



Standing Committee  
Health, Ageing and Social Services  
ACT Legislative Assembly

Dear Committee Members

***Re: Inquiry into the Future Sustainability of Health Funding in the ACT***

We appreciate an opportunity to make a submission to the Standing Committee's inquiry into the future sustainability of health funding in the ACT. We trust that this submission provides some insight and information for the Standing Committee in relation to this inquiry and highlights some of the issues with the interface of the ACT Health system and community care services, including the National Disability Insurance Scheme (NDIS) and aged care services available through the Commonwealth Government My Aged Care system.

In this submission, we have also included a report that summarises findings of a recent review of our Community Assistance and Support Program (CASP). The CASP program is one of the key programs funded by ACT Health in response to major national aged care and disability system reforms. The CASP is also one of the key programs which interfaces with the NDIS. As such, findings of the review of this program can also offer some valuable information for the purpose of the Standing Committee's inquiry into the future sustainability of health funding in the ACT.

We would also like to thank you for your consideration of information provided in this submission and would like to welcome the Standing Committee's very timely inquiry into the matter of sustainability of health funding in the ACT. We would also like to offer our full cooperation to the Standing Committee in this inquiry. As such, we will be delighted to provide further information or answer any questions the Standing Committee may have in relation to this submission.

Should you have any questions in relation to this inquiry or would like to receive additional information, please do not hesitate to contact me on (02) 6295 8800 or at

[REDACTED]

Yours faithfully

  
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**Community Options**  
Serving the Canberra region

**ACT Legislative Assembly Standing Committee on Health, Ageing  
and Social Services: Inquiry into the Future Sustainability of Health  
Funding in the ACT**

Community Options Submission

22 February 2018

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### ***List of Acronyms***

ATSI – Aboriginal and Torres Strait Islander  
CASP – Community Assistance and Support Program  
CHSP – Commonwealth Home Support Program  
HACC – Home and Community Care  
HCP – Home Care Packages  
NDIS – National Disability Insurance Scheme  
NDIA – National Disability Insurance Agency  
NRCP – National Respite for Carers Program  
TCH – The Canberra Hospital  
TSP – Transitional Support Program

## **1. Introduction**

The Standing Committee on Health, Ageing and Social Services of the ACT Legislative Assembly (the Standing Committee) resolved to inquire into the future sustainability of health funding in the ACT with the particular reference to a number of issues, amongst them: “(e) the relationship between hospital financing and primary, secondary and community care, including the interface with the National Disability Insurance Scheme and residential aged care.” As a provider of aged care, disability and community support services that closely interfaces with the ACT Health system, Community Options is pleased to forward this submission. We trust that this submission provides some insight and information into the Standing Committee’s inquiry above and highlights some of the issues we have experienced and observed relating to this inquiry including: (1) the relationship between ACT Hospital system and community care services, (2) the ACT Health system interface with the National Disability Insurance Scheme (NDIS) and aged care services; (3) how this impacts sustainability of existing ACT Government funding for community based services and the ACT Health System; and (4) the impact of national aged care (introduction of My Aged Care) and disability system (introduction of the NDIS) reforms on the ACT Health System and the future sustainability of health funding in the ACT.

## **2. About Community Options and its Interface with the ACT Health System**

Community Options is a not-for-profit provider of aged care, disability and community support services in the ACT. We have been providing services to ACT residents for the past twenty-eight years. Community Options specialises in provision of: (1) case management, in-home and community based support services for people with complex support needs and social circumstances; and (2) provision of post hospital support services to ACT residents. Through a number of ACT Government funded programs, Community Options provides short- to medium- term post hospital support and case management services to eligible ACT residents including older people, people with complex health conditions, and people with disabilities. Post hospital support programs and services provided by Community Options: facilitate eligible ACT residents’ timely, safe and sustainable discharge from ACT hospitals; prevent re-admission to hospital for non-medical reasons; and provide transition pathways to long-term service options (e.g. the NDIS; Commonwealth Government My Aged Care system and Commonwealth Home Support Program [CHSP], Home Care Packages [HCP] Program or residential aged care services in particular) for those ACT residents who require services on a permanent or long-term basis. Some of the Community Options programs that specifically relate to this submission include:

- Community Options **Transitional Support Program (TSP)** funded by ACT Health to facilitate discharge of patients of all age groups with complex support needs and requirements from hospital to home. The TSP is a medium-term program that can provide up to 12 weeks of support to eligible ACT residents following discharge from hospital. The program also provides case management services with the particular aim of transitioning clients from hospital to long-term service options, usually through the NDIS or the Commonwealth

Government My Aged Care, CHSP, HCP or residential aged care services in particular. The program services approximately 150-200 eligible ACT residents per year.

