

# **Draft Submission on the Commonwealth Home Support Programme Manual, Fee Policy and Good Practice Guide**

April 2015

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## Opening:

Local Government NSW (LGNSW) is the peak body for NSW Local Government, representing all the 152 NSW general-purpose councils, the special-purpose county councils and the NSW Aboriginal Land Council. In essence LGNSW is the 'sword and shield' of the NSW Local Government sector. The mission of Local Government NSW is to be a credible, professional organisation representing Local Government and facilitating the development of an effective community-based system of Local Government in NSW.

## Purpose:

LGNSW welcomes the opportunity to respond to the Commonwealth Home Support Programme Manual, Fee Policy and Good Practice Guide and will address its comments to the questions contained on the Department of Social Services website and sections of the Discussion Paper which are relevant to Local Government in NSW. This submission remains a Draft until endorsement by the LGNSW Board.

LGNSW is pleased to have the opportunity to comment on the three consultation papers on the Commonwealth Home Support Programme (CHSP) offered by the Department of Social Services (DSS). Our submission will refer to the papers in the following order:

1. **CHSP Manual for Providers** (the Programme Manual), including comments on eligibility requirements and operational details such as service provider roles and responsibilities.
2. **CHSP National Fee Policy Consultation Paper** including comments on the fairness and sustainability of the aged care financing arrangements and appropriate safeguards for those least able to afford to contribute to their care.
3. **Good Practice Guide for Restorative Care Approaches (incorporating wellness and reablement) 2015** including comments on how it is to be embedded at all levels of the programme, including assessment, support planning and service delivery.

## Executive Summary

Local Government in NSW is a significant provider of Home and Community Care (HACC)/CHSP services with over 100 councils in NSW funded to provide these services. Councils in NSW have provided input to this submission. The key issues raised, and related recommendations, for each of the documents are outlined below.

### 1. CHSP manual for providers

Key concerns of councils in NSW who are currently providing HACC services are grandfathering arrangements, support for culturally appropriate practices, and access to the client portal.

#### **Recommendation 1:**

*That the Department of Social Services ensure that grandfathering arrangements are at least at current funding levels and consider growth funding for these same services until alternative arrangements are in place.*

*Due to Home Care Packages' (HCP) close link with CHSP, that the Department of Social Services review the allocation of places for HCP levels, particularly the higher level of need for Levels 3 & 4, vis-a-vis vacancies in Levels 1 & 2 and consequent effect on CHSP.*

**Recommendation 2:**

*That, in anticipation of possible increased demand for screening from July 2015, the Department of Social Services make sufficient provisions in the My Aged Care contact centre and Regional Assessment Services budgets to ensure culturally appropriate practices and that access and equity are achieved via monitoring and review.*

*That the Department of Social Services add a Culturally and Linguistically Diverse (CALD) funding supplement to better recognise the costs of providing a genuinely equitable and fair system.*

**Recommendation 3:**

*That the Department of Social Services provide a PRINT VIEW function in portals so all stakeholders can print hard copies for clients who do not have access to the internet.*

## **2. CHSP National Fee Policy Consultation Paper**

Councils in NSW are very concerned about the proposed fee policy, especially for meals, grouped services and transport. Councils in NSW have also raised concerns regarding the implementation of the hardship provision and fee capping.

Councils have raised concerns regarding the impact of hardship provision on resources available to areas of high disadvantage and the administrative burden of managing the hardship provision.

The aim of the CHSP is to enable Australians aged 65 and over to remain living independently in their own homes as long as they can and wish to do so through the delivery of timely, high quality entry-level support services, as well as to provide more choice and greater access to services.

However, Local Government in NSW suggests that the proposed fees will deter older Australians from seeking CHSP services that can support their independence, resulting in greater numbers entering prematurely into costly residential aged care. Service choice will be reduced as a result of the high fees as service providers will struggle to attract clients and become unviable.

Councils have raised particular concerns regarding services using volunteers, cost of meals, centre-based meals, grouped service, social support and community transport.

**Recommendation 4:**

*That the Department of Social Services develop a sliding scale of fees that recognises that assessment of income alone will not result in fair or equitable access to services and that fees should be based on capacity to pay and other factors such as housing costs.*

*That the Department of Social Services include a "Resources" page at the end of the fees policy document, which may include web links or templates (based on current good practice) of fee calculation which include determining additional expenses related to disability, housing costs etc. Other resources could cover organisational fees policy, letters to client, etc. It should be emphasised that these are to be used as references/resources, not prescribed standardised tools.*

*That the Department of Social Services develop a communications strategy to explain to the public the introduction of national standard fees.*

*That the Department of Social Services engage independent monitoring of CHSP pricing and impacts on equitable access, how fees policy has impacted utilisation of services and associated negative health impacts and impact on quality of CHSP services should also be undertaken.*

