



NACCHO

National Aboriginal Community
Controlled Health Organisation
Aboriginal health in Aboriginal hands

www.naccho.org.au

Aged Care Amendment (Implementing Care Reform) Bill 2022

Submission to the Senate
Standing Committee on
Community Affairs

August 2022

ABOUT NACCHO

NACCHO is the national peak body representing 144 Aboriginal Community Controlled Health Organisations (ACCHOs). We also assist a number of other community-controlled organisations.

The first Aboriginal medical service was established at Redfern in 1971 as a response to the urgent need to provide decent, accessible health services for the largely medically uninsured Aboriginal population of Redfern. The mainstream was not working. So it was, that over fifty years ago, Aboriginal people took control and designed and delivered their own model of health care. Similar Aboriginal medical services quickly sprung up around the country. In 1974, a national representative body was formed to represent these Aboriginal medical services at the national level. This has grown into what NACCHO is today. All this predated Medibank in 1975.

NACCHO liaises with its membership, and the eight state/territory affiliates, governments, and other organisations on Aboriginal and Torres Strait Islander health and wellbeing policy and planning issues and advocacy relating to health service delivery, health information, research, public health, health financing and health programs.

ACCHOs range from large multi-functional services employing several medical practitioners and providing a wide range of services, to small services which rely on Aboriginal health practitioners and/or nurses to provide the bulk of primary health care services. Our 144 members provide services from about 550 clinics. Our sector provides over 3.1 million episodes of care per year for over 410,000 people across Australia, which includes about one million episodes of care in very remote regions.

ACCHOs contribute to improving Aboriginal and Torres Strait Islander health and wellbeing through the provision of comprehensive primary health care, and by integrating and coordinating care and services. Many provide home and site visits; medical, public health and health promotion services; allied health; nursing services; assistance with making appointments and transport; help accessing childcare or dealing with the justice system; drug and alcohol services; and help with income support. Our services build ongoing relationships to give continuity of care so that chronic conditions are managed, and preventative health care is targeted. Through local engagement and a proven service delivery model, our clients 'stick'. Clearly, the cultural safety in which we provide our services is a key factor of our success.

ACCHOs are cost-effective. In 2016, a cost-benefit analysis of the services provided by Danila Dilba to Aboriginal and Torres Strait Islander people in the Greater Darwin region was undertaken by Deloitte Access Economics. The findings demonstrated that each dollar invested in the health service provides \$4.18 of benefits to society. ACCHOs are also closing the employment gap. Collectively, we employ about 7,000 staff – 54 per cent of whom are Aboriginal or Torres Strait Islanders – which makes us the third largest employer of Aboriginal or Torres Strait people in the country.

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Recommendations

NACCHO recommends that:

1. The *Aged Care Amendment (Implementing Care Reform) Bill 2022* be amended to allow for a staggered implementation of the 24/7 nursing requirement are follows:
 - **1 October 2023:** requirement for residential aged care services to have a registered nurse on site and on duty 16 hours a day
 - **1 October 2024:** requirement for residential aged care services to have a registered nurse on site and on duty 24 hours a day
2. The *Aged Care Amendment (Implementing Care Reform) Bill 2022* be amended to allow for a temporary exemption for emergency events and exceptional circumstances
3. The Senate Standing Committee on Community Affairs make recommendations on:
 - The type of flexible services that will be subject to new requirements; and
 - Exemptions for Aboriginal and Torres Strait Islander community-controlled, rural and remote and small services that take into consideration access to offsite/co-located clinical staff and inability to recruit registered nurses and find suitable staff accommodation.

Introduction

NACCHO welcomes the opportunity to provide a submission to the Senate Standing Committee on Community Affairs (Senate Committee) on the *Aged Care Amendment (Implementing Care Reform) Bill 2022* (the Bill).

National Agreement on Closing the Gap

In July 2020 the Australian Government, all state and territory governments, and the Coalition of Peaks signed the *National Agreement on Closing the Gap* (National Agreement). The reforms and targets outlined in the National Agreement seek to overcome the inequality experienced by Aboriginal and Torres Strait Islander people, and achieve life outcomes equal to all Australians. All governments have committed to the implementation of the National Agreement's four Priority Reform Areas, which seek to bring about structural change to affect ways in which governments work with Aboriginal and Torres Strait Islander organisations, communities and individuals. The four Priority Reforms are:

Priority Reform Area 1 – Formal partnerships and shared decision-making

This Priority Reform commits to building and strengthening structures that empower Aboriginal and Torres Strait Islander people to share decision-making authority with governments to accelerate policy and place-based progress against Closing the Gap.

