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

Outcome 4 is focused on ensuring that older Australians receive high quality, accessible and affordable aged care; and carers get the support they need to look after the frail living at home.

The Australian Government is committed to achieving this outcome by funding community, residential and flexible care services; and regulating the aged care sector. The Government also invests in the supply and training of the aged care workforce and provides respite services for carers.

Outcome 4 is managed by the Ageing and Aged Care Division and the Office of Aged Care Quality and Compliance, in conjunction with the Department's State and Territory Offices.

The Year Ahead

In 2007-08, the Australian Government will continue to address the growing needs of Australia's ageing population by implementing the first stages of the $1.6 billion *Securing the Future of Aged Care for Australians* reform package.

The reforms will involve significantly increasing the number of community care places available and providing more respite for carers. The Government will provide additional capital funding and payments to support people going into residential aged care. It will also work to introduce a simpler fee system, and provide extra funding and help to aged care services caring for people in difficult circumstances such as in remote and very remote Australia.

The Government will also focus on improving the quality of aged care and supporting healthy and active living.

Key Strategic Directions for 2007-08

During 2007-08, the Australian Government will:

- further reform the residential and community aged care sectors to ensure Australia has a fair and sustainable aged care system;

- implement changes to ensure the safety and security of people in aged care services;

- improve access to care for people from culturally and linguistically diverse backgrounds; and

- support older Australians to have healthy, independent and active lives for as long as possible.

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Major Activities

Further Reform of the Residential and Community Aged Care Sectors

In 2007-08, the Australian Government will continue to implement the first stages of the *Securing the Future of Aged Care for Australians* reform package, which is the Government's final response to the Review of Pricing Arrangements in Residential Aged Care (the Hogan Review).

Through this package, the Australian Government will provide an extra 7,200 community care places and substantially boost investment in high care. It will introduce a new Aged Care Funding Instrument to determine funding for care needs in residential aged care, and bring in fairer income tested fees for aged care home residents. In addition, the Government will increase funding to help aged care services caring for people in difficult circumstances such as in remote and very remote Australia.

In 2007-08, the Australian Government will also continue to implement reforms under A New Strategy for Community Care – The Way Forward. To achieve this, it will work in partnership with State and Territory governments to develop common arrangements that reduce duplication and streamline community care, particularly in the areas of entry into the system, determining eligibility, assessment processes, planning, and accountability. The Council of Australian Governments has endorsed work to date and provided a framework for key areas of work in 2007-08.

From 1 July 2007, the Government will implement a new Home and Community Care Agreement. States and territories will develop triennial plans with key performance indicators and the Department will administer payments to assist with one-off costs associated with implementing reforms to improve and simplify community care.

The Australian Government will also provide funding for new day respite sites in 20 existing residential care facilities across Australia. These centres will complement existing respite programs by providing more choices for carers of frail older people wishing to take a break.

Ensuring the Safety and Security of People Receiving Care

In 2007-08, the Australian Government will continue to focus on the safety and security of people in aged care services. During the year, the Government will introduce compulsory requirements for residential care service providers and staff to report incidents of sexual and serious physical assault, including protection for people who make these reports.

The Department will continue to implement new arrangements for complaints investigation, working in partnership with the aged care sector. It will also ensure that the aged care industry, people who receive care, and their families are informed about the new arrangements.

In addition, the Department will obtain a one-off statement from each approved provider regarding their compliance with police check requirements. It will also work with the Federal, State and Territory police services on checks and compulsory reporting requirements.

Enhanced Access for Culturally and Linguistically Diverse People

The Australian Government recognises that Australians from culturally and linguistically diverse backgrounds may need assistance to access aged care.

In 2007-08, the Government will double the number of projects funded under the Community Partners Program, to provide elderly people from culturally and linguistically diverse backgrounds with practical help to access aged care services. Funding will also help services provide culturally appropriate care.

