Outcome 4

Aged Care and Population Ageing

> **Older Australians enjoy independence, good health and wellbeing. High quality, cost-effective care is accessible to frail older people, and their carers are supported**

OUTCOME SUMMARY – THE YEAR AHEAD

In 2006-07, the Australian Government will continue to address the challenges of an ageing population and the diverse needs of older Australians through the provision of community, residential and flexible care services and support for carers.

Outcome 4 is the responsibility of the Ageing and Aged Care Division. The Department's State and Territory Offices and the Health Services Improvement Division also contribute to this outcome.

Key Strategic Directions for 2006-07

During 2006-07, the Australian Government will continue to support older Australians through:

- continuing reform of the aged care sector to ensure Australia has a sustainable and high quality aged care system that meets the growing needs of the ageing population;

- supporting older Australians to enable them to have healthy, independent and active lives for as long as possible;

- strengthening the residential aged care workforce by creating opportunities to increase overall staff supply and additional training for existing staff; and

- improving aged care services in rural and remote areas.

Major Activities

Continuing reform of the aged care sector to ensure Australia has a sustainable and high quality aged care system that meets the growing needs of the ageing population

A priority for 2006-07 will again be the implementation of the remaining measures in the Australian Government's response to the *Review of Pricing Arrangements in Residential Aged Care.*

The Department will continue to collaborate with the aged care sector on the development and implementation of a new funding model to provide fewer funding categories and two new supplements targeted towards residents with challenging behaviours related to dementia or complex health and nursing needs. Development of a new payment system by Medicare Australia will support the funding model and make information exchange with service providers more efficient.

The Office of the Prudential Regulator, within the Department, will implement the accommodation bond guarantee scheme established by the *Aged Care (Bond Security) Act 2006* and work with the aged care sector to implement prudential standards for approved providers holding accommodation bonds.

The Department will continue the management and monitoring of the other 27 measures responding to the *Review of Pricing Arrangements in Residential Aged Care* already put in place and benefiting residents and their families, aged care providers and care staff.

Implementation of reforms under *A New Strategy for Community Care – The Way Forward* will continue to reduce duplication, and streamline community care through the development of common arrangements in areas such as entry into the system, determining eligibility, assessing need, planning and accountability. Joint work to be undertaken on simplified entry and assessment processes for the Home and Community Care (HACC) program was endorsed by the Council of Australian Governments as part of a reform package to achieve better health for all Australians. The renegotiation of a new HACC Agreement with State and Territory governments will better align the HACC program with other community care programs based on the common arrangements outlined in *The Way Forward.*

As a further part of the reforms agreed by the Council of Australian Governments, the Department will implement more timely and consistent needs assessments for frail older people by Aged Care Assessment Teams. This will be achieved through improved administration and performance management which will be supported by Australian Government funding of $24.2 million over the five years from 2005-06. The Council of Australian Governments also agreed to the development of a new program to reduce the number of younger people with disabilities living in aged care homes which will be administered by the Department of Families, Community Services and Indigenous Affairs. The Australian Government will provide funding of up to $122 million over five years for this program.

New measures, with total funding of $10.4 million over four years, will be implemented to strengthen the protection of care recipients from sexual and physical abuse. The number of unannounced visits to aged care homes by the Aged Care Standards and Accreditation Agency Ltd (the Agency) will be increased to comprise approximately 60 per cent of all visits by the Agency, and the overall number of visits will also be increased to about 5,200 per year. As a result, every home will receive at least one unannounced visit per year and homes overall will be visited at an average of 1.75 visits per home per year. Police checks for all aged care workers in services directly subsidised by the Australian Government, and for volunteers under the Community Visitors Scheme will also be required. The Department will work with the Agency and the aged care sector on the implementation of these measures. Amendments to the *Aged Care Principles* will be made to support the new requirements.

