

## 2024 Progress Report Summary: Implementation of the Recommendations of the Royal Commission into Aged Care Quality and Safety

The Royal Commission into Aged Care Quality and Safety (Royal Commission) set out the foundations for transformational change across the aged care system. Much has been achieved in the ensuing 3 years, and much more is planned or well underway.

The Inspector-General of Aged Care has assessed the Australian Government's response to each of the 148 recommendations of the Royal Commission. With a particular focus on access and navigability issues – which are widely acknowledged systemic issues in the delivery of aged care – the Inspector-General has identified the need for more ambitious action and a continued concerted effort from government.

**Attachment A** presents the Inspector-General's specific observations. In summary, they call on government to:

- introduce a more seamless, demand-driven aged care system
- improve people's understanding of aged care
- ensure the system delivers high-quality, enablement-focused care
- ensure sustainable provision of care that meets people's preferences and diverse situations, and
- improve integration between the healthcare and aged care systems.

### Key messages in the 2024 Progress Report

#### *Access and navigability – the system architecture*

Access and navigability are inherently shaped by the architectural foundations of the aged care system. In the current system, access to care is rationed. The Royal Commission called for a paradigm shift, recommending establishing a new seamless aged care program with access to care as an entitlement based on assessed need. The Inspector-General is disappointed that the government is not implementing this cornerstone reform – the new Aged Care Act and the new Support at Home Program retain a ration-based approach. As a direct consequence, older Australians with assessed needs will continue to miss out or face long delays in accessing care.

#### *Improving information, navigability and access pathways*

Older Australians continue to struggle when starting their aged care 'journey'. Despite improvements following the Royal Commission, My Aged Care needs further refinement, and the assessment process needs to be more timely and more comprehensive. Many Australians continue to wait too long for their assessment and too long to start receiving care.

The Inspector-General considers there is a pressing need for government to provide more active face-to-face support for people seeking aged care. Initiatives such as 'care finders' and Services Australia's Aged Care Specialist Officers are sound but too narrowly focused or insufficiently resourced to meet peoples' needs.

Similarly, star ratings – an important and useful initiative – require further development and expansion into home care to provide the level of assistance the Royal Commission envisaged for older people.

#### *Ensuring an appropriate and secure workforce*

Workforce shortages are an ongoing problem in aged care. Reforms are slowly progressing following the Royal Commission. The Inspector-General recognises the challenges, and calls on all levels of government to continue to work together to expedite the implementation of a broad suite of reforms to address systemic workforce issues.

#### *Improving access to health care and allied health care*

The interface between the health and aged care systems continues to need further attention. There has been limited action taken to date. The Inspector-General is concerned that people in residential aged care may not have adequate access to a GP or other clinical services, or to comprehensive 'enablement-focused' care. Incentives in the current funding arrangements do not sufficiently recognise the importance of allied health services.



### *Improved access to respite care*

Timely access to respite is critical for carers. It helps sustain caring relationships and carers' health, and supports older people's preferences to receive care 'at home'. The Inspector-General is concerned that current funding for respite care may not be sufficient to encourage providers to offer this service or provide respite carers with the flexibility they seek and need.

### *Improving dementia support*

The Inspector-General recognises the complexity of care needs of people living with dementia and their carers. While reforms to improve access to care for people living with dementia and to establish dementia support pathways have begun, further work is needed. Awareness of, and access to, more specialist dementia care services and dementia support pathways needs to be improved and more widely promoted. Dementia-specific training should be mandatory for the aged care workforce.

### *Supporting First Nations Australians in aged care*

Culturally safe, trauma-aware and healing-informed care needs to be embedded in aged care programs to ensure First Nations Australians receive appropriate care. Further reform is also necessary to ensure the reformed aged care system meets First Nations peoples' needs.

### *Designing for diversity in aged care*

The government's approach to improving access to aged care for those from diverse backgrounds has involved making reforms parallel to, or as an 'add-on' to, the broader aged care system. This is not to say older persons from culturally and linguistically diverse communities, LGBTQI+ adults and people with disability have not seen improvements in their aged care experiences; however, the Inspector-General supports the Royal Commission's calls for a redesigned aged care system that embraces diversity at its core.

### *Improving access in regional, rural and remote communities*

The Inspector-General considers that the availability of services, the adequacy of funding and the capacity of systems to address complex care needs should be critical government considerations in providing aged care to older Australians living in regional, rural and remote communities.

