

From: [HERALD, Russell](#)
To: §47F
Cc: [CONNOLLY, Thea](#)
Subject: Meals on Wheels update [SEC=OFFICIAL]
Date: Tuesday, 10 October 2023 7:02:00 PM
Attachments: §22

§47F,

As discussed, we spent the last two days with 33 MoW providers who are part of the proposed project to modernise the funding model for MoW (final brief attached and with §47F).

A couple of points of note:

- We used the opportunity to fly in §47F and had some robust conversations around some of the issues in the relationship and ways forward. We also briefed them on the details of the proposed study.
- While not easy conversations, the next step is that a round table will be organised with MOWA and all state associations to further progress those conversations.
 - §47G, but there is an increasing understanding within the MoWA architecture of the reasonings behind a number of actions taken by certain MoW services and the department.
 - Western Australia I think will get a bit of a new focus out of this. I had a good discussion with §47F around what that association is trying to do, and some of their constraints, and I can see a potential path for the department to be able to support those activities. Preliminary thinking, of course, but there might be something there, where previously there wasn't.
- The main message that MOWA §47F was providing was around a keen interest to be across the future fit process and inclusion in the dialogue.
 - While it's not necessarily about wanting to do the work that the feasibility study participants are doing, it is about their ability to understand what is happening through the process and being able to contribute ideas/alternative perspectives where useful, and ultimately benefit in the future from an enhanced funding model.
 - §47F has offered to work with the department to help improve communications channels around the work as a means of addressing, what is, a sizeable degree of misinformation in some spaces.
 - There is significant scope for the department to integrate MOWA back into the process, given this phase of the Future Fit program has critical mass and is an evolution of the work program that they hadn't previously envisaged occurring.

§47G, §47E(d)

§47F. §47F has undertaken to go away and think about those issues and opportunities to address this, but its going to take a lot of goodwill across all parties to find some form of common ground. §47G, §47E(d)

s47G, s47E(d)

Subject to Ministerial consideration of the attached, however, I think it is fair to say that both the frontline services and MOWA are well and truly on board with the aim of what we are trying to do. s47G, s47E(d)

Rusty

Russell Herald

Assistant Secretary

Home Support Operations Branch
Home and Residential Division | Ageing and Aged Care Group
Department of Health and Aged Care
s47F

Executive Assistant: s47F, s47E(c)
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Australian Government
Department of Health and Aged Care

Ministerial Submission – Dual Signature

MS23-001357

Version (1)

Date sent to MO: 4 October 2023

To: Minister Butler and Minister Wells

CC: Assistant Minister Kearney

Subject: Commonwealth Home Support Programme (CHSP) Meals and Transport Pilots

Critical date: 18 October 2023 to allow sufficient time for pilot design ahead of the pilots commencing 1 July 2024.

Recommendations:

That you:

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2. Note two co-design Working Groups would be established for each pilot with:
- a. 33 Meals on Wheels providers and representatives from Meals on Wheels (MoW) Australia, MoW South Australia and MoW Western Australia to meet in October 2023 in preparation for the projects.
 - b. Around 30 community transport providers and representatives from the Australian Community Transport Association (ACTA) will also meet in Canberra in late October 2023.

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Signature:

Minister Butler

02/11/2023

Comments:

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Signature:

Minister Wells

20/10/2023

Comments:

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Submission summary:

Current policies for aged care community transport and meals delivery are not fit for purpose. There is an opportunity now to develop, test and evaluate alternative evidence-based funding policies for meals delivery and community transport through the CHSP ahead of in-home aged care reforms from 2025.

The department proposes to engage around 60-65 CHSP service providers, 33 for a Meals Feasibility Study and around 30 for a Transport Pricing Pilot, ^{s47D, s47E(d)}

These providers will work with the Department of Health and Aged Care on policy options and to test their application in delivering services under the current low-risk block funded CHSP model.

Through two separate projects, each supported by a Working Group established from October 2023, the remainder of 2023-24 would focus on co-design of policy parameters with these providers and to implement requisite changes to corporate infrastructure. Real world testing and real-time analysis would occur during 2024-25, under an addendum to the participants' CHSP contract.