In the coming year, a new initiative providing $21.6 million over four years will be implemented to develop best practice clinical skills and care practices in aged care homes. The Department will fund projects which will be led by aged care providers working with clinical researchers and research institutions. The outcomes of projects will be widely disseminated to improve care for residents, provide additional skills for clinical care staff and to promote a sustainable best practice care culture.

In 2006-07, the Department will manage the allocation of 8,771 new aged care places in keeping with the Australian Government's commitment in 2004 to increase the aged care provision ratio to 108 operational places per 1,000 people aged 70 or over in 2007. The Government is on track to achieve the increased target in 2007.

The Community Visitors Scheme will be expanded to cover all aged care homes through additional funding of $4.7 million over three years. This will increase the number of volunteer visitors to about 7,500 to provide one-on-one visits to residents who are socially isolated and whose quality of life would be improved by friendship and companionship.

Supporting older Australians to enable them to have healthy, independent and active lives for as long as possible

A new national eye health initiative, with funding of $13.8 million over four years, will implement strategies to raise public awareness of eye health issues, reduce preventable blindness and vision loss and assist older Australians to lead independent and active lives.

This financial year will see improvements in how older people, service providers and the community are kept informed of Australian Government strategies to enhance the quality of life of older Australians. An improved user-friendly website will be launched to enable consumers to find and access aged care services in their area. Further development of the Seniors Portal <http://www.seniors.gov.au> will continue.

The Government will also maintain funding for two initiatives that support the independence and rights of older Australians. Continued funding of $18.2 million over four years for the National Continence Management Strategy will support the provision of advice and support services for people affected by incontinence, their carers and health professionals. In addition, the National Aged Care Advocacy Program will continue to assist people receiving Australian Government-subsidised aged care services to exercise their rights through the provision of information/education and advocacy services.

Strengthening the aged care workforce

A new community care workforce initiative will be implemented by the Department to better support older Australians' preference for care in the community. Under this initiative training for up to 2,700 direct care workers involved in the delivery of community care will be made available, with priority to care workers involved in the delivery of Extended Aged Care at Home packages and Extended Aged Care at Home Dementia packages. Funding of $13.4 million over four years will enable these workers to gain up to Certificate IV qualifications. Employers will be expected to contribute to the costs of training by encouraging and facilitating staff participation.

In keeping with the priority placed on improving skills and training opportunities across the aged care sector, the Australian Government has also confirmed the funding of two training initiatives for a further four years. These will provide funding for up to 1,000 aged care nursing scholarships and extended training opportunities for personal care staff in smaller, less viable residential aged care homes largely located in rural and remote areas of Australia.

Improving aged care services in rural and remote areas

A new viability supplement of $19.4 million over four years will be provided through the Community Aged Care Package, Extended Aged Care at Home and Extended Aged Care at Home Dementia programs to help meet the higher costs of providing community care in rural and remote areas. Implementing the new viability supplement will assist in the provision of high quality community care services to some 4,200 care recipients in rural and remote areas.

An additional 150 flexible aged care places for older Aboriginal and Torres Strait Islander people will be implemented by the Department through the National Aboriginal and Torres Strait Islander Aged Care Strategy which provides a culturally appropriate approach to service delivery.

The Australian Government has also maintained its commitment to provide capital assistance to eligible aged care homes in rural or remote areas. Through an annual application process the Department will distribute grant funding of $134.2 million over four years to support improvements to the quality and safety of buildings.

