

Aged Care Issues and Services in Australia

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Abstract

Introduction: This paper examines aged care issues and the provision of aged care services in Australia. **Materials and Methods:** A Medline search and review of Australian government publications was undertaken and complemented by a review of local Australian resources. **Results:** Australia has seen major development of aged care services over the last 60 years. These services were originally focused on a residential care model, but have since evolved to become a mixed provision of services that are shaped by legislative or regulatory requirements. Geriatric health services are well-developed in some parts of Australia, with a comprehensive regional service that includes hospital-based and community-based components (including an Aged Care Assessment Team). **Conclusion:** The rapidly ageing population in Australia is exerting pressure on the aged care system and geriatric health services. A major identified problem with available services is their fragmentation and limited co-ordination.

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Introduction

In Australia, the number of elderly people is increasing rapidly. In 2001, the population of Australia was approximately 19 million people and about 12.6% of this population were >65 years old.¹ In 2021, population projections suggest that it will have between 18% and 19% of the population >65 years old.²

These demographic changes, together with information on the prevalence of disease and disability in older people, have focused attention on the likely huge increases in cost for healthcare, support services and residential care services. The World Health Organisation's Global Burden of Disease Study has shown that dementia and depression will be major health issues in the 21st century.³ Australia has been proactive in some areas. For example, the importance of dementia as an issue was recognised >10 years ago and an Australian national dementia plan was released in 1992.⁴

Differences in culture and political systems have influenced the response to the rapid ageing of the populations. Australia is culturally diverse and increasingly embraces a mixed public and privately funded system of health and aged care services. Changes in political philosophy have influenced the development of geriatric services in Australia in the last 10 years.

The system of government in Australia introduces

complexity in the understanding of aged care services. The Australian federal government is responsible for the funding of medical services and residential aged care services across Australia. In contrast, each state in Australia is responsible for the provision of hospital services for its population. There is some sharing of responsibility for community-based aged care services between the levels of government.

This paper examines the aged care issues and provision of aged care services in Australia.

Material and Methods

A Medline search was conducted using the keywords "geriatrics", "geriatric assessment" and "Australia". A search was also done of Australian government publications that were relevant to the healthcare system and the care of older persons in Australia. This was complemented by a search of local resources to identify previous studies that were relevant to the subject.

Results

A Historical Perspective

Support services for older people in Australia were traditionally provided by families, with some assistance from charitable organisations. After the World War II there

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was increasing government involvement in the provision of aged care services. Initially, this was focused on the provision of residential care services. An important Australian government report in the early 1980s entitled “At Home or in a Home” drew attention to the imbalance between the relatively generous government funding of residential aged care services and the lack of funding of other aged care services, even though the vast majority of older people lived in the community and had no contact with the residential aged care sector. The report also commented that there were a number of different government-funded aged care support schemes that had developed in a haphazard and unco-ordinated manner.

In 1985, the Australian government, in conjunction with the state governments, introduced the Home and Community Care Programme. This legislation drew together a number of existing community support programmes for older people into a coherent structure that set out a population-based planning and service provision framework for home housekeeping, delivered meals, community nursing, community allied health, transport and other services.¹

In response to the view that older people were inappropriately being admitted to nursing homes, the Australian government introduced what were then called Geriatric Assessment Teams in 1987. These multi-disciplinary teams, including nurses, geriatricians or medical officers, social workers, occupational therapists and physiotherapists, were given the role of assessing all people who wished to enter government-subsidised nursing homes or hostels (which are intermediate care facilities). This role has evolved to a more general role of assessment of older people who have disability and linking them with available services, such as Home and Community Care Programme services, and residential aged care services.¹ The Aged Care Assessment Teams, as they are now known, cover all of Australia and are a component of the geriatric services. The Australian government has also introduced community-based services that aim to be a substitute for residential aged care services, such as Community Aged Care Packages, Community Options (a case management programme) and Flexible Care Packages.¹

In the 1980s, the Australian government introduced benchmarks for the provision of residential aged care services. These benchmarks were promulgated as an indicator of the number of places per 1000 people >70 years old for each statistical region of about 200,000 people, and were somewhat modified over the next decade. The benchmarks were 40 high care (nursing home type) residential aged care places, 50 low care (previously termed hostel type) and 10 Community Aged Care packages per 1000 people >70 years old, but a global figure is now cited in government publications. The number of government-

subsidised residential aged care places expressed per 1000 people >70 years old has declined since 1996.¹ This has created strains elsewhere in the healthcare system (see below).