The core objective of the two projects is to develop and test a more accurate way of accounting for service delivery components, and their relationship to costs, including explicit consideration of the social capital elements. Key to community transport is the distance of the trip, and for meals is the cost of meal preparation, distribution and volunteer costs.

ACTA and Miles Morgan Australia (MMA) would be contracted by the department to coordinate and undertake the projects in partnership with CHSP providers and the department.

Issues:

1. The current pricing architecture for meals delivery and community transport under CHSP is simplistic and not fit for purpose, with single price points for trips or meals, regardless of service location or the kind of service model. This submission seeks your agreement to undertake a policy design and evaluative program to underpin reforms.
2. The department has an existing work program with stakeholders to consider how these issues can be addressed, with activities to date including working with ACTA to design a new tiered pricing model that factors in trip distance and client complexity. In addition, the department is working with MMA and MoW organisations to develop new technology that can accurately, and consistently reflect the costs of meals production and volunteer costs.
3. To build on this work, the department proposes to undertake two pilot projects to co-design and test new funding options in CHSP against real world operations of meals delivery and community transport.

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4. The two projects would involve 60-65 CHSP providers and is expected to provide near real-time data to participants and the department. Importantly, these projects will provide the most robust evidence base ever constructed in this area.
 - a. The meals and community transport projects will operate separately but are linked through the Department's implementation arrangements. That is, the two projects will operate under revised CHSP program guidelines that a consistent across the service types.
5. In preparation for the projects, co-design meetings with providers will commence in October 2023, through newly established Working Groups under each project and conclude by 30 June 2025.

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7. Evaluative activities will be undertaken during the projects and will be used to inform future policy settings under the in-home aged care system, be it Support at Home or a continued CHSP.
 - a. For the funding model, quantitative analysis will be undertaken in partnership with universities to assess the alignment of new funding models against actual service provision in order to determine whether the funding models are achieving their objective.
 - b. For meals, assessment will also be undertaken around consumer choice of meals, including type of meal and choice of price points under adjusted menu options.

Meals Feasibility Study

8. The Meals Feasibility Study has been developed as part of the broader business transformation activities, known as Future Fit.
9. The project has evolved from 12-months of direct engagement with frontline MoW services across Australia to develop new technological systems and operational models, while retaining the core social capital elements.
10. There are 33 MoW providers who have agreed to form part of the project, with these providers delivering around 1.6 million meals to more than 13,000 CHSP clients annually. This represents around 40% of MoW delivery in Queensland and New South Wales, over 50% in Tasmania, and will also include the new Whitehorse and Ballarat MoW services in Victoria (formerly run by local councils) (**Attachment B** refers).
11. The 33 MoW providers would work with the department over the remainder of 2023-24 to address long-term fundamental policy issues, such as the consistent definition of a nutritious meal and the framework for reflecting the total cost of service provision under the MoW model (a draft paper for discussion with study participants is at **Attachment C**).

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12. MMA will support the department by providing a bespoke, and resource intensive operational service to meals providers. This is essential to enable provider capability uplift, ensure new technology is used to its full potential, and ensure data collection and reporting methods are uniform.