Outcome 4 Resourcing

Table 3.1.4 shows how the 2006-07 Budget appropriations translate to total resourcing for Outcome 4, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

Table 3.1.4: Total resources for Outcome 4

	Estimated actual 2005-06 $'000	Budget estimate 2006-07 $'000
Administered appropriations		
Program 4.1: Aged Care Assessment		
Appropriation Bill 1	2,401	7,001
Appropriation Bill 2	55,461	64,835
	57,862	**71,836**
Program 4.2: Aged Care Workforce		
Appropriation Bill 1	32,764	38,410
	32,764	**38,410**
Program 4.3: Ageing Information and Support		
Appropriation Bill 1	35,235	39,543
	35,235	**39,543**
Program 4.4: Community Care		
to Department of Health and Ageing	200,231	237,797
to Services for Other Govts and Non-Depts Bodies (Special Account) - *FMA Act 1997, s20* [1][2]	428	437
Appropriation Bill 1	200,659	238,234
Appropriation Bill 2	857,835	928,401
Aged or Disabled Persons Care Act 1954 and *Aged Care Act 1997* - Community Care Subsidies	364,520	414,291
Total Special Appropriations	364,520	414,291
	1,423,014	**1,580,926**
Program 4.5: Culturally Appropriate Aged Care		
Appropriation Bill 1	20,611	20,751
	20,611	**20,751**
Program 4.6: Dementia		
Appropriation Bill 1	21,650	32,889
	21,650	**32,889**
Program 4.7: Flexible Aged Care		
Aged Care Act 1997 - Flexible Care Subsidies	167,116	268,139
Total Special Appropriations	167,116	268,139
	167,116	**268,139**
Program 4.8: Residential Care		
to Department of Health and Ageing	32,573	61,683
to Aged Care Standards and Accreditation Agency	9,471	22,165
Appropriation Bill 1	42,044	83,848
Aged Care Act 1997 - Residential Care Subsidies	4,518,372	4,766,454
Total Special Appropriations	4,518,372	4,766,454
	4,560,416	**4,850,302**
Total Administered Appropriations	**6,318,668**	**6,902,796**

Table 3.1.4: Total resources for Outcome 4 (cont)

	Estimated actual 2005-06 $'000	Budget estimate 2006-07 $'000
Departmental appropriations		
Health and Ageing		
Output Group 1 - Policy Advice	24,097	24,299
Output Group 2 - Program Management	117,650	118,639
Total price of departmental outputs *(Total revenue from government and from other sources)*	141,747	142,938
Total revenue from government (appropriations) contributing to price of departmental outputs	141,677	142,838
Total revenue from other sources	70	100
Total price of departmental outputs *(Total revenue from government and from other sources)*	141,747	142,938
Total Price of Outputs for Outcome 4 *(Total Revenue from Government and from other sources)*	141,747	142,938
Total estimated resourcing for Outcome 4 *(Total price of outputs and administered appropriations)*	**6,460,415**	**7,045,734**
	2005-06	2006-07
Average staffing level (number)		
Department	925	925

1. Flows into Special Accounts are also shown in the receipts column of the Special Accounts table in Table 2.6.

2. Where names of Acts have been abbreviated, the full name of the Act can be found in the Acts Glossary at the end of Table 2.6.

Measures Affecting Outcome 4

A summary of measures affecting this outcome is provided at Table 2.2, Section 2. Measure descriptions are published in full in Budget Paper No. 2, *Budget Measures 2006-07*, available on the Australian Government website at <http://www.budget.gov.au>.

Contribution of Administered Programs to Outcome 4

Program 4.1: Aged Care Assessment

Provides funding for Aged Care Assessment Teams to assess the care needs of frail older people; to assess eligibility for residential aged care and community care services; and to provide assistance and information to help older people access the care services most appropriate to their needs. The contribution to this outcome is measured by the number of assessments completed.

Program 4.2: Aged Care Workforce

Provides funding for smaller, less viable aged care homes to train personal care staff; to promote aged care nursing as a career path of choice and to retain highly skilled nurses in the sector; provide scholarships over four years to people from rural and regional areas; and to assist enrolled nurses to gain access to medication management training packages. The contribution to this outcome is measured by the number of carer staff trained.

Program 4.3: Ageing Information and Support

Provides funding for a range of information products to keep older people, service providers and the wider community informed of the Government's services to enhance the quality of life for older Australians. It also provides funding for various support services, including the Aged Care Complaints Resolution Scheme, the Aged Care Community Visitors Scheme and the National Aged Care Advocacy Program. The contribution to this outcome is measured by usage and satisfaction rates of consumers.