## **Inspector-General's suggested government priorities for the next 6 months**

- *Reconsider rationing:* In finalising the new Act, the government should revisit the Royal Commission's recommendations to implement a new, seamless, needs-based aged care system.
- *Finalise the new Act:* A revised, complete version of the new Act and Rules should be finalised promptly.
- *Additional funding for home care:* Should the government be disinclined to move to a needs-based system, substantial additional funding is urgently needed to resolve unmet demand.
- *Build sector confidence:* The government should prioritise and increase stakeholder engagement about the reform agenda.
- *Address perverse incentives and outcomes:* The government must carefully consider whether individual elements of the reform agenda work optimally together with a view to increasing complementarity and resolving conflicts.
- *Investigate the sufficiency of residential care funding:* The government needs to examine whether current funding for regional residential aged care providers is sufficient to meet the actual cost of care.

## **Preparation of the report**

The 2024 Progress Report has been prepared in response to the *Inspector-General of Aged Care Act 2023*, which requires the Office of the Inspector General of Aged Care to set out the Commonwealth's measures and actions in response to the Royal Commission as at 1 January 2024. To inform the report, the Office extensively consulted with credible, experienced stakeholders, including consumer and provider peaks and advocacy organisations, people with lived experience of aged care, aged care providers and relevant government agencies. Public submissions also informed the report.

## Inspector-General Observations

## ATTACHMENT A

Chapter 1: Access and Navigability – the system architecture
<p>The Inspector-General is very confident that a demand-based aged care system does not pose a threat to budget integrity and is not inconsistent with ensuring the financial sustainability of the aged care system.</p>
<p>The Inspector-General calls on the government to commit to the implementation, in full, of Royal Commission recommendations 25 and 41, which would deliver a needs-based system. Together with a rights-based new Act, these recommendations are the bedrock of the transformed new aged care system the Royal Commission envisaged. Without implementation of these recommendations, many Australians with a genuine and assessed need will continue to miss out on critical aged care services during a highly vulnerable period in their life.</p>
<p>The Inspector-General recognises that moving to a needs-based system will be a significant undertaking that cannot be achieved in one Budget. The finalisation of the new Act provides an opportune time to make this commitment and establish a timeline to achieve full implementation over the medium term.</p>
Chapter 2: New Aged Care Act and system redesign
<p>The Inspector-General recognises the imperative of ensuring the new Act establishes a robust rights-based framework. In that regard, the Inspector-General stresses the need for fulsome engagement with stakeholders' views on ways to enhance the operation of human rights.</p>
<p>The Inspector-General considers that intelligence derived from complaints can have a significant positive impact on the effectiveness of compliance action. Strong systems are, however, needed to ensure the Complaints Commissioner's investigations are, and are perceived to be, beyond the influence of the rest of the Aged Care Quality and Safety Commission's (ACQSC's) leadership.</p>
<p>The Inspector-General has identified a need for the government to take proactive steps to ensure that consumer demand is measured, and shortfalls promptly addressed.</p>
<p>The Inspector-General appreciates the reasons for the delay in incorporating the Commonwealth Home Support Programme (CHSP) into Support at Home. Ahead of the transition, the Inspector-General advocates systematic and comprehensive engagement with the sector, particularly CHSP providers, to support them throughout the reform process, avoid uncertainty, and help mitigate risks and implementation challenges as they arise. The Inspector-General notes that it is important to bear in mind that unsuccessful and delayed attempts to consolidate CHSP into a single home care program go back a decade.</p>
<p>The Inspector-General considers it critical that there be no further delays in commencement of the new Act. It is to be hoped that the revised Bill can be introduced in time for thorough parliamentary consideration and passage before the end of 2024.</p>
<p>The Inspector-General considers that it is important that sector and community views be fully considered in finalising the legislation prior to introduction into Parliament.</p>
<p>The Inspector-General also considers that undertaking stakeholder consultations on the Rules while the Bill is being considered by Parliament will improve transparency, allow the sector an opportunity to comment, and help support transition to the new framework.</p>
<p>Given policy and detailed design work on Support at Home is still to be progressed, and the potential for that work to coincide with the federal election (and its accompanying caretaker period) in 2025, the Inspector-General considers that the risk of not achieving the stated 1 July 2025 timeframe is not inconsequential. Therefore, the Inspector-General reiterates the need to maintain momentum towards delivering Support at Home, including resolving any outstanding policy questions, and to engage with key stakeholders throughout that process as appropriate.</p>



### Chapter 3: Improving information and access pathways

The Inspector-General considers that a long-term strategic approach remains urgently needed to address public misconceptions, raise awareness, and encourage people to plan ahead. A strategic focus is also needed to providing clear and practical information on how aged care works and how to access it when needed. For this strategic approach to be effective, it is vital that it be applied with a population-wide perspective.

The Inspector-General considers that there is a need for the My Aged Care website to be supplemented by greater face-to-face or personalised support to access aged care, such as that provided by the Contact Centre but more so care finders, Services Australia's Aged Care Specialist Officers (ACSOs), and advocates.