**Recommendation 5:**

*LGNSW recommends reviewing the wording in the Fees Policy regarding the hardship provision in relation to fee capping. Providers should be given the flexibility to build simple "bulk discounting" schemes if desired, especially for multiple services delivered by the same provider.*

*That the Department of Social Services charge Social Support-Groups (Centre-Based Day Care) per event and not per hour and that, per current practice, a flat fee should include transport, meal and social support.*

**Recommendation 6:**

*That the Department of Social Services consider providing, in future growth funding rounds, an option for providers to apply for "area of high financial disadvantage" supplement.*

*That the Department of Social Services provide information on hardship provisions at the time of assessment by My Aged Care. Also, that the Department of Social Services promote the My Aged Care website and contact details on various media channels nationally: TV, newspapers, billboards, magazines, radio, internet and ethnic media.*

**Recommendation 7:**

*That the Department of Social Services standardizes and administers all relevant processes, including the hardship provision.*

**Recommendation 8:**

*That the Department of Social Services allow volunteer-based individual Social Support services to continue at "NIL fee" level if they can be delivered for no cost, and for Social Support-Groups, allow a flat fee per event to be charged.*

**Recommendation 9:**

*That the Department of Social Services include a detailed description of what constitutes a "meal" in the fee policy.*

**Recommendation 10:**

*That the Department of Social Services adjust the cost of the service so that the social benefits of meal delivery are included.*

**Recommendation 11:**

*That the Department of Social Services review the proposed fee for meals, noting home-delivered meals should incur a flat fee (includes both production cost + cost of ingredients and transport) and special meal items (e.g. gluten-free, halal, vegetarian, etc) may incur an additional cost.*

**Recommendation 12:**

*That the Department of Social Services adjust the cost of centre-based meals to reflect the social benefits of attending a Day Centre.*

**Recommendation 13:**

*That the Department of Social Services adjust the fee policy to cater for combined service delivery, such as meal plus social support, and makes a distinction between individual and group services in the fee structure.*

**Recommendation 14:**

*That the Department of Social Services review the fee structure for community transport to take into account the difficulties of administering different fee structures for different individuals using the same service. That the Department of Social Services consider, in determining the cost of transport trips, the social benefits of breaking isolation, particularly in isolated rural areas.*

**Recommendation 15:**

*That the Department of Social Services substitute "collection" with a more encompassing word, such as "administration" or "management".*

**Recommendation 16:**

*That the Department of Social Services consider placing the role of client financial appraiser with another agency, as it currently does for the Home Care Package Program.*

### 3. **Good Practice Guide for Restorative Care Approaches (incorporating wellness and reablement) 2015**

In addition to direct service provision, around 60 councils in NSW have Ageing and Disability positions (funded through HACC) which provide crucial support to older people to remain living independently and connected to their local communities. These roles provide community development and local service co-ordination and support. By contributing to council's policy and planning processes and coordinating older persons' advisory committees, they are able to ensure that local communities are age-friendly and inclusive. They provide information sharing and community education, events co-ordination and management and support local, area and regional networks

LGNSW strongly urges the Commonwealth Government to recognise the role of these workers in supporting wellness and reablement.

LGNSW provides some comments on holistic approach, role of sector support, special needs groups, outcomes focus, client goals, duty of care and support for intensive short term need.

**Recommendation 17:**

*That the Department of Social Services clarify that holistic wellness activities may be accessed through the broader community, not necessarily as part of CHSP.*

**Recommendation 18:**

*That the Department of Social Services continue plans to administer wellness/reablement/restorative capacity building activities via sector support and development.*

**Recommendation 19:**

*That the Department of Social Services consider output expectations for providers working with special needs groups, recognising more time and resources often are required to support a wellness approach for these groups.*

**Recommendation 20:**

*LGNSW agrees that outcome performance measures should be used, but service providers should still be made accountable via outputs and outcomes.*

**Recommendation 21:**

*That the Department of Social Services ensure that questions in the National Screening Assessment Form (NASF) are sufficiently aligned with wellness/reablement/restorative approaches and that service providers are supported in meeting client goals.*

**Recommendation 22:**

*That the Department of Social Services include sections on "Duty of Care" and "Dignity of Risk" in the document.*

**Recommendation 23:**

*That the Department of Social Services further investigate the relationship between Transitional Care, ComPacks and CHSP particularly in relation to restorative care, funding boundaries and how to work together to support the transition process for clients.*

**Recommendation 24:**

*That the Department of Social Services clarify how the wellness approach fits with the provision of food services.*

## 1. CHSP Manual for Providers

LGNSW understands that the Programme Manual provides further information about the features of the CHSP, including eligibility requirements and operational details such as service provider roles and responsibilities.

LGNSW will respond to the questions outlined on the Department of Social Services website:

**Question 1: Identify any key challenges you might face in implementing the responsibilities outlined for CHSP providers. e.g. service delivery, grandfathering arrangements and interacting with My Aged Care.**

Key concerns of councils in NSW who are currently providing HACC services are grandfathering arrangements, support for culturally appropriate practices, and access to the client portal.