Support Older Australians to Have Healthy, Independent and Active Lives

In 2007-08, the Government will fund a number of initiatives to help Australians lead healthy, independent and active lives. For example, the Government will commence the third phase of the National Continence Management Strategy and expand the Continence Aids Assistance Scheme. The Government will also support dementia research, early intervention and treatment.

The Department will develop a range of information mechanisms and materials to improve the community's awareness of ageing issues and to promote the role of older people.

The Department will also continue activities under the National Strategy for an Ageing Australia, to support improvements to the built environment and promote age friendly communities. It will achieve this by working with local governments, planners, builders and consumers.

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Outcome 4 Resourcing

Table 3.1.4 shows how the 2007-08 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 2006-07 $'000	Budget estimate 2007-08 $'000
Administered appropriations		
Program 4.1: Aged Care Assessment		
Appropriation Bill 1	7,001	6,012
Appropriation Bill 2	64,835	68,392
	71,836	**74,404**
Program 4.2: Aged Care Workforce		
Appropriation Bill 1	36,154	50,096
	36,154	**50,096**
Program 4.3: Ageing Information and Support		
Appropriation Bill 1	39,264	38,262
	39,264	**38,262**
Program 4.4: Community Care		
to Department of Health and Ageing	239,332	269,142
to Services for Other Govts and Non-Depts Bodies (Special Account) - *FMA Act 1997, s20* [1][2]	437	446
Appropriation Bill 1	239,769	269,588
Appropriation Bill 2	928,401	1,038,496
Aged or Disabled Persons Care Act 1954 and *Aged Care Act 1997* - Community Care Subsidies	414,292	471,204
Total Special Appropriations	414,292	471,204
	1,582,462	**1,779,288**
Program 4.5: Culturally Appropriate Aged Care		
Appropriation Bill 1	22,037	24,068
	22,037	**24,068**
Program 4.6: Dementia		
Appropriation Bill 1	33,389	31,871
	33,389	**31,871**
Program 4.7: Flexible Aged Care		
Aged Care Act 1997 - Flexible Care Subsidies	242,755	345,396
Total Special Appropriations	242,755	345,396
	242,755	**345,396**
Program 4.8: Residential Care		
to Department of Health and Ageing	65,005	68,319
to Aged Care Standards and Accreditation Agency	22,197	21,219
Appropriation Bill 1	87,202	89,538
Aged Care Act 1997 - Residential Care Subsidies	4,774,876	5,231,986
Total Special Appropriations	4,774,876	5,231,986
	4,862,078	**5,321,524**
Total Administered Appropriations	**6,889,975**	**7,664,909**

Table 3.1.4: Total Resources for Outcome 4 (cont)

	Estimated actual 2006-07 $'000	Budget estimate 2007-08 $'000
Departmental appropriations		
Health and Ageing		
Output Group 1 - Policy Advice	28,888	33,661
Output Group 2 - Program Management	132,927	154,892
Total price of departmental outputs *(Total revenue from government and from other sources)*	161,815	188,553
Total revenue from government (appropriations) contributing to price of departmental outputs	158,209	185,089
Total revenue from other sources	3,606	3,464
Total price of departmental outputs *(Total revenue from government and from other sources)*	161,815	188,553
Total Price of Outputs for Outcome 4 *(Total Revenue from Government and from other sources)*	161,815	188,553
Total estimated resourcing for Outcome 4 *(Total price of outputs and administered appropriations)*	**7,051,790**	**7,853,462**
	2006-07	2007-08
Average Staffing Level (number)		
Department	996	1,106

[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 2007-08*, available on the Australian Government website at: <www.budget.gov.au>.

Contribution of Administered Programs to Outcome 4

Program 4.1: Aged Care Assessment

The Aged Care Assessment program provides funding for Aged Care Assessment Teams to evaluate the care needs of frail older people and to establish their eligibility for residential aged care and community care services. The program also provides 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

The Aged Care Workforce program provides funding to increase the aged care workforce; to provide training opportunities for existing staff; and to create better career paths for all aged care workers. This includes training for direct care workers in residential and community settings; medication management training for enrolled nurses; and nursing scholarships. The contribution to this outcome is measured by the number of care staff trained.

