

Warrigal

Inspiring communities
for older people

Aged Care Act Rules Consultation Release 1 - Service List Consultation Response

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About Warrigal

Warrigal isn't just an aged care provider; we're an award-winning, not-for-profit organisation and an essential part of our communities. Our mission is to serve older people, their families, and caregivers with a comprehensive range of top-quality services that include home care, respite services, residential aged care, and vibrant retirement living communities throughout the Illawarra, Southern Highlands, Queanbeyan, and Canberra.

Our purpose is to support older people to have extraordinary lives. We do this by creating communities and offering services so that older people can be independent, respected, happy and connected.

For nearly six decades, we've been committed to nurturing communities that inspire, support, and cultivate connections among older people. As a result, we have grown to encompass over 2,200 staff and 400 volunteers across 1643 residential care beds in 13 homes, 591 villas for retirement living, and 1,400 customers across our Home Care Package, Commonwealth Home Support customers, Veterans and private fee-for-service streams.

Summary

We appreciate the opportunity to provide feedback on the proposed service lists under the new Aged Care Rules 2024. As a provider committed to delivering high-quality, customer-centred care to older Australians, we welcome the focus on enhancing the Home Care segment of the sector and the recognition of the need for a clinical approach. With clients experiencing increasingly complex health needs, a clinically driven model aligns with older Australians' desire to retain autonomy, empowering them to exercise their right to choose how and when they will live their lives on their terms. We believe this direction aligns with the goal of enabling Australians to age in place with dignity, choice, and high-quality support.

However, we have several key concerns about the proposed service caps and definitions, particularly in terms of service flexibility, financial sustainability, and the potential impact on client autonomy and satisfaction.

Although this consultation request is focused on the Aged Care Act Rules Consultation Release 1 - Service List, it would be remiss of us not to include elements that sit within the broader system structure as well as the guidelines and elements that will be contained within future releases of the Rules. Certain structural components within the system have the potential to negatively impact service quality, flexibility, and the overall sustainability of care delivery. Addressing these considerations are holistic and essential to ensure that the Support at Home Programme meets the diverse needs of older Australians effectively. We will continue to address these concerns with the relevant bodies and within each release of the rules as they intersect across and will impact each component.

Recommendation Summary

Recommendation 1: The hourly caps be revisited to consider the unique needs of high-support clients or that providers be allowed additional flexibility to allocate hours based on client need, package level or geographic factors.

Recommendation 2: To ensure the effective delivery of care while maintaining financial sustainability, we recommend that the Support at Home rules allow providers the flexibility to adjust care management hours through variable care management caps.

Recommendation 3: To manage the administrative load effectively and ensure resources are focused on client care, we recommend a comprehensive sector support program and extended implementation timeframe that includes funding for staff training, advanced software integration, and ongoing support for software upgrades.

Recommendation 4: The Department consider additional service options to align the Support at Home Program more closely with the lived experiences and needs of clients. Expanding the service list in this way would support a more inclusive and effective model of care for older Australians.

1. Service Caps and Allocation

The proposed caps on domestic assistance and home maintenance services, particularly the annual cap of 52 hours for domestic assistance and 18 hours for home maintenance, pose a significant challenge for clients and providers alike. Currently, over 80% of our clients would exceed these caps. Our clients rely on regular, ongoing assistance with household tasks such as cleaning, gardening, and light maintenance to live safely and independently in their homes. For clients with limited support networks or mobility issues, these caps will be insufficient, impacting their ability to maintain their homes adequately.

Furthermore, in regions where service delivery requires outsourced or third-party providers—especially in rural and remote areas—additional costs associated with travel and multi-staff tasks can quickly lead to clients surpassing these caps.

Additionally, we foresee potential unintended consequences arising from both the caps and the differing client contribution categories. These conditions may inadvertently promote an environment where clients may expect, or request cleaning or gardening maintenance from workers providing services within the independence category (17.5% co-contribution) during personal care visits (5% co-contribution), especially if their domestic and maintenance caps are exhausted. This situation may place staff in complex positions of managing client requests that fall outside designated service categories, potentially undermining the integrity of the proposed caps and leading to inefficiencies or inconsistencies in service delivery.

Recommendation 1: The hourly caps be revisited to consider the unique needs of high-support clients or that providers be allowed additional flexibility to allocate hours based on client need, package level or geographic factors. A more adaptable cap structure would align better with clients' needs, reduce the likelihood of service overlap, and promote compliance with intended care parameters.

2. Care Management Capping and Approach

Warrigal echoes sector-wide concerns regarding the proposed 10% cap on Care Management within the Support at Home program. The current guidance suggesting that one to six hours per month may suffice for client management is unrealistic, particularly given the increasingly complex and clinical needs of clients now entering the program. As package levels, budget pools, and the proportion of clients with complex needs grow, the time and associated costs required to provide adequate care management will only increase.