### ***Grandfathering arrangements***

Councils are concerned that the funding level for grandfathering arrangements will not cover needs of current clients, much less clients on wait lists who would still need a service whilst awaiting "alternative" arrangements.

### ***Recommendation 1:***

*That the Department of Social Services ensure that grandfathering arrangements are at least at current funding levels. Consider growth funding for some services until alternative arrangements are in place.*

*Due to Home Care Packages' (HCP) close link with CHSP, that the Department of Social Services review the allocation of places for HCP levels, particularly the higher level of need for Levels 3 & 4, vis-a-vis vacancies in Levels 1 & 2 and consequent effect on CHSP.*

### ***Culturally appropriate practices***

Council staff providing HACC services in areas of high cultural diversity, such as South Western Sydney, have raised concerns that funding and support for adoption of culturally appropriate practices at *My Aged Care* will not be sufficient to address the breadth of cultural needs. Of particular concern are the availability of translation and interpreter services and employment of Aboriginal staff. The extra costs incurred in delivering a culturally-appropriate and culturally-sensitive service need to be recognised. Extra costs are incurred for translating resources, interpreters, outreach and awareness-raising activities, and recruitment and retention of bilingual and bicultural workers.

### ***Recommendation 2:***

*That, in anticipation of possible increased demand for screening from July 2015, the Department of Social Services make sufficient provisions in the My Aged Care contact centre and Regional Assessment Services budgets to ensure culturally appropriate practices and that access and equity are achieved via monitoring and review.*



*That the Department of Social Services add a Culturally and Linguistically Diverse (CALD) funding supplement to better recognise the costs of providing a genuinely equitable and fair system.*

### **Limitations of internet connections**

Councils in NSW are concerned that access to *My Aged Care* Client Portal by clients and carers may be hampered if clients/carers do not have internet access or capabilities. This is particularly a concern for rural and remote communities and lower socio-economic areas in NSW.

One South Western Sydney council has found that people aged 65 and over tend to request hard copies of the South West Sydney Service Directory for Older People. Approximately 2000 copies of the Directory are distributed per year. While there is interest in computer training, such as through Computer Pals and Tech Savvy Seniors, the absence of computers in their homes is a barrier to using *My Aged Care*.

One council in the Central West of NSW has reported that access to *My Aged Care* as the single point of entry for assessment and referral to services has not been positively received within the Local Government Area. The difficulties mentioned are:

- Confusion using the phone and the questions asked (uncomfortable not speaking face to face)
- Having to leave information with a person on phone and not being contacted again for several weeks
- Not having a phone to be able to access
- Not having a computer to be able to see information provided
- Not having the confidence or support to go through the process
- Confusion that the person on the phone doesn't know what services are available in the local area

Losing the local contacts for information and referral has raised concerns with that council that options provided are less creative and appropriate than when local knowledge was available. The *My Aged Care* user may only make contact once and if they get a negative response or do not provide the right information the first time, then they may not receive the needed assistance. For isolated people it takes time to build up trust and rapport and there is a danger that more people will be falling through the cracks.

### **Recommendation 3:**

*That the Department of Social Services provide a PRINT VIEW function in portals so all stakeholders can print hard copies for clients who do not have access to the internet.*

**Question 2: Identify any support which you, as a provider, might appreciate, to meet your requirements as a CHSP service provider. e.g. business, IT and financial systems.**

Council staff who provide HACC services have requested training in how to use *My Aged Care* portals.

Clarity around *My Aged Care* and the assessment process is needed. In rural remote areas, most referrals are via 'walk in' or referrals from family/hospital/Doctors etc. Hospital referrals generally require meals and other services immediately for someone discharged from hospital. Councils fear that asking clients to ring *My Aged Care* will slow the process down significantly and may result in clients not receiving services as soon as they require them.

One northern Sydney council has expressed concern that there is insufficient time between acceptance of referrals. For example, currently in the Companion Shopping Program (individual social support), that council receives a referral and then looks for a suitable volunteer, which could take a while depending on the clients and volunteers available days for service and other factors. With the new electronic referral scheme, and the need to accept a referral within a set timeframe, there is a concern that the quality of the volunteer matching process may be compromised.

**Non-output roles**

LGNSW has recently provided feedback, through the completion of the surveys for DSS, on the need for the continuation of funding for council Ageing and Disability Officers. We continue to believe that retention of these roles is vital. There is significant value in the preventative work (community education and support) undertaken by Ageing and Disability staff to forestall the demand for other CHSP Services, for example the coordination of Healthy Ageing Seminars, falls prevention programs, and social inclusion programs. There are also significant benefits in the role of coordination and networking with local organisations to enhance social capital and achieve better outcomes for clients.