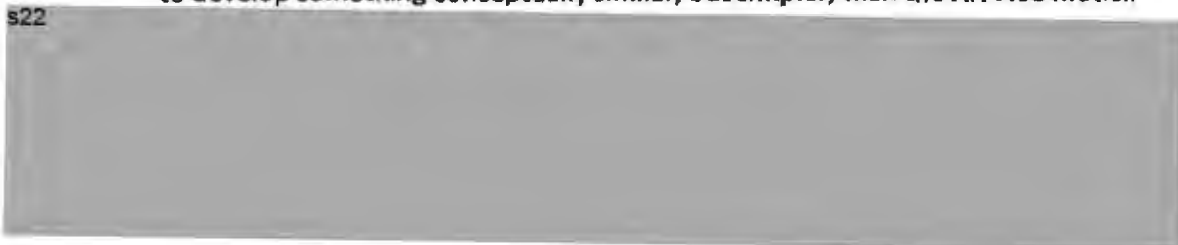
s47E(d), s47D



Meals on Wheels Governance

14. There remains tension in the MoW network around the engagement between the department, certain MoW services and the Future Fit program.
15. Under the proposed Feasibility Study project, MoW Australia, MoW South Australia and MoW Western Australia will engage with the department and feasibility study participants, with a preparatory in-person meeting to be held in Canberra on October 9 and 10, 2023.
 - a. MoW Australia has indicated support with the objectives of undertaking pilots under CHSP and are keen to engage with the Feasibility Study.
16. Potential alternative propositions may be put forward to that being developed by the 33 Feasibility Study participants, and to test options in parallel with the study. This would be welcomed by the department as a means to provide improved comparative assessments of alternative models.
 - a. This reflects the significant differences of opinion within the MoW network around future policy settings under the in-home aged care system.
 - b. There remain some elements of the MoW network that are prosecuting an AN-ACC style funding arrangement, mainly from MoW NSW. At this point this is not being considered by the department, noting the feasibility study is expected to develop something conceptually similar, but simpler, than the AN-ACC model.

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Background:

Meals

- In 2022-23, the CHSP funded \$50 meals providers a total of \$103.1 million (GST exclusive) to deliver over 11 million meals. Providers can also receive revenue from Home Care Packages, the NDIS and donations.
 - The Feasibility Study, while broadly representative across large and small providers, is financially skewed towards higher-than-average MoW providers, as the largest 2 providers in NSW and Queensland are included.
- MoW is a well-loved brand and delivers vital community services to older people.
- Over the past 12 months Future Fit has gathered evidence directly from frontline providers that has shown they do not have the capital base to implement technological and process enhancements to address an increasingly contestable service market, nor to leverage the inherent value of their network.
- Future Fit has provided detailed reports on the infrastructure risks facing the network and the value of being able to distribute costs for common capabilities. A lack of consistency and transparency was also evident across the network, which often resulted in a misapplication of resources and a disconnect between frontline services.
- The work of Future Fit is now services-led, and frontline providers are committed to remaining a trusted delivery partner of government.

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- The Feasibility Study is a critical next step and represents a once in a generation opportunity for MoW services to stabilise their backbone infrastructure, and to strengthen and grow as a network.

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Budget/Financial Implications:

s47E(d), s47D

The department has provisioned the expenditure outlined in this brief into the operating budget.

This funding is available under Priority 065 – Outcome 3.2 Aged Care Services.

s47E(d), s47D

Attachments:

- A: CHSP Meals and Transport pilots project schedule
- B: Meals on Wheels Feasibility Study Participants
- C: Draft Definition of a Meal paper
- D: ACTA pricing matrix fact sheet

Sensitivities:

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- Some elements of the MoW network have mixed, or negative views about the Future Fit work program, consistent with traditionally diverse positions of MoW providers. Some members of MoW representative bodies may not support this work however, the process has been designed directly with front line MoW services. The department will continue to engage members to address concerns, including with MoW Australia.
- Depending on the outcome of the pilot design and pricing matrix, some providers may require their outputs or funding adjusted through an ad hoc CHSP grant agreement. However, there will be no reduction to provider funding as a result of the pilots.

Consultations:

- Through the projects the department will engage around 60-65 CHSP service providers to co-design how the pilots will work in practice.

Communications:

- The department will prepare a communication plan which will outline opportunities to announce and communicate the outcomes of the pilot, this is expected to include a CHSP webinar in November and factsheets to be published on the department's website.

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From: [HERALD, Russell](#)
To: [CONNOLLY, Thea](#)
Subject: Fwd: FW: MOW Queensland and TASMOW - Future Fit [SEC=OFFICIAL]
Date: Wednesday, 1 November 2023 7:45:28 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.jpg](#)
[QMOW and TASMOW backing FF-letter to Minister Butler 1_11_23.pdf](#)

Sent from Workspace ONE Boxer

[SEC=OFFICIAL]

----- Forwarded message -----

From: s47F [redacted]@qmow.org>
Date: 1 Nov 2023 5:47 pm
Subject: FW: MOW Queensland and TASMOW - Future Fit
To: "HERALD, Russell" s47F [redacted]@health.gov.au>
Cc:
Dear Rusty

FYI a note from TASMOW and MOWQ on Future Fit.