While we recognise that the existing 20% Care Management Cap and 15% Package Management Cap under the Home Care Packages Program are not intended to be absorbed into the 10% Support at Home cap, the absence of released unit pricing limits our ability to assess and comment on viability fully. This lack of clarity around incorporating essential care management tasks into capped service prices raises substantial concerns about operational sustainability.

Recommendation 2: To ensure the effective delivery of care while maintaining financial sustainability, we recommend that the Support at Home rules allow providers the flexibility to adjust care management hours through variable care management caps. These caps should reflect client needs, package levels, or usage of specialised Restorative and Palliative Care pathways. This can be achieved through a front-end loading of care management as well as the ability to be flexible during particularly critical periods of acute care, such as post-hospital discharge or health setbacks, enabling providers to deliver the necessary level of support without compromising service quality or operational viability.

3. Complex management of customer type, and multiple budgets

We commend the intention behind the "no worse off" principle for clients, which demonstrates a commitment to client-centred care as new entrants transition into the system. However, the practical implementation of this principle, especially with the complex budget management required, presents significant operational challenges for providers. Clients under Support at Home may require tracking across multiple budgets depending on the types of support and pathways they access.

The administrative demands associated with tracking and managing these budgets are considerable. Each budget category necessitates unique financial allocations, spending caps, and reporting, which must be adjusted based on individual client means. We echo the sectors concerns about the short timeframe given to implement these changes. Staff training to manage these complexities will also be essential, yet challenging, given the limited time and the current lack of preparation for existing software vendors.

To mitigate risks for both providers and clients, a long lead time and structured transition timeframe is essential. Such a timeframe would allow providers to incrementally adapt to the new requirements, manage staff training effectively, and implement necessary software upgrades, reducing potential disruptions to service delivery. This phased approach will ensure that clients continue to receive consistent, high-quality care while minimising operational and financial risks for providers.

The need for frequent, accurate, and detailed invoicing to the Department of Health and Aged Care intensifies the workload, especially given that client contributions and government payments must be reconciled in real-time. Delays in processing, approval, or payments from either the department or clients can compromise a provider's cash flow, thereby impacting service continuity and potentially limiting a client's access to care.

This system parallels the financial complexities observed in the early childhood education sector under the Child Care Subsidy (CCS). In that system, approved provider software integrates directly with the Australian Government, allowing automatic payment from the government for subsidies while billing families only the gap fee. This automation significantly reduces administrative load, minimises errors, and ensures providers receive timely government payments, fostering both operational efficiency and service sustainability.

Recommendation 3: To manage the administrative load effectively and ensure resources are focused on client care, we recommend a comprehensive sector support program and extended implementation timeframe that includes funding for staff training, advanced software integration, and ongoing support for software upgrades.

In addition, this support could involve a model similar to the CCS system in the early childhood sector, where government-approved provider software enables automatic invoicing and direct payment of the subsidy portion.

4. Service Lists

In reviewing the Support at Home Program Guide in line with the Rules, there are critical gaps in the service list that need to be addressed to meet the full spectrum of needs for older Australians. These gaps include services integral for promoting holistic health, independence, and engagement, especially for those with complex or diverse needs.

1. Pet Therapy and Care

While "accompanied activities" and some forms of individual social support are available, pet therapy—which can provide significant emotional and mental health benefits—does not appear explicitly on the service list. Some clients rely on assistance with pet care, such as dog walking, especially those with limited mobility. Given the therapeutic benefits, we recommend that pet therapy and pet care be included as allowable services under the social support or community engagement categories.

2. Music Therapy and Art Therapy

Although therapeutic services cover treatments like chiropractic or osteopathic care, music and art therapy are only briefly mentioned. These therapies are particularly beneficial for clients with dementia, depression, or other mental health conditions, fostering cognitive function, reducing stress, and providing a sense of purpose and joy. Incorporating music and art therapy as recognised, reimbursable therapeutic services will enable providers to offer more comprehensive, person-centred care.

3. Assistive Technology and Digital Literacy Support

The purchase of smart devices for online engagement is currently out of scope, limiting opportunities for clients to connect with family and friends or

access telehealth and digital services. We recommend including provisions for digital literacy support, the purchase of essential devices, and internet connectivity assistance to reduce digital isolation and enhance accessibility.

4. Therapeutic Gardening and Nature Activities

While the current list allows for essential light gardening, therapeutic gardening—activities proven to improve mental health and well-being—would be a valuable addition. Activities in green spaces have known therapeutic effects and provide physical benefits to older Australians, especially those experiencing social isolation or mental health challenges. Including these activities as part of home maintenance or social support services could better address holistic needs.

5. Culturally Tailored Services

The list should expand cultural support, specifically to include interpreters and cultural mediators who can assist clients from diverse backgrounds in navigating their care. Additionally, culturally specific activities, such as community or religious events, should be explicitly acknowledged as part of social support and community engagement.

Recommendation 4: The Department consider additional service options to align the Support at Home Program more closely with the lived experiences and needs of clients. Expanding the service list in this way would support a more inclusive and effective model of care for older Australians.