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Program 4.3: Ageing Information and Support

The Ageing Information and Support program provides funding to keep the community and service providers informed of government services. The program also funds the Aged Care Complaints Investigation Scheme, the Community Visitors Scheme and the National Aged Care Advocacy Program. The contribution to this outcome is measured by rates of usage and consumer satisfaction.

Program 4.4: Community Care

The Community Care program provides funding for government and non-government organisations to help the frail aged and people with a disability to live independently in their own homes, and to support carers. The largest community care program is the Home and Community Care 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 and the rate of participation in quality reporting.

Program 4.5: Culturally Appropriate Aged Care

The Culturally Appropriate Aged Care program funds the Aboriginal and Torres Strait Islander Flexible Aged Care Program to provide culturally appropriate care for members of Indigenous Australian communities, particularly in rural and remote locations. The program also funds the Partners in Culturally Appropriate Care initiative and the Community Partners Program to provide and support access to culturally appropriate 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 access to care by culturally and linguistically diverse people.

Program 4.6: Dementia

The Dementia program provides funding for dementia research, primary care and early intervention opportunities. The contribution to this outcome is measured by the development and successful implementation of dementia-related training, research and support projects and services.

Program 4.7: Flexible Aged Care

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

Program 4.8: Residential Care

The Residential Care program funds residential aged care services for older Australians whose care needs are such that they can no longer remain in their own homes. The contribution to this outcome is measured by access to residential aged care services by older Australians and 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 two output groups: policy advice and program management. Outcome 4 reports on both output groups. 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 aged care places.	Extent to which target is met.	Progress towards meeting the target of 113 aged care places per 1,000 persons aged 70 years and over, with the provision of 108 operational places nationally, by 30 December 2007.
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 2007-08.
Provider participation in the quality reporting process.	Percentage of providers of Community Aged Care Packages, EACH and National Respite for Carers Program services that participate.	100% of providers to participate in the quality reporting process over a 3 year cycle from 2005-06 to 2007-08.
Growth in the level of services provided through the Home and Community Care and National Respite for Carers programs.	Increase in the number of services delivered as reported through the Minimum Data Set.	An increase in the number of services delivered. (Home and Community Care services were provided to approximately 777,000 clients in 2005-06. There were 172,078 respite instances in 2005-06.)

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Indicator	Measured by	Reference Point or Target
Administered Funding – **Aged Care and Population Ageing Programs**		
Support for older Australians to enable them to have healthy, independent and active lives.	a) Rates of awareness of ageing issues and the role of older Australians in the community.	a) An average of at least 30,000 unique visits to the Seniors Portal each month.
	b) Level of consumer access to care options.	b) 40,000 unique visits per month to the aged care consumer website.
	c) Rates of access to continence support and advice.	c) 18,000 calls to the National Continence Helpline in 2007-08.
Support for people with dementia and their carers.	Development and successful implementation of dementia-related training, research and support projects and services.	Training, research and support projects and services are implemented by 30 June 2008.
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 medication management training places by June 2008.
Cost: $7,664.909m		

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: $33.661m		

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 surveys, conferences, meetings and consultative bodies.
Price: $154.892m		

Evaluations

In 2007-08, the Department will undertake a full cost analysis of the prudential regulation framework for strengthening protections for residents' accommodation bonds. The analysis will draw on experience with costs since the commencement of prudential regulation, and will inform the development of the industry cost recovery regime.

Major Reviews

In 2007-08, the Department will undertake a review of subsidies and services in Australian Government-funded community aged care programs to identify areas where current structure and funding arrangements could be refined and service delivery improved. The Department will carry out the review in consultation with stakeholders between September 2006 and January 2008.

Outcome | **04**