Priority Reform Area 2 – Building the community-controlled sector

This Priority Reform commits to building Aboriginal and Torres Strait Islander community-controlled sectors to deliver services to support Closing the Gap. In recognition that Aboriginal and Torres Strait Islander community-controlled services are better for Aboriginal and Torres Strait Islander people, achieve better results, employ more Aboriginal and Torres Strait Islander people and are often preferred over mainstream services.

Priority Reform Area 3 – Transformation of mainstream institutions

This Priority Reform commits to systemic and structural transformation of mainstream government organisations to improve to identify and eliminate racism, embed and practice cultural safety, deliver services in partnership with Aboriginal and Torres Strait Islander people, support truth telling about agencies' history with Aboriginal and Torres Strait Islander people, and engage fully and transparently with Aboriginal and Torres Strait Islander people when programs are being changed.

Priority Reform 4 – Sharing data and information to support decision making

This Priority Reform commits to shared access to location-specific data and information (data sovereignty) to inform local-decision making and support Aboriginal and Torres Strait Islander communities and organisations to support the achievement of the first three Priority Reforms.

Registered Nurses in residential aged care

NACCHO would like to comment on section 54-1A of the Bill relating to the requirement to have a registered nurse on site and on duty at all times in residential aged care facilities. NACCHO acknowledges the importance of residents having access to registered nurses to provide clinical services and integrated care including access to medications and pain relief, wound and skin care, dementia and behavioural support and palliative care. Access to nursing care has been shown to reduce unnecessary admissions to hospitals and ensure early intervention and management of

health issues. Registered nurses also provide invaluable mentoring, support and supervision for the personal care workforce and ensure high levels of infection control are maintained across the service.

However, NACCHO has some concerns in relation to the Bill and the introduction of a new 24/7 nursing requirement including:

- The short timeframe for providers to implement the requirement
- Lack of registered nurses available to work in aged care, especially in rural and remote locations
- No provision for emergency events and exceptional circumstances
- Lack of detail on exemptions to the new requirements
- No detail on which flexible services will be subject to the new requirements

Staged Implementation

NACCHO acknowledges the Labor Party's election commitment to introduce a 24/7 registered nurse requirement by 1 October 2023. We are, however, concerned that the introduction of this measure within such a short timeframe will mean it cannot be met by all providers. There is a risk that many services may need to close, or that providers will leave aged care, especially in areas where there are no other services available. There is a known undersupply of health and care staff across the sector - in aged care, this includes registered nurses. The aged care industry needs adequate time to recruit and train additional staff. Many of these additional nurses may be entering the aged care industry for the first time and will require mentoring and training to ensure they can undertake their roles effectively.

The Royal Commission into Aged Care Quality and Safety (Royal Commission) recommended a staged implementation of the 24/7 nursing requirement.

NACCHO strongly supports a staged approach based on recommendation 86 from the Royal Commission:

- **1 October 2023:** requirement for residential aged care services to have a registered nurse on site and on duty 16 hours a day
- **1 October 2024:** requirement for residential aged care services to have a registered nurse on site and on duty 24 hours a day

This lead time ensures that providers have an adequate number of staff to meet the minimum requirement and can accommodate staff absences. However, given the current undersupply of registered nurses and high workforce turnover, providers alone cannot increase the supply of registered nurses and will need to be supported by initiatives that attract and retain registered nurses in aged care. This requirement needs to be supported by government and industry programs and funding that provide the following:

- Support for enrolled nurses to upgrade their qualifications and nurses with lapsed registration to re-train and re-gain registration
- Support for registered nurses working in other areas of health to move into aged care

- Initiatives that increase remuneration for registered nurses in aged care to be commensurate with the acute and primary care sectors
- Initiatives to attract and recruit overseas trained nurses
- Initiatives to attract and support more people to train as nurses with a particular emphasis on Aboriginal and Torres Strait Islander people, people living in rural and remote locations and people from other diverse groups.
- Initiatives that consider the role of Aboriginal Health Practitioners and upskilling.

Emergency Events

The Bill and Explanatory Memorandum does not make provision for instances where providers cannot meet the requirements due to exceptional circumstance and emergency events.

NACCHO recommends the Bill be updated allow providers to seek an exemption when:

- A nurse is unable to attend their shift due to illness or resigns with no notice and no replacement can be found at short notice;
- Exceptional circumstances that limit the number of staff who can attend the service, for example during pandemic events; and
- A nurse is unable to access the service and attend their shift due to an emergency event such as flood and bushfires.