- Community Options ***Community Assistance and Support Program (CASP)*** is one of the major programs of Community Options that interfaces with the ACT Health System. The program was established by ACT Health on 1 July 2016 in response to national disability system reforms and the introduction of the NDIS in particular. The program provides short-term (up to 8 weeks) in-home and community based support services to facilitate hospital discharge of patients who are aged under 65 and who have health conditions or disabilities and require post hospital support services to facilitate discharge. The program provides services to approximately 500-700 ACT residents per year.
- Community Options ***Commonwealth Home Support Program (CHSP)*** funded by the Commonwealth Government through the Department of Health. The CHSP was established by the Commonwealth Government on 1 July 2015 as one of the changes introduced by the Australian Government as part of the national aged care system reforms. The CHSP consolidated the former Commonwealth Home and Community Care (HACC) Program, planned respite from the National Respite for Carers Program (NRCP), the Day Therapy Centres Program and the Assistance with Care and Housing for the Aged Program.

Through its CHSP funding from the Commonwealth Government, Community Options provides services to approximately 1,400 ACT residents per year aged 65 and over (50 years and over for people from Aboriginal and Torres Strait Islander [ATSI] backgrounds). Approximately 1,000 out of 1,400 or 72% of all people serviced through this program are referred to Community Options from ACT hospitals and the health system (The Canberra Hospital [TCH], Calvary Hospital, Clare Holland House and other ACT Health services) for short-term, in-home and community based support services required for patients' discharge from hospital to home.

It is also noteworthy that Community Options CHSP program has replaced the former Community Options Continuity of Care Program (COCP) funded by ACT Health through a joint Commonwealth and ACT Government HACC Program. The COCP program was a dedicated, post hospital program of Community Options specifically funded by ACT Health to assist with facilitating discharge of patients from hospital to home. Following the split of the HACC Program in July 2012, the Commonwealth Government assumed the funding responsibility of the aged care component of this program. With the implementation of the national community aged care reforms described in further detail below, the COCP program was subsumed into the CHSP funding with the Community Options CHSP program funding becoming the only service option that can be immediately available to older ACT residents following discharge from hospital.

### ***3. National Aged Care and Disability System Reforms: Key Interface Issues***

#### **3.1 The ACT Health System and National Aged Care Reforms**

Recent national aged care system reforms and the introduction of new access pathways to aged care services under the Commonwealth Government My Aged Care system on 1 July 2016 in particular has made it increasingly hard for Community Options to respond to referrals from hospitals through our CHSP program. The reformed access requirements for the CHSP program significantly reduced our ability to adequately service the demand for post hospital support services to older ACT residents thus placing significant pressure on our CHSP program funds. In turn, the reduced capacity to respond to hospital referrals through our CHSP funding has placed further pressure on hospitals and the health system in the ACT. Namely, reduced service availability through CHSP creates obstacles for discharge thus increasing hospitalisation days of older ACT residents for non-medical reasons and largely due to lack of services available in the community.

It is particularly noteworthy that our current capacity to respond to referrals from hospitals through the Commonwealth Government funded CHSP program is limited to the scope of the Commonwealth Government program guidelines and parameters for CHSP service providers and the Australian Government My Aged Care guidelines for hospitals and CHSP service providers as per the Hospital Fact Sheet – June 2016 Update: Referring Patients to Aged Care Services available at: [https://agedcare.health.gov.au/sites/g/files/net1426/f/documents/06\\_2016/42\\_fact\\_sheet\\_-\\_hospital\\_referrals\\_to\\_my\\_aged\\_care\\_v0.8\\_0\\_0.pdf](https://agedcare.health.gov.au/sites/g/files/net1426/f/documents/06_2016/42_fact_sheet_-_hospital_referrals_to_my_aged_care_v0.8_0_0.pdf).

Please also note that outside of this current hospital based referrals pathway to the CHSP program as per the fact sheet above, access to aged care services under the CHSP is subject to a home support assessment based on the following timeframes and processes:

- Following a referral being sent to My Aged Care, the Contact Centre conducts screening of the referral and sends a referral to Regional Assessment Services (RAS) for a face-to-face home support assessment;
- The timeframe for RAS home support assessment is up to 21 days following receipt of referral;
- Following a home support assessment, RAS sends a referral to a service provider;
- The timeframe for a service provider to respond to the referral from My Aged Care RAS home support assessor is another 10-21 calendar days;
- In addition, access to services is subject to availability of services and resources in the community. As such, the process of seeking aged care services under the My Aged Care system can take 42 calendar days with no guarantee of access to services.

