to introduce a new administrative system for aged care providers, with new methods for means testing, new categories of home support, and new Support at Home classification levels. It's therefore essential the Rules are drafted clearly and concisely and do not create unnecessary burdens for providers or older Australians.

This submission, prepared in consultation with the UnitingCare Network, provides feedback on the Rules, as well as the Overview of Aged Care Funding document (overview document), released alongside the Rules.

Provider administration

UnitingCare Australia is concerned that proposed requirements under the Rules are going to be resource intensive, which may have broader impacts on provider capacity, the aged care workforce and the delivery of care. The Rules include calculations and administrative processes not previously required to deliver aged care services in the home.

With the Rules as drafted, there is going to be increased complexity as providers transition across to new fee calculations and collect new data from clients. This is likely to result in operational burden for providers, particularly when compounded with other new requirements under a new Aged Care Act from 1 July 2025, and new aged care wages to be delivered in tranches over 1 January 2025, and 1 October 2025. Importantly, on top of any new clients that enter SaH, providers will need to grandfather across existing clients into new classifications and ensure the "no worse off" principle is realised.

In order to adhere to the Rules and charge clients the correct amount for their care, providers should be supported to undertake these calculations and means testing

methods. This needs to include modelling from the Department that displays what a provider should expect to receive from various clients and case mixes. In addition, UnitingCare Australia recommends a centralised platform or tool be developed to streamline fee calculation and data entry. This will enhance operational efficiencies, minimise manual effort and reduce unintended administrative errors.

Complexity of calculations

Some of the calculations contained in the Rules, and accompanying examples in the overview document, are unnecessarily complicated and we urge the Department to reconsider the impact this will have on providers. For example, the method to work out the input contribution rate under clause 314DE includes an instruction to multiply the step 1 amount by 100, because the input contribution amount needs to be expressed as a percentage. This seems reasonable, however in the example calculation in the overview document (p24), the percentage is expressed as 22.79280882876468%, with a note that **no rounding occurs at this step**.

This percentage, with fourteen decimal places, is then required to calculate the means tested percentage contribution. It's not clear in the Rules that no rounding occurs at this step, but even if the note in the overview document is taken to be the correct guidance, it is completely unreasonable and unworkable to expect providers to do no rounding when the example percentage includes a staggering fourteen decimal places.

There is a high chance that providers will make an unintended administrative error at this point in the calculation, or they will forgo the guidance and round it down to an appropriate number of decimal places. Without simple calculations and clear guidance to go with that calculation, there is a risk that providers will have discrepancies in their financial sheets and data sets, and potentially errors in how much they are charging clients for home care. This will be time consuming and resource intensive to rectify.

Another example is the quarterly rollover credit calculation under clause 193A. While there is the option for clients to have \$1,000 rolled over into the next quarter, it must be compared against 10% of the sum of two base amounts and supplements. It

would assist if the Department provided examples of which amount is expected to be higher for a person accessing services under a certain SaH level, with or without certain supplements. This would be straightforward guidance to prepare, as the base provider amounts and base individual amounts are already set in the Rules, and there are only three person-centred supplements on offer at this stage.

Care Management

UnitingCare Australia continues to advocate for the fact that care management fees under SaH should not be reduced to 10% of the cost of services delivered. Quality care management costs time, money and resources, particularly for clients with more complex needs. If we want more people to be empowered to live at home for longer, then providers need to be resourced to facilitate this.

It's understood that the 10% care management fee will be a pooled funding approach, however this will equate to only one hour of care management per month. For many clients this is not sufficient, and providers will likely need to stretch resources beyond allocated funding. This will particularly be the case for providers with services in regional locations, where distance travelled can be a significant cost.

Support for people with dementia

UnitingCare Australia is concerned about the absence of the Dementia and Cognition Supplement in the list of primary person-centred supplements under clause 196A of the Rules. The Dementia and Cognition Supplement, currently available for Home Care Package recipients, recognises the extra costs associated with caring for people with cognitive impairment in their own home. It's not clear how the Department will consider such funding for existing clients, particularly when considering the "no worse off" principle that has been a point of reassurance across these reforms.

We acknowledge the Department are funding dementia services, including advisory services, however the removal of the Dementia and Cognition Supplement will impact clients from a budget perspective, impacting on service delivery. It is unclear whether the diagnosis of dementia would influence a higher level of funding through another mechanism, and greater clarity is needed if this is the case.

We also note that under clause 205B, individuals living with dementia are not listed as qualifying a provider for a care management supplement. This is disappointing, as case management for people living with dementia can be challenging due to the complexity of the interventions and support required. It requires more time and resources due to increased risks such as safety, malnutrition, self-neglect, financial management, medication management and ensuring engagement with scheduled visits or appointments. We recommend this be recognised through a care management supplement.

Assessment

When a person is first admitted to SaH, it's unclear how funding will cover the costs of service level assessment to inform care planning. The Service List in the Rules identifies the requirement for assessment, including under clause 33 Transition care management and clause 41 Nursing care, however in this release of the Rules there is no suggestion that these assessments will be funded. A service level assessment is essential for ensuring quality care and services, and providers should be funded to undertake this component.

We note the Support at Home Program Handbook provides information about care management and references the requirement for assessment as part of care planning; "identifying and assessing participant needs, goals, preferences and existing supports" (p41). This handbook also states, "Providers must continue to deliver care management, and provide oversight for quality and safety, compliance with legislation and program guidance" (p44).

Overall, it is concerning that providers may not be appropriately funded to meet the regulatory requirements of the strengthened Aged Care Quality Standards – namely Outcome 3.1 Assessment and Planning – where providers are required to implement a system for assessment and planning.

Base amounts

Clarity is needed on the relationship between the base individual amounts in clause 194A, and the base provider amounts in clause 204. We note these terms are referred to under other clauses in the Rules, particularly the quarterly rollover credit,

and in the new Aged Care Act. The overview document states that the base provider amount will be equivalent to 10% of the base individual amount for each individual (p8). Using SaH Level 1 as an example, the base provider amount is \$3.01, and then the base individual amount is \$27.13, however \$3.01 is not 10% of \$27.13. Greater clarity is needed on the true relationship between these figures.

Sustainability

Taking into account the issues raised above, it's necessary to highlight the interplay between client contributions, service funding and workforce sustainability, and how these feed into the strategic objectives of the aged care sector. While new means testing methods will ensure those that can are contributing more to the cost of their care, this is just one element of a broader system.

Balancing service uptake with the capacity for providers to determine financial inputs and outputs as they relate to hundreds of individuals with unique circumstances, will be crucial to sustaining a home care sector that is only set to grow exponentially.

Conclusion

UnitingCare Australia acknowledges the efforts that have gone into finalising these Rules, and we welcome the opportunity to discuss these matters further with the Department.

We thank you for the opportunity to contribute to this important process, and we look forward to reviewing the Rules as they relate to residential care.