Program 4.4: Community Care

Provides funding for government and non-government organisations to provide a range of services to help frail aged people and people with a disability to live independently in their own homes for as long as possible and to support carers. The largest community care program is the Home and Community Care (HACC) program which is a joint Australian Government and State and Territory initiative. The contribution to the outcome is measured by the number of people assisted, services provided, and the rate of participation in quality reporting.

Program 4.5: Culturally Appropriate Aged Care

Supports culturally appropriate aged care through the Aboriginal and Torres Strait Islander Aged Care flexible program, the Partners in Culturally Appropriate Care (PICAC) initiative and the Community Partners Program for people from culturally and linguistically diverse backgrounds. The Aboriginal and Torres Strait Islander Flexible program provides culturally appropriate care for Indigenous Australian communities, particularly in rural and remote locations. The PICAC initiative and the Community Partners Program supports aged care providers and specific communities in accessing aged care for people from culturally and linguistically diverse backgrounds. The contribution to this outcome is measured by the availability of Aboriginal and Torres Strait Islander Flexible places and monitoring activities to ensure access to care by culturally and linguistically diverse people.

Program 4.6: Dementia

Provides funding to support people with dementia and their carers through a range of initiatives that will enhance dementia research, primary care and early intervention opportunities relating

to dementia. The contribution to this outcome is measured by the level of direct support for people with dementia in their own homes and the level of carer and workforce training.

Program 4.7: Flexible Aged Care

Provides funding to enable the provision of flexible care outside the usual residential and community care settings, to address the needs of care recipients in alternative and innovative ways. Flexible places are used for the provision of services through Multi Purpose Services, Innovative Care, the Transition Care Program, Extended Aged Care at Home (EACH) packages, and EACH Dementia packages. Success is measured through improved access to flexible care services by older Australians.

Program 4.8: Residential Care

Provides funding for residential aged care services for older Australians whose care needs are such that they can no longer remain in their own homes. Success is measured through improved access to residential aged care services by older Australians and improved quality of care and services to residential aged care recipients through inspection and accreditation standards and building certification standards.

Contribution of Departmental Outputs to Outcome 4

The Department describes its core activities in terms of three output groups: policy advice, program management and agency-specific service delivery. Outcome 4 reports on policy advice and program management. Refer to Section 3.1 for more information on output groups.

Performance Information for Outcome 4

Performance information for administered programs, individual outputs and output groups relating to Outcome 4 are summarised in Table 3.2.4.

Table 3.2.4: Key Performance Information for Outcome 4

Performance Information for Administered Programs

Indicator	Measured by	Reference Point or Target
Administered Funding – **Aged Care and Population Ageing Programs**		
Provision of operational residential places to meet the target of 88 residential places per 1,000 persons aged 70 years and over.	Extent to which target is met.	The provision of 88 residential places per 1,000 persons aged 70 years and over.
Quality residential aged care and services achieved through the Aged Care Standards and Accreditation Agency's accreditation and monitoring of Australian Government-funded aged care homes.	Percentage of services compliant with the 44 outcomes under the Accreditation Standards.	At least 97% of services are compliant in 2006-07. (98.7% of services compliant in 2004-05.)
Provision of operational community care places to meet the target of 20 community care places per 1,000 persons aged 70 and over.	Extent to which target is met.	The provision of 20 community care places per 1,000 persons aged 70 years and over.
Provider participation in the quality reporting process.	Percentage of providers of Community Aged Care Packages, Extended Aged Care at Home and National Respite for Carers Program services that participate.	Up to 30% of providers participate in the quality reporting process.
Growth in the level of services provided through the Home and Community Care program.	An increase in the number of services delivered as reported through the HACC Minimum Data Set.	An increase in the number of services delivered.