## 2. CHSP National Fee Policy Consultation Paper

LGNSW understands that the Fee Policy is designed to improve the fairness and sustainability of the aged care financing arrangements by introducing a simplified means test for services delivered to older Australians and their carers under the Commonwealth Home Support Programme. This will include appropriate safeguards for those least able to afford to contribute to their care.

LGNSW will respond to the questions outlined on the Department of Social Services website:

- Are there any additional safeguard arrangements that should apply for client financial hardship?
- What barriers or opportunities do you see in applying the proposed fee policy and standard fee schedule?
- Do you currently charge more than the rates proposed in the fees schedule attached to the consultation paper?
- Do you have any other comments or feedback?

### **Question 1: Are there any additional safeguard arrangements that should apply for client financial hardship?**

Councils in NSW have raised concerns regarding the implementation of the hardship provision and fee capping.

#### ***Financial hardship***

An inner Sydney council suggests that essential expenses referred to in the policy in relation to determinations of financial hardship must take into account housing, healthcare, utility and other family related expenses. They have raised concern about the affect of fee levels on older people living in high cost rental accommodation in the inner city. Many older people pay a signification proportion of their income toward housing costs.

Cultural factors may also mean that older people are using their incomes to support other members of their cultural community.

The implementation of the hardship provision is left largely to service providers. This allows providers to be flexible in developing their own protocols, procedures, forms and strategies. While it may be helpful to have sample templates for service providers to use, councils advise that a standardised approach will better ensure consistency across all areas of Australia and ensure that all providers are equally equipped to apply the hardship provisions equitably and fairly.

The additional administrative burden of applying the hardship provision should also be acknowledged.

There is concern that council staff will be required to explain the new fees policy and that there needs to be an adequate communications strategy accompanying the new fees policy.

**Recommendation 4:**

*That the Department of Social Services develop a sliding scale of fees that recognises that assessment of income alone will not result in fair or equitable access to services and that fees should be based on capacity to pay and other factors such as housing costs.*

*That the Department of Social Services include a "Resources" page at the end of the fees policy document, which may include web links or templates (based on current good practice) of fee calculation which include determining additional expenses related to disability, housing costs etc. Other resources could cover organisational fees policy, letters to client, etc. It should be emphasised that these are to be used as references/resources, not prescribed standardised tools.*

*That the Department of Social Services develop a communications strategy to explain to the public the introduction of national standard fees.*

*That the Department of Social Services engage independent monitoring of CHSP pricing and impacts on equitable access, how fees policy has impacted utilisation of services and associated negative health impacts and impact on quality of CHSP services should also be undertaken.*

**Fee capping**

Councils have expressed concern about the clarity of arrangements for the application of caps to fees. We understand that applying the hardship provision instead of setting caps is intended to give providers flexibility, particularly in situations where multiple service providers are involved (e.g. which provider will get how much from total fee collected).

However, the wording in the fees policy document could be misinterpreted and taken to mean that some form of fees capping or bulk discounting for high-volume users may not be done at all even when beneficial or desired. The types of situations where this concern may arise could be more prevalent in rural areas where multiple services are delivered by one provider from a multi-service outlet. Similarly, when a single service is delivered frequently such as three Transport trips/week or when one service session may involve more than one service type, e.g. Daycare + Transport+ Meal, the policy on how the hardship arrangements are to be applied requires clarification.

The flexibility clause should be explained better, with clear examples cited to avoid confusion.

**Recommendation 5:**

*LGNSW recommends reviewing the wording in the Fees Policy regarding the hardship provision in relation to fee capping. Providers should be given the flexibility to build simple "bulk discounting" schemes if desired, especially for multiple services delivered by the same provider.*

*That the Department of Social Services charge Social Support-Groups (Centre-Based Day Care) per event and not per hour and that, per current practice, a flat fee should include transport, meal and social support.*

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**Question 2: What barriers or opportunities do you see in applying the proposed fee policy and standard fee schedule?**

Councils have raised concerns regarding the impact of the hardship provision on resources available to areas of high disadvantage and the administrative burden of managing the hardship provision.

**Impact in areas of high disadvantage**

LGNSW members support the principle that "no one who genuinely needs a service will be denied a service due to inability to pay". In areas where financial disadvantage is more significant, the hardship provision is likely to be used more frequently, resulting in less revenue from fees collected and a reduced ability for the service to reinvest funds for service provision. This would create inequities across areas, and may lead to "cherry picking" of clients who are able to pay full or higher fees, and may mean a disincentive to support disadvantaged clients.

**Recommendation 6:**

*That the Department of Social Services consider providing, in future growth funding rounds, an option for providers to apply for "area of high financial disadvantage" supplement.*

*That the Department of Social Services provide information on hardship provisions at the time of assessment by My Aged Care. Also, that the Department of Social Services promote the My Aged Care website and contact details on various media channels nationally: TV, newspapers, billboards, magazines, radio, internet and ethnic media.*

**Administrative burden**

Administering and reviewing client contracts/agreements for hardship provision would be an additional administrative burden, especially for providers in financially disadvantaged areas. In some areas, this could mean a significant proportion of clients would fall into the hardship provision/unable to meet the new fees category. Councils are concerned that administration of the hardship provision may result in regional inequities if left up to service providers, where several factors may result in inequity and disadvantage to the clients.