There should be provision for providers to report when these events occur and be provided with a temporary exemption. A cap on the number of days that a provider can claim an exemption might be considered to ensure providers do not use this mechanism to avoid the new requirements.

Impact on the Aboriginal and Torres Strait Islander Aged Care

NACCHO is particularly concerned about the effects of these new requirements on the delivery of aged care to Aboriginal and Torres Strait Islander people. In the next decade, the population of Aboriginal and Torres Strait Islander people aged 50 and over is projected to double to almost 250,000 people¹. This unprecedented population growth, combined with the complex health issues that Aboriginal and Torres Strait Islander people experience as they age, are likely to present major challenges for aged care and health providers to respond to the increased service needs of Aboriginal and Torres Strait Islander Elders. Compounding this, an estimated 33,000 of these people are Stolen Generations survivors² who experience a significantly higher burden of trauma and chronic disease and are more likely to develop dementia as they age.

We know that major barriers exist for Aboriginal and Torres Strait Islander people to access aged care, particularly in rural and remote locations. These include difficulty navigating the system, a lack of service providers which may require a person to move away from family and Country to access aged care, a lack of culturally appropriate and/or trauma informed provision of care, experiences of racism, and distrust of institutional care as a result of both personal and historical experiences.

¹ Centre for Aboriginal Economic Policy Research. 2011. CAEPR Indigenous Population Project. 2011 Census Papers. Paper 14: Population Projections. Canberra: ANU.

² Healing Foundation, March 2021, <https://healingfoundation.org.au/2021/03/03/royal-commission-final-report-recommends-much-needed-specialised-aged-care-for-stolen-generations-survivors/>

Aboriginal community-controlled organisations such as Aboriginal Community Controlled Health Organisations (ACCHOs) are well-placed to provide aged care services to Aboriginal and Torres Strait Islander people as they are already trusted local health care providers and have a national footprint across urban, regional, rural and remote settings. In addition, they can ensure Stolen Generation survivors are offered holistic social and cultural support to access trauma-informed aged care services.

The Royal Commission into Aged Care Quality and Safety (Royal Commission) noted the decline in availability of aged care services for outer regional and remote areas. It further expressed concern that Aboriginal and Torres Strait Islander people do not access aged care at a rate commensurate with their level of need. It also noted that many Aboriginal and Torres Strait Islander people prefer to receive services from Aboriginal and Torres Strait Islander people and from Aboriginal and Torres Strait Islander organisations. The Royal Commission made a number of recommendations designed to improve access to and availability of care for Aboriginal and Torres Strait Islander people including:

- *priority is given to existing and new Aboriginal and Torres Strait Islander organisations, including health, disability and social service providers, to cooperate and become providers of integrated aged care services (Recommendation 47b)*
- *there is a focus on providing services within, or close to, Aboriginal and Torres Strait Islander populations while maximising opportunities for people to remain on, and maintain connection with, their Country and communities (Recommendation 47d)*
- *the Australian government should assist Aboriginal and Torres Strait Islander organisations to expand into aged care service delivery, whether on their own or in partnership with other organisations, including with Aboriginal Community Controlled Organisations and existing Aboriginal and Torres Strait Islander providers (Recommendation 50).*

These recommendations were accepted by the government and also align with Priority Reform Two of the National Agreement which seeks to build a strong and sustainable Community Controlled Sector.

The introduction of 24/7 registered nursing requirements will exclude many ACCHOs from joining the market. This risks leaving Aboriginal and Torres Strait Islander Elders going without essential care in order to stay on Country, or having to move away from Country and family at the very time they are needed the most. Providers already delivering care, including those in urban, rural and remote locations and those operating small facilities will also struggle to meet these new requirements. Services in these locations face a range of issues when trying to recruit and retain registered nurses which may include the high costs of recruitment and/or relocation and a lack of access to suitable accommodation. Remote services often need to provide expensive incentives such as remote allowances, free/subsidised accommodation, travel allowances and additional leave. There is a high turnover of staff in rural and remote locations due to a range of factors including isolation, culture shock and the complex and confronting nature of the work. It is important to note that services in urban areas also operate in economically and culturally thin markets. Across the sector, there is a lack of access to staff who have suitable cultural awareness and understand how to deliver care to Aboriginal and Torres Strait Islander people.