Indicator	Measured by	Reference Point or Target
Administered Funding – **Aged Care and Population Ageing Programs (cont)**		
Increased instances of respite provided through carer respite centres.	The number of carers assisted or respite instances provided.	An increase in the number of carers assisted or respite instances provided. (59,700 carers assisted and 145,930 respite instances in 2004-05.)
Improved care and support for people with dementia and their carers and people at risk of or affected by incontinence.	The establishment of Dementia Collaborative Research Centres and Dementia Study Centres; the establishment of a network of Dementia Behaviour Management Advisory Services and Dementia and Memory Community Centres; and increased public awareness of dementia and incontinence.	Three Dementia Collaborative Research Centres and four Dementia Study Centres established. Nation-wide coverage of Dementia Behaviour Management Advisory Services and Dementia and Memory Community Centres. More than 50,000 people provided information about dementia and more than 50,000 people provided information about incontinence through websites, the National Helplines and information products.
Improved access to flexible care places.	The number of places allocated for Multi Purpose Services, Transition Care, Extended Aged Care at Home (EACH) packages and Dementia EACH packages.	Access to flexible care places. (2,275 flexible care places accessed in 2005-06.)

Indicator	Measured by	Reference Point or Target
Administered Funding – **Aged Care and Population Ageing Programs (cont)**		
Improved awareness of ageing issues and the role of older people in the community.	Number of visits to the Seniors Portal.	An average of at least 30,000 unique visits to the Senior Portal per month. (A total of 360,000 visits in 2005-06.)
Availability of service provision for frail older people from diverse cultural and linguistic backgrounds, older Aboriginal and Torres Strait Islander peoples, veterans and older people in rural and remote areas.	Progress in implementing strategies to strengthen access for special needs groups and providing culturally appropriate aged care.	Inclusion of data and information on these groups in planning for aged care.
Improved consumer access to information on care options.	Commissioned market research and the number of visits to the aged care consumer website.	Very high levels of satisfaction from users of the aged care consumer website; and at least 40,000 unique visits per month to the aged care consumer website.
Increased training opportunities for the aged care workforce in order to improve skills and qualifications.	The number of training opportunities provided through the Better Skills for Better Care program.	Up to 15,750 vocational education and training places, and up to 5,250 for medication management training places by June 2008.
Respite funding for Multi-Purpose Service sites.	The number of Multi-Purpose Service sites receiving respite funding.	94 Multipurpose Service sites receiving respite funding. (94 Multipurpose Service sites received funding in 2005-06.)
Multipurpose Service sites compliance with service funding agreements.	Percentage of Multipurpose Service sites which comply with service funding agreements.	100% of Multipurpose Service sites comply.
Cost: $6,902.796m		

Performance Information for Departmental Outputs

Indicator	Measured by	Reference Point or Target
Output Group 1 – **Policy Advice**		
Quality, relevant and timely advice for Australian Government decision-making.	Ministerial satisfaction.	Maintain or increase from previous year.
Relevant and timely evidence-based policy research.	Production of relevant and timely evidence-based policy research.	Relevant evidence-based policy research produced in a timely manner.
Price: $24.299m		

Indicator	Measured by	Reference Point or Target
Output Group 2 – **Program Management**		
Administered budget predictions are met and actual expenses vary less than 0.5% from budgeted expenses.	Percentage that actual expenses vary from budgeted expenses.	0.5% variance from budgeted expenses.
Stakeholders to participate in program development.	Opportunities for stakeholder participation through a range of avenues, such as surveys, conferences and meetings.	Stakeholders participated in program development through (eg. surveys, conferences and meetings).
Price: $118.639m		

Evaluations

There are no evaluations planned to be undertaken in 2006-07.

Major Reviews

There are no major reviews planned to be undertaken in 2006-07.

Performance Improvement Initiatives

There are no performance improvement initiatives planned to be undertaken in 2006-07.