**Recommendation 7:**

*That the Department of Social Services standardizes and administers all relevant processes, including the hardship provision.*

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**Question 3: Do you currently charge more than the rates proposed in the fees schedule attached to the consultation paper?**

The aim of the CHSP is to enable Australians aged 65 and over to remain living independently in their own homes as long as they can and wish to do so through the delivery of timely, high quality entry-level support services, as well as to provide more choice and greater access to services.

However, Local Government in NSW suggests that the proposed fees will deter older Australians from seeking CHSP services that can support their independence, resulting in greater numbers entering prematurely into costly residential aged care. Service choice will be reduced as a result of the high fees as service providers will struggle to attract clients and become unviable.

Councils have raised particular concerns regarding services using volunteers, cost of meals, centre-based meals, grouped service, social support and community transport.

**Volunteers**

A major concern for NSW councils is having to charge for services that are currently free and provided by volunteers. For example, one northern Sydney council provides a Home Visiting Program (individual social support). The *Friends In Community (FIC)* Home Visiting Program is free to clients, as the visitors are volunteers. Under the proposals, this program will need to have a minimum fee set at \$9 for the 1 hour service assuming full pensioner discount.

The proposed fees policy (CHSP National Fees Policy Consultation Paper (Appendix A - Proposed Fee Schedule page 12) is not clear on whether services provided by volunteers must now incur charges, or whether there will be a distinction between fees charged for services provided by volunteers and fees charged for services provided by a paid worker. We assume it would be up to organisations to budget for volunteer expenses from their funding and not pass these charges onto clients.

Councils are concerned that introducing (new or higher) fees to these services would be problematic and difficult to explain to community members who are aware (and grateful for) that services are provided by volunteers.

**Recommendation 8:**

*That the Department of Social Services allow volunteer-based individual Social Support services to continue at "NIL fee" level if they can be delivered for no cost, and for Social Support-Groups, allow a flat fee per event to be charged.*

## **Meals**

The fees policy does not include a definition of what constitutes a meal. If a standard fee is to be charged, there must be clarity and consistency around what a meal is (for example, is a 'meal' just the main meal or the main and dessert, or main, dessert and juice combined?). Does the additional "cost of ingredients" apply only in cases where a person requests a "non-standard" meal due to special need? Or does it apply to all standard meal fees (in effect, charging for "cost of producing the meal" and "actual cost of meal"?)

### **Recommendation 9:**

*That the Department of Social Services include a detailed description of what constitutes a "meal" in the fee policy.*

NSW councils have expressed grave concerns about the fee rates proposed in the fee schedule, particularly for meals and social support services. Council run food services in Western Sydney/Nepean have very serious concerns that including the cost of ingredients and transport into the meal cost amount would bring meals to unreasonable/unaffordable levels.

Local Government in NSW argues that inclusion of the cost of ingredients is not a consistent approach in other CHSP service costing, e.g. the cost of domestic cleaning products is not included in Domestic Assistance, nor is the cost of petrol not added to transport trip cost. Moreover, the cost of a meal service should be adjusted to reflect the social benefit of the service, otherwise it is not consistent with wellness approach. Meal services – either delivery or centre-based – are often the only form of social contact for older people.

Council services are concerned that if the cost of weekly Meals on Wheels goes up, people may choose to order and eat less, supplement their reduced Meals on Wheels order with high calorie low nutrition cheap food and/or become dependent on food rescue services providing free food which is hardly reabbling or empowering. These are vital and basic services, and there is concern that clients may drop out due to the introduction of fees, leading to deterioration in health and wellbeing. This, in turn, will undermine the ability of elderly people to live independently in their own homes and will hasten entry into residential aged care and increase reliance on the health care system. The experience in the UK of increased meal costs has seen an over 200% increase of hospital admissions of older people due to malnutrition.

### **Recommendation 10:**

*That the Department of Social Services adjust the cost of the service so that the social benefits of meal delivery are included.*

Food Services/ meal delivery/ preparation are also provided by volunteers. In the South West Sydney region, the average fee is about \$7.50 per meal pack, all inclusive. There is no delineation between "production cost" and "cost of ingredients", it is one flat fee that the most number of clients could afford.

An inner Sydney council has reported that the proposed minimum fees for full pensioners is 50% higher than what they currently charge, especially without the cost of ingredients added to



that, as is being proposed. Most of their Meals on Wheels clients are pensioners, with the majority living in social housing, 60-70% who have the cost of their meals automatically deducted through Centrepay.