The Inspector-General considers additional improvements to the My Aged Care website are needed. Greater understanding of user experience could help identify areas for improvement, and improvements should be co-designed with a diversity of users, as well as learning from commercial websites that are highly rated for ease of use.

While the Inspector-General welcomes data showing a decline in home care wait list 'elapsed days', it is important that the Department objectively investigate and respond to consistent stakeholder accounts of lengthy delays and systemic shortcomings.

The Inspector-General calls on the Department to actively monitor and report on the impacts of grants for priority Aged Care Planning Regions in meeting unmet consumer demand and in minimising wait times.

In finalising the policy for the move to a single assessment model, the Inspector-General calls on the Department to consider the identified limitations of the current assessment processes and seek to ensure the Integrated Assessment Tool (IAT) encourages holistic assessment that takes adequate account of the breadth of people's care needs and the availability of local care options and likely wait times. Ensuring there is a sufficient pool of appropriately trained assessors will also be a key consideration in the success of the new model.

### Chapter 4: Initiatives to support access

The Inspector-General considers that stakeholder concerns about the operation of the care finders initiative warrant the Department further considering whether the program is providing the level of support that the Royal Commission envisaged.

The Inspector-General calls on the Department to review Primary Health Network (PHN) provision of care finders, with a view to determining whether variability is causing some people to receive inadequate assistance and whether stronger guidelines, more training or greater centralised oversight and accountability is warranted.

The Inspector-General observes that awareness of the availability of care finder support is critical to the overall success of the program and calls for further investigation by the Department to identify and address any gaps in that awareness.

The Inspector-General calls on the Department to review the outcomes of, and if necessary reconsider the merits of, combining the previous Assistance with Care and Housing program with the care finders initiative, and further engaging with stakeholders about the specific needs of older people at risk of homelessness.

The Inspector-General considers the development of an appropriate star ratings system for home care to be a high priority.

The Inspector-General calls on the Department to publish a timeframe for extending star ratings into home care, noting that the ideal start date would be 1 July 2025, to coincide with the commencement of Support at Home.

The Inspector-General calls for greater differentiation in star ratings. A greater level of granularity will deliver a more usable system. It will provide additional information to people and further drive continuous improvement in service delivery.



<p>The Inspector-General supports ongoing monitoring and assessment of quality indicators and resident surveys to ensure they are fit for purpose. The star ratings evaluation currently underway is welcome and should take this into account.</p>
<p>The Inspector-General recognises the need to minimise the possibility of providers being discouraged from voluntarily reporting compliance issues out of fear of being penalised with a poorer rating. An appropriate balance is needed to ensure star ratings do not turn a 'blind eye' to repeated non-compliance, and that they encourage positive engagement with compliance requirements and foster continuous improvement. The Inspector-General considers clearer public messaging about the treatment of non-compliance in the star ratings is needed.</p>
<p>The Inspector-General believes that an enhanced star ratings program has much positive potential and advocates that effective and strategically focused communications strategies be used to educate the community.</p>
<b>Chapter 5: Ensuring an appropriate and secure workforce</b>
<p>The Inspector-General welcomes the significant funding injection provided by the government in response to the Fair Work Commission's decision and considers it a significant step forward in supporting the aged care workforce and addressing workforce shortages.</p>
<p>The Inspector-General calls on the government to undertake a systemic review of the reasons for variable workforce shortages and consider targeted options to work with providers to support the attraction, retention and development of the aged care workforce to best-practice levels, including addressing factors outside a provider's control.</p>
<p>With the ageing of the Australian population likely to further increase demand for nurses across the health and aged care sectors, and the simultaneous ageing of the nursing workforce, the Inspector-General supports high-priority action by the government to address the existing nursing shortfall in Australia and encourage the sustained growth of the nursing workforce.</p>
<p>The Inspector-General considers the government should consider greater reliance on enrolled nurses (ENs), and assistants in nursing (AINs), under the suitable direction of a registered nurse (RN), in the move to increase care minute requirements.</p>
<p>The Inspector-General recognises the current and increasing diversity of the aged care workforce and the need for providers to be supported by policies and programs that protect their staff, educate their clients, and support safe and inclusive work environments.</p>
<b>Chapter 6: Improving access to health care and allied health care</b>
<p>The Inspector-General considers that there is a clear need for more policy work and substantive action on integrating the health and aged care systems around the provision of high-quality care. People in residential care settings should have equal access to health care to those in the community. Too often it appears that access decreases after entry to residential care.</p>
<p>The Inspector-General supports the Department initiating a review of the impact of the Australian National Aged Care Classification (AN-ACC) and the focus on delivering the required care minutes, on the provision of allied health in residential care settings. In doing so, the Inspector-General suggests the Department consider whether other policies, such as legislating a requirement for providers to spend all their care subsidy on the provision of enablement-focused care, could offer an effective means of realising the Royal Commission's intent.</p>
<b>Chapter 7: Improving access to respite care</b>
<p>The Inspector-General calls on the Department to develop more comprehensive information about the availability, use and unmet demand for respite care, and make it publicly available.</p>
<p>The Inspector-General calls on the Department to investigate the current state of respite provision with a view to increasing supply and achieving a better match between service availability and carer needs. The</p>