Kind Regards

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s47F

Chief Executive

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Meals on Wheels Queensland acknowledge the Traditional Custodians of the land and sea where we live and work. We pay our respects to Elders, past, present and emerging.



<https://playforpurpose.com.au/meals-on-wheels-qld>



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From: s47F [redacted]
Sent: Wednesday, November 1, 2023 4:46 PM
To: minister.butler@health.gov.au
Cc: s47F [redacted]@health.gov.au; s47F [redacted]@mowtas.org.au
Subject: MOW Queensland and TASMOW - Future Fit

Dear Minister Butler,

As leaders for our respective Meals on Wheels jurisdictions (Queensland and Tasmania), we are writing to thank you for your continued support of FUTURE FIT. And the opportunity to deliver the Feasibility Study.

Attached is correspondence about our perspectives of the FUTURE FIT program for your reference. Please let us know if we can be of further assistance.

Kind regards

s47F Chief Executive of Queensland Meals on Wheels) and s47F President of Tasmania Meals on Wheels)

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The Hon Mark Butler MP
Minister for Health and Aged Care
By email to: Minister.Butler@health.gov.au

1 November 2023

Addressing misinformation about the Future Fit program

Dear Minister Butler,

On behalf of the Meals on Wheels services participating in Future Fit, we would firstly like to thank you for your ongoing support and the genuine opportunity you have provided to frontline services to be part of co-design, with your department, to stabilise and transform our network.

We write to you as the state associations of Queensland and Tasmania, both also being frontline service providers, as well as members of the Australia Meals on Wheels Association (AMOWA).

As frontline services we are committed to remaining a trusted delivery partner of government.

As you would be aware, at the recent Community Affairs Supplementary Budget Estimates committee hearing, Senator Rice tabled one-sided information provided by a consultant from Meals on Wheels Victoria. This information was also sent to all Members of Parliament and Senators in Victoria. In our view, this serves to undermine what it claims to stand up for, and we do not support these actions.

The voices of dissent against Future Fit **do not** represent us, and they do not represent the frontline services engaged in the Feasibility Study, with over 2.3 million meals delivered annually between them.

We know that Future Fit, and as part of this reform program the Feasibility Study, is a once in a lifetime opportunity to strengthen and improve the viability and sustainability of all meals on wheels with the beneficiaries being older Australians wanting to maintain independence to live at home as well as the continuation and strengthening of volunteering opportunities for the community.

As leaders within the network who want to see tangible change, we will continue to work closely with your department through the Feasibility Study to codify a reform option for the betterment of all meals on wheels services. For example, we are currently working collaboratively on the definition and application of what is a meal in a community home care setting. This is the first-time front-line services have been engaged together in this way.

The Future Fit program is a genuine, outcomes orientated engagement that has – for the first time – united frontline services across Queensland, New South Wales and Tasmania and also Victoria with the involvement of Ballarat and Whitehorse. This very close and collaborative working relationship between services has generated a level of positivity and connection never seen before between frontline services across jurisdictions in our time with meals on wheels respectively.



Our collective goal is to sustain this great institution that has cared for communities across Australia for 70 years. We are not here to write reports about known issues, we are here to create solutions that make a real and positive difference on the ground. We would like to take this opportunity to thank the senior personnel from the department (Michael Lye, Thea Connolley and Russell Herald) who have shown great fortitude and commitment to the necessary reforms that will see our network survive.

You should also know that our services have a trusted and respectful relationship with the consultants engaged to support Future Fit, who have put everything on the line to help us thrive.

We would welcome the opportunity to brief your office directly on the impact Future Fit has had, and will continue to have, on the lives of older Australians.

Thank you for your continued support of Future Fit, and for creating the opportunity for frontline services to develop properly informed and sustainable solutions collaboratively with your department.

Yours sincerely,

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Chief Executive
Queensland Meals on Wheels

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President
Meals on Wheels Association of Tasmania

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