

# Submission re Consultation Draft of Aged Care Rules 2024: The Service List

# 31 October 2024

# Who Are We?

Meals on Wheels<sup>™</sup> Australia Ltd (MoWA) is the national peak body representing over 590 individual Meals on Wheels (MoW) outlets that provide meals to around 200,000 older Australians. MoW services represent one of Australia's largest users of voluntary labour, with over 35,000 active volunteers involved in meal delivery and social engagement with older people.

# Introduction

MoWA welcomes the opportunity to contribute to the development of the Aged Care Rules and applauds the focus on Part 4, Aged Care Service List as the first matter for consultation.

Our submission relates entirely to Chapter 1, Part 4, Division 3, Section 50, Item 6.

# **Recommendation**

MoWA strongly urges government to change the means testing category applicable to the meals service type from 'Everyday Living' to 'Independence'.

#### **Our Concern**

We have read the Consultation Draft on the Aged Care Rules with reference to both the Bill for a new Aged Care Act and the Support at Home Provider Handbook.

Neither the Bill (including its Explanatory Memorandum) nor the Rules define or explain the basis for determining which of the three means testing categories applies to a service type.

The Support at Home Provider Handbook (Figure 2) provides the following information:

#### Independence

Support delivered to older people to help them manage activities of daily living and the loss of skills required to live independently.

#### Everyday living

Support to assist older people to keep their home in a liveable state in order to enable them to stay independent in their homes.

Page 35 of the Handbook explains the basis of contribution rates with reference to the means testing categories. It specifies moderate contribution rates for services in the independence category, "recognising that many of these supports play an important role in keeping participants out of hospital and residential aged care". It states that services in the everyday living category will attract a higher level of consumer contribution, "recognising

that the government does not typically fund these services for any individual at other stages of life".

Meal services are an essential foundation of maintaining independence and properly fit in this means testing category, alongside the social support and community engagement and community transport service types.

Independent assessment and eligibility for meal services considers the functional capacity of the person to prepare meals and the negative impact on their physical health and frailty if they cannot manage this activity of daily living.

Solid research evidence demonstrates the value of meal services in improving physical and psychosocial wellbeing, reducing hospital admissions and length of stay, and delaying the requirement for higher levels of care [refer Appendix A].

#### **Consequences of Incorrect Categorisation**

The inclusion of meal services in the everyday living means testing category appears to be the product of policy debate about consumer contributions and financial sustainability of the system, rather than the inherent outcomes of the service.

The draft means testing categorisation seems to overlook the explicit exclusion of the cost of the food (ingredients) from the base efficient price or unit price to which the means tested percentage contributions apply, as specified in Chapter 1, Part 4, Division 2, Section 40, underestimating the impact of the combined consumer contribution on the older person's weekly budget.

MoWA and its members support and uphold the long-standing policy requiring users of government-funded meal services to pay the cost of the food. MoWA has also called for greater equity in co-contributions for meal services within and across existing in-home care programs and recognises the intent of policy settings within the Consultation Draft on Part 4 of the Aged Care Rules to contribute to this outcome.

MoWA contends that allocating meal services to the everyday living means testing category with a significantly higher level of co-contribution will result in unaffordable co-contributions for many older Australians. In our experience, lack of affordability results in at-risk older Australians forgoing necessary and approved supports. This will create more undernourished community-dwelling older Australians with increased hospital system pressure, greater rates of catastrophic falls and greater frailty, requiring more intensive and expensive aged care services.



It is our experience that older people will 'make do' without meal services in a trade-off with other budget pressures, including other support co-contributions. This issue is amplified in the present 'cost-of-living crisis'.

One large member, Meals on Wheels SA, reports an increasing number of people who decline their approved CHSP meal service at \$11.75 per occasion while awaiting their HCP approval. Once their HCP starts, they immediately accept 4-5 meals/week within their HCP at \$6.00 per service. This is especially common with couples who are full or part pensioners.

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# Appendix A: research evidence supporting "Independence" categorisation for meals

Access Economics. 2010. Cost benefit analysis of an intervention to improve the nutritional status of community dwelling older Australians. Report by Access Economics Pty Ltd for Australian Meals on Wheels Association.

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Campbell AD, Godfryd A, Buys DR, & Locher JL. 2015. Does participation in home-delivered meals programs improve outcomes for older adults? Results of a systematic review, *Journal of Nutrition in Gerontology and Geriatrics*, *34*(*2*), 124-167.

Charlton K, 2014. Time to address the skeletons in the hospital – and bedroom – closet. Australian Association of Gerontology Newsletter, September.

Luscombe-Marsh N, Chapman I & Visvanathan R. 2014. Hospital admissions in poorly nourished, compared with well-nourished, older South Australians receiving 'Meals on Wheels': Findings from a pilot study. *Australasian Journal on Ageing*, *33*(*3*): 164-9.

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Shan M, Gutman R, Dosa D, Gozalo P, Ogarek J, Kler S & Thomas K. 2019. A new data resource to examine Meals on Wheels' clients' health care utilization and costs. *Medical Care*, *57*(*3*): e15 – e21.

Thomas K, Akobundu U & Dosa D. 2016. More than a meal? A randomized control trial comparing the effects of home-delivered meals programs on participants' feelings of loneliness. *J Gerontol B Psychol Sci Soc Sci.*, 71(6), 1049-1058.

Thomas K & Mor V. 2013. The relationship between older Americans Act Title III state expenditures and prevalence of low-care nursing home residents. *Health Services Research*, *48(3)*, 1215-1226.

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Wilson L, 2013. A review and summary of the impact of malnutrition in older people and the reported costs and benefits of interventions. Malnutrition Task Force, UK.