Finally, it is noteworthy that the current CHSP program funding ceases on 30 June 2018 with the Federal Government planning to implement the second stage of community aged care reforms through consolidation of the CHSP and the Home Care Packages Program (HCP) into a single community aged care program. Recently, the Commonwealth Government announced an extension

of the CHSP program funding from 30 June 2018 to 30 June 2020 thus postponing the plan to merge the CHSP and the HCP programs for further two years, until July 2020. Please also note that the announced extension of funding is subject to negotiation of funding agreements with individual CHSP providers. While little information is available regarding a funding model or an implementation approach for Stage 2 of the national aged care reforms, the Australian Government has announced its clear intention to consolidate the CHSP and HCP funding and move to an individualised funding model for consumers from 1 July 2020. More information about these national aged care reforms is available at: <https://agedcare.health.gov.au/increasing-choice-in-home-care>.

*What do the national aged care reforms and changes to the CHSP program funding in particular mean for future sustainability of health funding in the ACT?*

As described above, our capacity as a major community based post hospital service provider in the ACT to respond to referrals for in-home support services for older ACT residents following hospital discharge is already limited as a result of My Aged Care system reforms described above. However, from 1 July 2020 with the planned implementation of the second stage of national aged care reforms, the CHSP program funding will no longer be available. As such there will be no capacity to respond to referrals from ACT hospitals for in-home and community based services following older ACT residents' discharge from hospital to home. On the basis of the historical service delivery data analysis, Community Options projects that the gap in service availability will be approximately 1,000 older ACT residents not being able to access in-home support services following discharge from hospital after 1 July 2020. This will, in turn, result in an increase in hospitalisation days of older ACT residents for non-medical and largely "social reasons" thus placing significant pressure on the sustainability of health funding in the ACT.

It is our experience that older people recovering from a treatment following discharge from hospital and other acute care settings require in-home support for up to 8 weeks. It is also our experience through our post hospital program service delivery that a rapid in-home service response following discharge from hospital can result in reduction of hospitalisation days of older ACT residents. On the basis of this experience, we assume that rapid service response post discharge from hospital reduces hospital stay for older ACT residents by a minimum of 3 days. Our experience of post-hospital service delivery to older ACT residents for the past 20 years also suggests that the three-day reduction in hospitalisation days is a conservative assumption. On the basis of this assumption, our historical data and service delivery experience, we can project an increase in the cost to ACT Health system in excess of \$7.8 million. This projection has been calculated on the basis of 1,000 ACT residents not being able to access the post hospital support services from 1 July 2020; namely:

- It is assumed that 1,000 older ACT residents per annum who will be unable to access community based post hospital support from 1 July 2020 will spend a minimum of 3 additional days in hospital for non-medical, and largely social reasons. This will result in 3,000 additional days spent by older ACT residents in hospital for non-medical reasons.

- If we take an average cost of \$2,6181 per day per hospital bed in the ACT, the projected additional cost to ACT hospitals will be \$7,854,000 per annum (\$2,618 x 3,000 additional days per annum).

It is also noteworthy that the total annual expenditure for Community Options' post hospital service delivery to older ACT residents through our CHSP program is \$1.4 million. As such, the net saving to the ACT Health system, should these services were funded by the ACT Government post 1 July 2020, will be \$6,454,000 (\$7,854,000 - \$6,454,000 = \$6,454,000).

### 3.2 The ACT Health System and the NDIS

National disability service system reforms and the introduction of the NDIS in the ACT in particular also saw a significant reform of the former ACT Government HACC program. Namely, 70% of the ACT Government HACC program funding transitioned into the NDIS as the ACT Government's contribution to the scheme with the HACC program ceasing to exist on 30 June 2016. On 1 July 2016, the remainder 30% of the former ACT Government HACC program became what is now known as the ACT Government CASP program with a number of organisations including Community Options funded by ACT Health to deliver services under the reformed CASP program. The CASP program commenced on 1 July 2016, and has been created in response to a number of significant national health, aged and disability care reforms. In conjunction with other ACT Health-funded programs such as the Community Options TSP program (more information about the program is provided above in this submission), the Community Options CASP Program became the key program available for ACT residents aged under 65 who require home and community care supports due to: (a) difficulties with activities of daily living arising from a health condition; or (b) due to temporary or episodic health requirements. This includes but is not limited to:

- Episodic health requirements, including mental health issues;
- Temporary health requirements, including mental health issues;
- A need for post-hospital care and support or assistance with hospital outpatient visits ;
- A disability that is not of a 'significant and permanent' nature (as required for NDIS eligibility);
- Any combination of any number of these characteristics; and
- The unpaid carers and family members of any of the above individuals.