Currently, the cost of a meal delivered by a volunteer to a client's home in the Northern Sydney area is \$6.60. The proposed service fee, which is \$9 for a full pensioner, will result in the cost of a single meal increasing to an average of \$15.60, an increase of nearly 150%. This equates to nearly 30% of a full age pension per fortnight for one meal each day. This compares to an average of 17% spent by Australian households on all food and non-alcoholic beverages (source ABS Household Expenditure Survey:

<http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/6530.0Main%20Features22009-10>).

Given the above, it is likely many CHSP service users will seek to be classified under the financial hardship provisions of the fees policy.

In comparison, Home Care Packages have a cap of 17.5% of a person's annual budget and yet the CHSP, as an entry level support program, would exceed in cost that percentage cap for meal services alone, as illustrated above.

The cost of meal delivery in rural and remote areas is a major concern to councils. It is unreasonable to expect a client to pay extra on top of the fee and ingredients for the delivery of their meal. Councils in these areas fear they will come under pressure to fill the gaps in service delivery and provide meals to needy clients as other providers are unlikely to cover remote areas if there is no subsidy for travel costs. One Central West NSW council commented that an increase in fees will see a reduction in the amount of services accessed by the user, regardless of need and that quality of life will be negatively impacted. Rural communities will see an increase in isolation for individuals.

The proposed fees will result in discouraging clients to take up the necessary CHSP services that enable independence. In the case of Meals Services, this will increase the risk of malnutrition, decrease opportunities for monitoring well-being of the elderly (which occurs when meals are delivered), and increase social isolation (Meals Services staff and volunteers may be the only person a client may see the whole day).

Local Government legislation requires that all increases in fees will need to be approved by council and advertised in council's fees policy. If fees are kept to current levels, councils will be forced to massively increase their already generous subsidy of the meals service.

**Recommendation 11:**

*That the Department of Social Services review the proposed fee for meals, noting home-delivered meals should incur a flat fee (includes both production cost + cost of ingredients and transport) and special meal items (e.g. gluten-free, halal, vegetarian, etc) may incur an additional cost.*



### ***Meals in Centre-Based Day Care***

The pricing structure for Centre Based Day Care (Social Support) meals is not clear, however an inner Sydney council suggests that \$9 would be a too expensive for their centre-based meal clients. That council has previously only raised the cost of home delivered and centre-based meals by CPI every few years, as needed, but has always endeavoured to keep the cost low for residents living on low incomes. Another inner Sydney council reported that the meal fee recommended represents a 23% increase in the fee currently charged by an Inner Sydney Day centre (excluding the cost of ingredients).

In the Northern Sydney Food Services Network area, on average 80% of clients are on full pensions and 75% of clients are aged 80+ and live in single dwellings. Attending the centre-based lunches also offered by Meals on Wheels services is often the only opportunity a client will have to eat communally. Under the proposed fees, centre-based lunches will increase by at least \$9.00 on top of the cost of providing a two-course social meal (current meal cost on average \$12.00) and will make them unaffordable – limiting choice for those who are already socially disadvantaged and increasing social isolation.

One South Western Sydney council has hosted themed Community Restaurant Lunches charging \$10 per person, which have been well received. The \$10 meal includes tea/coffee, main meal, sweets, interactive entertainment and other activities.

#### ***Recommendation 12:***

*That the Department of Social Services adjust the cost of centre-based meals to reflect the social benefits of attending a Day Centre.*

### ***Grouped services***

Councils recognise that there is a need to group services together such as Food, Transport and Social Support, to better cater for the needs of older people. Fees may reflect grouping together a combination of 2 or 3 services e.g. \$15 for a combination of 2 and so forth. For example, a themed Community Restaurant run by a South Western Sydney council incurs a \$10 charge, there is an additional \$5 charge for those needing return home transport by community transport.

The fee schedule (Attachment A: Proposed Fee Schedule, page 12) shows the amount for individual social support services per hour or part thereof, however it is unclear how group services are to be costed. For example, what would happen in a group social support service such as a bus outing? Would clients be expected to pay 7hrs x \$9 (discounted rate) for an outing plus the cost of the meal? Transport costs would be in addition to this making the cost to a full pensioner prohibitive.

Councils in rural NSW have also commented that the cost of paying for meals plus any other services would simply be unaffordable. Many existing Meals on Wheels clients in the New England area access more than one service type (ie meals and transport, or meals and centre

based services). Even if the meal fee was reduced, the combined fees would put extreme pressure on pensioners.

The current and future demographics of Food Services need more than just food, usually also requiring transport and social support. There is now more competition for cheaper food items in the current market (for example, some frozen meals at leading supermarkets can be \$4 per meal, with extra for delivery). This means that it would be more difficult for the traditional HACC-funded Food Services to compete just on food alone, and that a meal combined with social interaction should be seen as a valued service.