<p>Department should also examine the adequacy of current funding, as well as broader factors acting as incentives and disincentives.</p>
<b>Chapter 8: Improving dementia support</b>
<p>The Inspector-General notes that workforce issues impact access to aged care for people living with dementia, with some providers unwilling to admit people with complex care needs if they do not have sufficient highly skilled personnel to manage their care.</p>
<p>The Inspector-General calls on the Department to implement further strategies to improve access to aged care for all people living with dementia.</p>
<p>The Inspector-General considers greater awareness-raising may be needed regarding dementia pathways, particularly for key referral points.</p>
<p>While the Inspector-General acknowledges the importance of ensuring dementia pathways reflect local service offerings, there is merit in the Department considering how a 'baseline' level of national consistency could be achieved across PHNs.</p>
<b>Chapter 9: Supporting First Nations Australians in aged care</b>
<p>The Inspector-General considers that cultural safety needs to be embedded in aged care programs to ensure culturally appropriate care is always delivered to First Nations Australians. The Inspector-General welcomes the commitment of funds to support cultural safety, and the adoption of trauma-aware and healing-informed care principles and training across all aged care services.</p>
<p>The Inspector-General considers there is a need for the Commonwealth to consult more broadly and more frequently with First Nations elders, advocates and providers to support the transition to a new aged care system. There is also a need to communicate a 'strategic vision' about the future of aged care for First Nations Australians, similar to the need for this across the whole aged care reform program.</p>
<p>The Inspector-General recognises systemic reform is a complex process and will continue to report on the integration and co-design of the aged care system with First Nations elders, advocates and communities.</p>
<b>Chapter 10: Designing for diversity in aged care</b>
<p>The Inspector-General considers the government needs to do more to ensure people from diverse backgrounds are welcome in aged care settings, that they feel accepted, and their specific needs are recognised and met.</p>
<p>The Inspector-General considers that to best facilitate and support diversity in aged care, the provision of individualised, person-centred care needs to be at the core of the transformational reform agenda. Although 'person-centred' has been the mantra of many in aged care for some years, as discussed in Chapter 2, the evidence suggests that this is still not how most of the system and services are designed. Many services may be increasingly person-responsive, but they are not yet, as a rule, person-centred.</p>
<p>The Inspector-General believes it is critical the reforms of the aged care system support a redesigned system devoid of assumptions of 'mainstream' and 'diverse' approaches to care. The system must be genuinely 'each-person' focused and designed.</p>
<b>Chapter 11: Improving access in regional, rural and remote areas</b>
<p>The Inspector-General acknowledges that while governments are working together to address nursing shortages, there is an urgent need to boost numbers in regional, rural and remote areas now. Strategies – and tangible actions – are also needed to build the non-nursing aged care workforce. Appropriate assistance for providers is also critical to ensuring broader availability of aged care.</p>
<p>The Inspector-General looks forward to the Independent Health and Aged Care Pricing Authority (IHACPA) transitioning to a point where it is providing more comprehensive advice to the government on the AN-ACC model, including the appropriateness of the current Base Care Tariff. In this regard, the Inspector-General</p>



considers that it is critical that IHACPA's advice is based on the most comprehensive and real-time data on the actual cost of delivering care.

The Inspector-General considers there is an urgent need for the government to consider the sufficiency of the current Base Care Tariff across non-metropolitan areas.

The Inspector-General acknowledges further consideration is being given to measures to support the provision of aged care services in regional, rural and remote locations, and notes the complexity of current barriers impacting the aged care workforce across Australia.

### Conclusion

In conclusion, the Inspector-General calls for:

- the government to establish an aged care system based on an entitlement to all forms of support and care an individual is assessed as needing
- as part of finalising the new Act, consideration of sector and community views, and preparation of a subsequent complete version for introduction to Parliament as soon as practicable
- sufficient home care funding to meet demand
- the government to build sector confidence
- perverse incentives and outcomes to be addressed
- steps to ensure AN-ACC funding is sufficient
- Commonwealth agencies to take stock of relevant Royal Commission recommendations and consider whether the measures and actions implemented to date, or likely to be in place by 1 January 2025, address the totality of what the Royal Commission called for, or alternatively the broad intent.