The CASP program became the key program available to those ACT residents who:

- Are NDIS ineligible;
- Are in the process of transitioning to the NDIS and require services immediately including following discharge from hospital;

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<sup>1</sup> Independent Hospital Pricing Authority (IHPA). National Hospital Cost Data Collection, Public Hospitals Cost Report, Round 19 (Financial year 2014-15). Retrieved from: <https://www.ihpa.gov.au/publications/national-hospital-cost-data-collection-public-hospitals-cost-report-round-19-financial>.

- Require services immediately following discharge from hospital as a short-term service response or while transitioning to long-term service options under the NDIS.

As the above information including the program eligibility criteria demonstrate, the CASP program is meant to only fill the gaps in service delivery for those people who are transitioning to the NDIS or those people who are NDIS ineligible. It is our deep concern that the implementation of the NDIS has shown significantly larger gaps in services in the ACT than what was initially envisaged and as such outside of the current scope of the ACT Government CASP program funding. The gaps created by the implementation of the NDIS are significant and clearly beyond the scope and capacity of the current CASP funding in the ACT. We are particularly alarmed with the current trend of significant delays experienced by our clients in their transitioning from our ACT Health-funded CASP and TSP programs to the NDIS and the impact these delays are having on the ACT Government funded CASP and TSP programs. Namely, we have recently observed a clear, emerging trend of people we support through our CASP and TSP program: (a) either being rejected by the NDIS due to their impairment being deemed by the NDIA primarily originating from a “health condition” and “outside of the NDIS scope;” or (b) experiencing significant delays in transition from the ACT Government CASP program to the NDIS. The consequences of these trends with delays with access to the NDIS include:

- A significantly larger number of ACT residents accessing the CASP program than what had been envisaged prior to the NDIS introduction in the ACT;
- Clients supported through our TSP and CASP programs (more information about these programs including the funded duration of the programs and the eligibility criteria is provided above in this submission) experiencing delays in transition to the NDIS and as such requiring significantly higher level of support and/or for significantly longer periods of time than what is within the current funding scope of these programs. For example, the TSP program duration is up to 12 weeks; however, some of the clients who have accessed the program recently had to be supported through the program for up to 12 months due to delays in their transition to the NDIS. This, in turn, has resulted in significant budgetary pressures on these programs and subsequently in reduced capacity to respond to new referrals from hospitals for ACT residents being discharged from hospital and requiring support services while they are transitioning to the NDIS.

Community Options has recently reviewed its CASP program. The review included the analysis of referral trends, service delivery data as well as de-identified case studies that depict stories of some of our clients as they transition from the ACT Government-funded programs to the NDIS. While names and other identifying information have been changed in these case studies for privacy and confidentiality purposes, these are true stories of some of our clients supported through our CASP and other ACT Government-funded programs. These stories in conjunction with our service delivery data highlight alarming issues we have observed while supporting people transitioning to the NDIS in the ACT as well as the consequences for sustainability of health and community care funding in the ACT. We have included the CASP review report with this submission and trust that the information provided in the included report and the case studies are particularly noteworthy for the purpose of the Standing Committee’s inquiry into the sustainability of health funding in the ACT, and the relationship between hospital financing and community care in particular.

#### ***4. Conclusion***

As the information provided in this submission including the attached CASP Program Review Report demonstrates, there are major issues with the ACT Government-funded community aged care, health and disability service programs' interface with Commonwealth Government-funded aged care and disability services including the NDIS and services through the My Aged Care system. We trust that the information provided in this submission offers some insight into these issues and highlights the need for a clear action and strategy on behalf of the ACT Government. We would also like to thank you for your consideration of information provided in this submission and would like to welcome the Standing Committee's very timely inquiry into the matter of sustainability of health funding in the ACT. We would also like to offer our full cooperation to the Standing Committee in this inquiry. As such, we will be delighted to provide further information or answer any questions the Standing Committee may have in relation to this submission.