**Recommendation 13:**

*That the Department of Social Services adjust the fee policy to cater for combined service delivery, such as meal plus social support and makes a distinction between individual and group services in the fee structure.*

**Social Support**

Some Social Support services currently do not charge fees as these are delivered by volunteers. One northern Sydney council provides an Aged Day Care centre-based program (Group Social Support). Council's program provides a 5-hour weekly session. The proposed CHSP Standard Fees Schedule will have a big impact for the existing clients who are only charged for \$14.50 per service at present. The proposed fees for a full pensioner is \$9/hr, which would total \$45 plus per day plus meals and transport. Part pensioners would pay an even higher amount. The majority of their current clients could not afford this fee structure and would stop attending. Many of their clients are socially isolated, and ceasing to attend these sessions would reduce further their opportunities for meaningful social interaction.

**Community transport**

One Central West NSW council, which provides Community Transport services, has sought clarification on whether there is an expectation that Community Transport will have to pass on expenses to the service user, for example the cost of seatbelt extensions. Further, more clarity is needed around costing for using service owned vehicles or volunteer owned vehicles, and volunteer reimbursement.

The new fees for group and individual /part and full pension are, in some cases, more than double what is already being paid. For example, some groups have to use facilities (hydrotherapy) in Dubbo as they are not available locally. Under the new fees structure it will be difficult for them to pay. There are also social/support groups that meet a few times a week and use the council's Community Transport bus to attend. The new fee structure will discourage attendance and increase isolation, particularly in outlying villages.

Councils have also expressed concern about monitoring the financial hardship status of Community Transport users and fear negative backlash from users if they are charged different fees for the same service. Charges for carers travelling with the user are also unclear.

**Recommendation 14:**

*That the Department of Social Services review the fee structure for community transport to take into account the difficulties of administering different fee structures for different individuals using the same service. That the Department of Social Services consider, in determining the cost of transport trips, the social benefits of breaking isolation, particularly in isolated rural areas.*

Generally, feedback from NSW councils running CHSP services is that the fees are set too high for all services types and therefore those who need to use them to remain independent in their own home as they age, are unlikely to access these services. Councils fear that high fees will make services unviable and thus reduce service choice. This will result in a greater burden on the residential aged care and health care systems, which will be costly for Australian society both in dollar terms and in terms of diminished social and health outcomes. For the CHSP to fulfill its stated aims, the fees proposed need to be reduced to a level where the services remain attractive to older Australians.

Given the above, councils that currently run CHSP services may reconsider their position and decide it is not viable to run these types of services for their communities. This will likely impact on Community Care service provision in regional and rural areas, where Local Government may be the only provider of such services to the community.

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**Question 4: Do you have any other comments or feedback?**

Page 2 of the document states that: "The proposed national CHSP fees policy therefore aims to provide a nationally consistent framework for the collection of client fees in the CHSP". However, the policy does not actually address how fees will be collected.

**Recommendation 15:**

*That the Department of Social Services substitute "collection" with a more encompassing word, such as "administration" or "management".*

**Extra administrative burden on services**

The fees policy outlines a new role for many service providers to collect and appraise information from clients to determine their financial status in order to charge the correct fees (full-fee, part-pensioner or full pension rate). As well, it stipulates services need to be in a position to be able to review clients' financial status to determine if fees need reclassifying and to determine if financial hardship provisions are necessary.

This responsibility will place an extra administrative burden on service providers on top of having to collect the proposed fees, and will increase the costs of service provision. Although the fees policy mentions simplified grant arrangements and cutting red tape – this new

administrative burden will in effect increase red tape adding to service costs which will put services further out of reach of those who need to access them.

***Recommendation 16:***

*That the Department of Social Services consider placing the role of client financial appraiser with another agency, as it currently does for the Home Care Package Program.*

### 3. Good practice guide questions

The Good Practice Guide for Restorative Care Approaches (incorporating wellness and reablement) 2015 is to be embedded at all levels of the programme, including assessment, support planning and service delivery.

LGNSW will respond to the questions outlined on the Department of Social Services website:

1. What barriers or opportunities do you see in implementing these approaches?
2. Do you have any other comments or feedback?

LGNSW provides some comments on the holistic approach, role of sector support, special needs groups, outcomes focus, client goals, duty of care and support for intensive short term need.

#### **Question 1: What barriers or opportunities do you see in implementing these approaches?**

##### **Holistic approach**

On page 8, (top of page) there is a reference to holistic approaches to client need. It suggests that services provided could include activities such as walking groups, tai chi etc. Whilst there is more flexibility with CHSP, it is still expected that services be delivered within the prescribed service types. The opportunity for the holistic approach is most likely to occur when services are grouped.

##### **Recommendation 17:**

*That the Department of Social Services clarify that holistic wellness activities may be accessed through the broader community, not necessarily as part of CHSP.*

##### **Role of sector support**

The implementation of wellness, reablement and restorative care (page 13) would be a valuable role that sector support could provide as exemplified in the Western Australian and Victorian experience. The sector support role can provide support to service providers and the broader community to build awareness and take up of a reablement approach. However, it would be helpful to anticipate lack of take-up of this type of support from certain service providers, and the broader community by incorporating practical measures into the sector support funding contracts (e.g. minimum 8 hours of support from the sector support position per year) and follow up via contract managers, accreditations, audits, etc).