Further, as identified by the National Skills Commission's 2021 *Care Workforce Labour Market Study*, growth needs for the health care and social assistance (HCSA) workforce overall are estimated to be in the order of 14.2% to 2025, a requirement for 249,500 workers. We know that the Aboriginal and Torres Strait Islander community-controlled sector is already facing major workforce challenges, existing services are experiencing severe staff shortages and demand will soon outstrip supply of suitably skilled and job ready Aboriginal and Torres Strait Islander employees. This shortage will impact access to culturally appropriate, effective and efficient support and assistance for our communities. For Aboriginal and Torres Strait Islander workers to make up a modest, proportionate component (say 3.3%) of the forecast increase, an additional 8,233 Aboriginal and Torres Strait Islander workers are required within in the next four years.

In order to meet the recommendations of the Royal Commission and the National Agreement and ensure Aboriginal and Torres Strait Islander people receive aged care from the most appropriate organisations, consideration must be given to alternative staffing models for services in urban, regional, rural, remote and very remote locations.

Exemptions

NACCHO acknowledges that exemptions to the new 24/7 nursing requirements will be set out in the *Quality of Care Principles*. However, consultation on the Bill provides a unique opportunity for the Senate Committee to make recommendations in relation to exemptions. Timely advice on the exemptions will ensure that aged care providers and those wanting to enter aged care are clear on what service types are included and what exemptions will be in place.

NACCHO believes this is an opportunity to consider alternative models of service delivery and staffing in these locations and to take the following into consideration:

- Services in rural and remote locations may be co-located or in the same community as a health clinic where they can access clinical staff such as registered nurses and general practitioners. For example, Aboriginal Community Controlled Health Organisations clinics or Multipurpose Services. For Aboriginal community controlled services operating in urban settings this can also be applied.
- The high ongoing costs of recruiting and retaining registered nurses in rural and remote locations could be reduced by sharing clinical staff with other services/clinics. Flexibility of funding and pooling of funds increases the likelihood that a clinical workforce will be available in the community.
- Services that deliver care to people from diverse groups need to ensure that residents receive care from staff who understand their specific cultural and health needs. For example, Aboriginal and Torres Strait Islander staff are best placed to deliver culturally appropriate and trauma-informed care to Aboriginal and Torres Strait Islander clients.
- Services that struggle to recruit registered nurses, may be able to recruit greater numbers of enrolled nurses or Aboriginal and Torres Strait Islander Health Practitioners who also provide high level health services and supervision/mentoring of staff. These positions would also offer career pathways for personal care workers.

NACCHO recommends two levels of exemption with Level 1 providing an ongoing automatic exemption (as long as the requirements continue to be met) and Level 2 requiring providers to apply for an exemption (this could be time limited or ongoing). Providers would be required to advise the

Department of Health and Aged Care if their circumstances change. Monitoring of the exemptions could be undertaken by the Aged Care Quality and Safety Commission when assessing provider compliance with the Aged Care Quality Standards. The proposed exemptions are:

Level 1 exemptions: Services located in MM6 and MM7 and/or services with less than 25 residential places are exempt if they meet the following requirements:

- 24/7 access to a medical professional, such as a registered nurse or general practitioner, who can attend the service and provide medications/pain relief, clinical advice and assessment and clinical supervision. The staff should be located within a reasonable distance from the facility, for example at a co-located or nearby health clinic. Some services may also be able to make use of an Aboriginal and Torres Strait Islander Health Practitioner if state and territory regulations allow them to administer medications.
- On-site staff 24/7 that can meet of the aged care clients and who have adequate training and understanding of when to escalate issues and contact clinic staff.

Level 2 exemptions: Other services may request an exemption if:

- They can show evidence of repeated unsuccessful attempts to recruit a registered nurse and/or to access appropriate accommodation for registered nurses.
- 24/7 access to a medical professional, such as a registered nurse or general practitioner, who can attend the service and provide medications/pain relief, clinical advice and assessment and clinical supervision. The staff should be located within a reasonable distance from the facility, for example at a co-located or nearby health clinic.
- On-site staff 24/7 that can meet of the aged care clients and have adequate training and understanding of when to escalate issues and contact clinic staff.

In summary, **NACCHO recommends** that the Senate Committee make recommendations on:

- The type of flexible services that will be subject to new requirements e.g., National Aboriginal and Torres Strait Islander Flexible Aged Care services and Multipurpose services; and
- Exemptions for services (as outlined above) that take into consideration access to offsite/co-located clinical staff and inability to recruit registered nurses and find suitable accommodation.