More recently, there is a recognition that progression of the older person from the community to 2 levels of residential aged care as their disability increases is inappropriate. The concept of “ageing in place” is now supported by government policy that allows people to stay, if possible, in the same accommodation and gradually receive increasing support services.

Funding Aged Care Services in Australia

Funding for aged care services in Australia has always been complex because of multiple funding sources. Health and social support services for older people have a variety of Australian, Commonwealth and State government’s funding sources and private funding; separate government funding is provided for war veterans.

It is worth noting that Australia has introduced compulsory contributions for superannuation for people who are in the paid workforce. There has been some discussion about long-term care insurance, but the current expectation is that older Australians will support themselves using superannuation payments and savings. Where the person has limited assets and income (such as receiving only the Age Pension and residing in rental accommodation), there is provision of support services and residential aged care services, if necessary, through payments of up to 85% of the Age Pension. Equity in access to services is an important principle underlying the provision of government-funded aged care services, and government regulations allow all Australians to gain access to aged care programmes even if they are indigent.

However, the dominant theme in the funding of services for older people is now summarised by the principle of “user pays”. This principle is likely to remain even if the ruling party in the Australian Commonwealth government changes. The principle is felt more strongly in the provision of residential aged care services than in the healthcare services, where universal access continues to be supported. For residential aged care services, users pay a variable amount with one component based on their assets and another component based on their income.

Australia has a comprehensive health insurance scheme (Medicare) that is funded through an income tax levy and general taxation. It allows primary medical care and hospital care to be provided at no cost to the user. The Pharmaceutical Benefits Scheme subsidises the cost of approved medications, but includes co-payment by the user.

There is increasing use of private healthcare services in Australia. These services are supported by a private health

insurance scheme, with multiple competing private health insurance providers. There is also a government subsidy for private health insurance. This form of insurance has traditionally provided coverage for hospital treatment, either in a private hospital or as a private patient in the public hospital system. Private health insurance companies also provide a limited subsidy for ambulatory health services, but do not provide coverage for the costs associated with long-term residential aged care services. Nowadays, private companies also provide a substantial number of residential aged care places and are moving into the provision of community-based aged care services.

Recent Issues in Australian Aged Care

There is an increasing emphasis on regulation and accountability in the provision of aged care services. For many years there has been a system of voluntary accreditation for hospitals and healthcare facilities. This has now become a *de facto* mandatory standard. More recently, there have been increasing moves to accredit community healthcare services and primary medical care (general practice).

In the residential aged care sector, mandatory standards have been introduced and accreditation is compulsory. A great deal of effort is required by aged care facilities to meet the Australian government's accreditation standards for the quality of care provided. These standards also relate to the buildings in which residential aged care is provided. Much of the building stock has become outdated and inappropriate for the provision of contemporary residential aged care services. Expectations for increased privacy have increased and the mix of residents has changed with a greater emphasis on appropriate environments to provide care to people with severe dementia. The stringent accreditation standards have led to rebuilding or renovation of many residential aged care facilities.

The Australian Commonwealth government plays a dominant role in the generation of taxation revenue and is the only level of government permitted to levy income taxes. However, state governments are responsible for the provision of hospital and related healthcare services, as well as much of education. The transfer of funds for healthcare services from the Commonwealth government to the state governments is guided by the Commonwealth/state healthcare agreement which is negotiated every 5 years. The negotiations are accompanied by intense bargaining and political considerations, which have escalated over the years because a more conservative political party is in power at a Commonwealth level than in all states of Australia. The current agreement is being renegotiated and could address some of the deficiencies in the existing system of aged care services.⁵

The tensions between the Commonwealth and state

governments often become apparent when one level of government blames the other for problems in the healthcare system. These tensions are increasing because the Commonwealth government has effectively capped the provision of residential aged care services, while the population's need for these services is increasing.

The need is increasing because there are larger numbers of people in older age groups (>85 years) which have a much higher age specific level of disability.⁶ As a result, a large number of older people stay in public hospitals while their families look for appropriate residential aged care facilities to house them.