**Recommendation 18:**

*That the Department of Social Services continue plans to administer wellness/reablement/restorative capacity building activities via sector support and development.*

**Special needs groups**

LGNSW supports the document's acknowledgement that special consideration may need to be given to special needs groups and that tools need to be provided to support this process (page 14).

**Recommendation 19:**

*That the Department of Social Services consider output expectations for providers working with special needs groups, recognising more time and resources often are required to support a wellness approach for these groups.*

**Outcomes focus**

Focus on outcomes rather than outputs as an indicator of a wellness approach is applauded (page 15). It is acknowledged also that the DSS Data Exchange will offer this capacity in the future. In the interim, however, the current focus on outputs can work against organisations trying to shift their culture to a wellness approach.

**Recommendation 20:**

*LGNSW agrees that outcome performance measures should be used, but service providers should still be made accountable via outputs and outcomes.*

**Identifying client goals**

Victoria's Care Planning and Assessment Guide is quoted on page 25. It provides excellent questions to help assessors in identifying goals with the client. It is not clear if these questions have been incorporated in the National Screening and Assessment Form (NASF), the assessment process generally, and in the support planning process for the Regional Assessment Services.

For some single service types such as Food Services and Community Transport, providers may need extra support (such as practical and relevant case studies, best practice forums) on how to implement the wellness/reablement/restorative approaches to support clients and having realistic goals and expectations.

**Recommendation 21:**

*That the Department of Social Services ensure that questions in the National Screening Assessment Form (NASF) are sufficiently aligned with wellness/reablement/restorative approaches and that service providers are supported in meeting client goals.*

## **Duty of care**

Councils have commented that it would be useful for the guide to touch on traditional concepts of 'Duty of Care' and 'Dignity of Risk' and provide guidance on how organisations can approach this within a wellness model.

### **Recommendation 22:**

*That the Department of Social Services include sections on "Duty of Care" and "Dignity of Risk" in the document.*

## **Implications for fees in cases of intensive short term need**

Councils have commented that in many cases there is a need for short term intensive intervention to establish users in a wellness context. This may impact on the fees users have to pay for services. Councils suggest that users should not be negatively impacted if they require intensive services over a shorter period, and that services should be costed using a life cycle approach.

There is a parallel with the Disability context, the wellness/reablement/restorative approaches are usually built in the practices of service provision and delivery. Implementing the disability service standards, which includes participation and inclusion, means that it can be cost and labour-intensive in the beginning. For example, a newly-widowed person who was not the primary cook in the relationship needs training in Shopping and Cooking. The duration may last for up to a period of 3 months, with follow up of independent practice afterwards.

### **Recommendation 23:**

*That the Department of Social Services further investigate the relationship between Transitional Care, ComPacks and CHSP particularly in relation to restorative care, funding boundaries and how to work together to support the transition process for clients.*

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## **Question 2: Do you have any other comments or feedback?**

On page 27 of the *Good Practice Guide to Restorative Approaches* it states that: "Someone requiring meal assistance might, instead of being provided delivered meals, be taught how to plan simple menus, shop accordingly and then cook". If a service is funded only to provide meals and meals are defined as "meals prepared and delivered at the clients home or centre or other setting" it is hard to see how this could occur unless DSS is able to provide greater flexibility around the definition of Meal, or unless 'Other Food Services' are able to be used instead of "Meals" to enable a 'restorative' approach. Similarly, if a service is assisting a client to prepare and cook a meal, it would make sense that they would assist the client to shop first. However, page 21 states that "other food services" should not include shopping for clients.

### **Recommendation 24:**

*That the Department of Social Services clarify how the wellness approach fits with the provision of food services.*

## Conclusion

LGNSW is pleased to have the opportunity to comment on the three consultation papers on the Commonwealth Home Support Programme offered by the Department of Social Services .

Local Government in NSW is a significant provider of Home and Community Care (HACC)/CHSP services and looks forward to continuing to work with DSS to offer services and support to older people to remain independent and participating fully in the community.

Councils in NSW are very concerned about the proposed fee policy, especially for meals, grouped services and transport. Councils in NSW have raised concerns regarding the implementation of the hardship provision and fee capping.

The aim of the CHSP is to enable Australians aged 65 and over to remain living independently in their own homes as long as they can and wish to do so through the delivery of timely, high quality entry-level support services, as well as to provide more choice and greater access to services.

However, Local Government in NSW suggests that the proposed fees will deter older Australians from seeking CHSP services that can support their independence, resulting in greater numbers entering prematurely into costly residential aged care. Service choice will be reduced as a result of the high fees as service providers will struggle to attract clients and become unviable.