



Mark Sheldon-Stemm
Research Analytics
7 Falkingham Road
West Busselton 6280
Western Australia

Janet Anderson
Commissioner
Aged Care Quality and Safety Agency
PO Box 9819
Sydney 2001
New South Wales

29/3/19

Dear Commissioner,

I wish to thank you for your presentation at the recent COTA-ACSA- Criterion conference in Sydney on Quality in Aged Care.

I am currently working with a number of aged care providers to assist them to move to the new standards and all of these are progressive operators who are on the front foot with their services.

However, there is a significant issue to be addressed in residential care when applying the new standards and ensuring the consumer is provided with choice and to live the life they wish. I am seeking clarity from yourself and the Quality and Safety Agency on how you will apply the standards in residential care?

In home care the ability to provide choice and to live the life the consumer wishes is governed by a different set of conditions to residential care. Consumers in home care own their package (license) and have a defined amount of funds available to them to choose the services they require. When the situation arises where the funds available under a package is less than the consumers requirements (goals and wishes) the ability to meet choice is made up by additional funding from the consumer (or in many cases by their family members).

The ability of the home care provider to give choice is very clear, defined and well understood by all parties before the commencement of services. The home care provider then supplies monthly statements showing funds available and charges against these funds, as agreed by the consumer.

However, the same situation does not apply to residential care. The licenses are still owned by the aged care provider and while the funding is calculated on an individual basis the use of these funds is not accounted for or disclosed to the consumer.

Effectively, the new standards are being applied across two separate environments which have significant differences and accountabilities.

A concern raised by providers in applying the new standards to residential care is their inability to supply an individual budget to consumers will result in a one-sided choice model. Without any limitations on funding what is used to give direction on choice?

In an effort to overcome this I have developed a Consumer Directed model for residential care and this model was the subject of a report to the Minister for Aged Care and the Department of Health in April 2017. I have attached a copy of the report for your information and review.

This model is now being rolled out by a number of residential care providers. They are establishing the service based on choice and having the consumer live the life they wish supported by the available resources (individual budgets).

Phone: 0458342438

Email: markss@iinet.net.au

They provide full accountability of funding and charges for services and like home care, they supply a monthly statement showing funds allocated and spent.

This is proving very positive for both the consumer and the provider and mirrors how home care services are operated.

Given that only a few have moved to the Consumer Directed Model and many will operate without individual budgets two situations arise.

The first is, for those providers who do not have a system of allocating individual funding and costs, at what point will they be able to communicate the choices being made by a consumer are outside of the funding and resources available? In this case funding is likely to be diverted away from other consumers to those who have the largest set of wishes and goals. Unlike home care, there are no financial boundaries set or agreed.

The second is, where a system is in place that has allocated individual funding and the residential care provider advises the consumer their funds have been spent, however the consumer wishes to have more services. In this case the consumer will need to contribute. This again mirrors what occurs in home care.

This second point has been raised by several of the organisations that have implemented or are implementing the Consumer Directed model.

I seek clarification on the following:

What will be the view of the Quality Agency staff when assessing these services?

- **Firstly, for those who do not have an individual budget and are negotiating with the consumer on the reasons why all their choices can't be met.**
- **Secondly, for those who do have an individual budget and the choices of the consumer have been limited to the funds available.**

Unfortunately, this issue appears to be an unintended consequence of the changes to the new standards.

I think it would be better to address this issue early rather than to have a level of uncertainty amongst consumers and providers from the start.

The sites who have trialled and implemented the Consumer Directed model have reported very high satisfaction levels from consumers and their families. Complaints disappear and an open discourse occurs to the benefit of all concerned.

I would be happy to have a conversation with yourself and/or your staff about how this operates so you have a clearer picture of the results.

I look forward to hearing from you on the above and providing an improved system for consumers and providers.

Yours Sincerely



Mark Sheldon-Stemm
Principal
Research Analytics



31 May 2019

Office of Commissioner
T: (02) 6289 9804

Mark Sheldon-Stemm
Research Analytics
7 Falkingham Road
West Busselton WA 6280

Dear Mr Sheldon-Stemm

Thank you for your correspondence dated 29 March 2019 regarding the new Aged Care Quality Standards, the assessment of residential aged care services and the relationship between funding and choice in those care. I apologise for not responding earlier.

From 1 July 2019, the Aged Care Quality and Safety Commission (Commission) expects that organisations providing aged care services in Australia will be compliant with the new Aged Care Quality Standards (Standards). Standard 1 Consumer dignity and choice, of the new Standards outlines the requirement that each consumer is supported to exercise choice and independence, including in making decisions about their own care and the way care and services are delivered.

The Single Charter of Aged Care Rights which also comes into effect from 1 July 2019 outlines the right of consumers to have control over, and to make decisions about, the personal aspects of their daily life, financial affairs and possessions. The charter provides the same rights to all consumers, regardless of the type of Commonwealth subsidised care and services they receive.

It is important to note that the Commission is not prescriptive about how providers of aged care services achieve compliance with the new Standards. In terms of the Commission's assessment approach to understanding how consumer choices are met and the reasons why a choice may not have been met, assessment teams would seek evidence on a range of matters. For example, in the absence of an individual budget, assessment teams may consider:

- the context in which the care or service is being delivered and any limitations this may place on the choices available
- where choices cannot be met, or the choices made impact on others, how the service has sought alternative ways to support the consumer's choice
- the level of involvement by the consumer in looking for alternative solutions
- the satisfaction level of the consumer with the outcome.

In addition to the above, where there is an individual budget the assessment team may consider:

- if consumers have been provided with sufficient and relevant information on funds expenditure in order to make informed decisions about allocating their funds
- how language or literacy barriers have been addressed in service/budget planning
- the ease with which choices can be changed to aid budgeting
- the transparency of costs associated with additional services the consumer may wish to purchase
- the timeliness of financial statements and if consumers understand the content.

As you may be aware, the Commission has produced extensive guidance material and resources to support providers understand the requirements of the new Standards and how consumer choice will be considered in the assessment of performance.

Thank you for raising this matter with me, and for your interest in the new Aged Care Quality Standards. New and updated information to support service providers and others is available through our website <https://www.agedcarequality.gov.au/>.

Yours sincerely

J. M. Anderson

Janet Anderson PSM

Commissioner