In 1999, the Australian government allowed general practitioners to screen all older adults >75 years old for health problems under the Medicare scheme. At the same time, provision was made for the payment for care co-ordination and case conference for people with complex, chronic health problems. The uptake of these initiatives has been variable across Australia and it is not yet possible to determine if these measures have led to an improvement in the health status of older people.⁷

Training and Education in Aged Care

Specialist medical training in Australia is provided under the auspices of Medical colleges. Training in geriatric medicine is organised by the Australasian College of Physicians through its Specialist Advisory Committee on Geriatric Medicine. Until recently, the training was based solely on clinical practice and it is regulated by the College. The Australian Society for Geriatric Medicine is closely linked with the College of Physicians and represents the medical practitioners working in aged care.

The number of physicians entering specialist training in geriatric medicine is comparatively low in Australia. This is due mainly to the low status, heavy workload and limited remuneration associated with the role of the geriatrician. In 1998, statistics on medical specialists in Australia indicated that there were 206 specialists practising in the main field of geriatric medicine; while the total number of subspecialists in internal medicine was 4377.⁸ There is a major shortage of geriatricians throughout Australia. Academic departments of geriatric medicine are found in the medical schools of Flinders University, Monash University, University of Adelaide, University of Melbourne, University of New South Wales, University of Newcastle, University of Queensland, University of Sydney and University of Western Australia. It is based on the model of study of geriatric medicine found in the United Kingdom (UK). The reason being the close affinity shared between the Australian system and that in the UK.

Training in aged care for older people is provided in the university curricula for nurses and allied health

professionals. In addition, postgraduate training is available for each discipline. The training varies from state to state in Australia. In all states in Australia, there is an acute shortage of nurses and allied healthcare professionals in aged care because of its association with a lower status and unglamorous work.

Availability and Extent of Geriatric Healthcare Services in Australia

In Australia, it is difficult to ascertain the number and extent of geriatric services. The Australian Hospital Statistics lists 127 Geriatric Assessment Units for the country and does not provide any information on specific services. It also reported 122 rehabilitation units, many of which are providing services predominantly to older people.⁹ One reason for the lack of information is the absence of conformity and reporting arrangements, at the state level, or information about these facilities. The only comprehensive survey of geriatric services in Australian hospitals and rehabilitation units took place in 1992. The survey was repeated in 2001, as part of the Australian Health Ministers Advisory Council's investigation into acute aged care; the results were not available at the time of writing. In 1992, 1042 hospitals in Australia were surveyed, of which 942 (90.4%) responded. One hundred and fourteen (12.1%) hospitals offered acute medical or assessment services, of which 71 included dedicated geriatrics units with 1894 beds. One hundred and twenty hospitals (12.7%) provided inpatient rehabilitation services under the full or partial auspices of a geriatric service. Consequently, 29 dedicated units with 755 beds were included. The results showed marked variations according to the state, hospital size and location.¹⁰

There is a need for a common classification system for the reporting of geriatric services in hospitals and rehabilitation units. This data would help to identify regions which lack such services and to allow a more realistic understanding of the flow of patients between acute and subacute hospital care and residential aged care services.¹¹

A fully developed model of healthcare services for older people in Australia is the regional geriatric service. It provides integrated aged care services in a geographical region with a population of between 100,000 and 300,000. Linking the hospital and community-based aged care and rehabilitation services, which are relevant to the health of older people, the model attempts to develop a common point of entry to these services and to ensure their smooth co-ordination. These services receive funding from multiple sources. The services provided in an acute hospital include consultation, admission to a geriatric ward and emergency attention. Rehabilitation services are often provided in a designated ward, in a day hospital with some form of

community- or home-based rehabilitation service. Other components of the regional geriatric service include the Aged Care Assessment Team, outpatient clinics, a dementia service, community-based allied healthcare services and a liaison service with residential aged care facilities. It may also have research and educational programmes.

While it is generally agreed that this is a suitable model for the provision of aged care services, problems persist in the co-ordination of healthcare services for older people in the health and social support systems.¹² The issues of interface between the various programmes for older people, some of which are the responsibility of state governments, while others are vested with the Commonwealth government, remain problematic.¹³

Conclusion

In Australia, the care of older people cannot be solved by increasing the scope of geriatric medicine. There is a need to develop an improved continuum of care between acute, subacute, rehabilitative and community services for older patients, including other medical and health-related fields (such as the general practitioners, residential aged care facilities and community-based aged care services). The services should share the aim of improving the quality of life of older people and reducing the need for long-term care or transfer to residential aged care facilities. In Australia, the systems of care are struggling to meet the demands of an increasing number of older people with major disability who require substantial healthcare and support services.

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