



THE HON JUSTINE ELLIOT MP

Minister for Ageing

MEDIA RELEASE

29 September 2008

Appointment of receivers and managers for three Victorian nursing homes

This morning (September 29), the secured creditors appointed John Georgakis and Kathryn Warwick of Ernst and Young as receivers and managers of TCL Nominees, JKL Nominees and associated entities - which are engaged in the provision of aged care at three Victorian facilities.

The facilities are: **Rosden Private Nursing Home, Ti Tree Gardens and Lakes Entrance Aged Care Facility.**

Two of these facilities are the subject of sanctions imposed by the Department of Health and Ageing. They were identified as being of serious concern during unannounced visits by the Aged Care Standards and Accreditation Agency.

The unannounced visits were undertaken after the Australian Government became aware that these facilities may be under financial stress.

The Minister for Ageing, Mrs Justine Elliot said the Department of Health and Ageing is already in discussions with the receivers and managers and will work closely with them to look after the health, safety and well being of residents.

“The welfare and care of residents is our primary concern,” Mrs Elliot said.

The receivers and managers would assume the responsibilities of the approved provider under the *Aged Care Act 1997* in relation to the three facilities.

The receivers and managers have advised that they would be seeking to bring the operations of the business into order and pursue an orderly sale of the business.

In addition, the Department of Health and Ageing has been advised that the receivers and managers:

- Will place experienced staff in each of the facilities to oversee ongoing operations; and
- Will engage an experienced aged care provider to provide advice on resident care and to ensure that the facilities move to compliance with the Aged Care Accreditation Standards.

This action does not impact on the sanctions in place with respect to Rosden Nursing Home under which Commonwealth-subsidy would cease at midday on October 1.

The support being provided by the Department to assist Rosden Private Nursing Home residents to relocate to Commonwealth subsidised places in other homes will continue.

The Department of Health and Ageing advised that residents can choose to stay at Rosden, if they wish. However the Commonwealth cannot continue to subsidise the cost of care in an unsafe facility.

Ten residents have already moved to their new homes and a number of others have been found suitable places and will move to their new homes in the next few days.

On Friday, the Department of Health and Ageing released the 38-page Report of Major Findings on the review audit into Rosden Private Nursing Home.

The report outlines the recommendations of the independent assessors to the Aged Care Standards and Accreditation Agency on the areas of non-compliance with the Aged Care Accreditation Standards, at the nursing home.

The full assessment is available on:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/ageing-rescare-sanctions-sancudvic.htm#rosden>

Full copies of the report were also provided to family members of the Rosden facility in the interest of transparency and openness.

The issues of concern at Rosden Private Nursing Home include:

- Privacy and space requirements;
- Inadequate toilet, shower and bathroom facilities for the number of residents which are also being shared by male and female residents at the same time, impacting on their privacy and dignity;
- Safety issues including potential fire hazards; potential tripping and choking hazards; and
- Dirty communal bathrooms, floors, walls, chairs and equipment.

The Department of Health and Ageing is examining the provider's request for a reconsideration of the sanctions decision which was not received until late on Friday 26 September.

The sanctions imposed at Lakes Entrance will also remain in place and the Department and the Aged Care Accreditation Agency will continue to monitor progress in rectifying the non compliance at that facility.

For more information, contact Mrs Elliot's office on (02) 6277 7280