AGED CARE SECTOR STATEMENT OF PRINCIPLES

STATEMENT OF PURPOSE

The Aged Care Sector Statement of Principles developed by the Aged Care Sector Committee¹ and the Australian Government, sets out the Principles to:

• guide continuing reform of the aged care system; and
• embed a constructive and lasting partnership between the Australian Government and consumers, providers and the workforce.

The Australian Government and the Aged Care Sector Committee are committed to developing an aged care system that is aligned to the principles articulated in this Statement.

At the highest level, the guiding principles for the aged care system of the future are:

• consumer choice is at the centre of quality aged care;
• support for informal carers will remain a major part of aged care delivery;
• the provision of formal aged care is contestable, innovative and responsive; and
• the system is both affordable for all and sustainable.

Within this shared vision, differing approaches and policies will be needed to respond to the wide diversity of older people and their circumstances. Aged care policies will be set by the Australian Government. By working collaboratively with consumers and providers, a strong foundation of evidence-based policy will be built. Partnership will allow the skills, expertise, and strategic insight of all participants to be harnessed.

The Statement of Principles will build on current changes across the aged care system and provide a foundation for continuing change to the aged care system. It will provide a means to frame public debate and galvanise effort.

It is acknowledged that a number of risks will need to be managed in this process such as the availability of formal and informal carers, supporting the sector to transition to new arrangements, and ensuring that quality of care is not compromised.

Within this Statement:

• Consumers refers to all persons needing support and services from the aged care system. This includes older people as well as their families and the informal carers that they choose.
• Providers refers to business and community organisations which deliver home-based and residential aged care.
• Workforce refers to those who are engaged as paid employees, including contractors, and volunteers.
• Australian Government refers to the policy, funding and regulatory decisions made by government and the role of the public service in implementing its programs and services and providing policy advice to the government of the day.

This Statement has been developed in discussion between the Aged Care Sector Committee and the Australian Government. It is intended to frame a continuing conversation about the future of aged care in Australia.

¹ Independent Chair; Chief Executive Officer, Aged and Community Services Australia; Chief Executive Officer, Leading Age Services Australia; Chief Executive, Council on the Ageing; Federal Secretary, Australian Nursing and Midwifery Federation; Chief Executive, National Seniors Australia; National Director, UnityCare Australia; Chief Executive Officer, Catholic Health Australia; Chief Executive Officer, Alzheimer’s Australia; Chief Executive Officer, Carers Australia; Territorial Social Programme Director, Salvation Army; Managing Director, Opal Aged Care; Managing Director, Bupa; Chair, Aged Care Financing Authority; Head Secretariat Aged Care Reform, National Aged Care Alliance
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APPROACH TO PARTNERSHIP

The Statement of Principles recognises the benefit in consumers, providers, the workforce and the Australian Government collaborating to realise an aged care system that will meet the needs of Australia’s ageing population. While recognising the role of Government in setting policy, this partnership will shape the future aged care system building upon:

- the framing and pursuit of common goals
- high levels of commitment to improved outcomes for consumers
- effective cross-sectoral leadership to guide reforms into the future
- shared recognition of the constraints, challenges and opportunities across the sector
- the need for mutual respect and trust between all partners and the community
- clarity around the roles and responsibilities of all parties
- valuing the contribution of civil society
- the need to grow and further skill the aged care workforce
- a co-design approach to policy development and regulation

In working towards the vision for the future of aged care in Australia the partners commit to the following roles.

<table>
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<th>Partners</th>
<th>Roles</th>
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| Consumers and carers              | • Accessing information about aged care services to support informed choices  
                                         • Contributing to the cost of their care according to their means  
                                         • Being clear about their needs and how services can best meet them  
                                         • Actively exercising choice and directing the care they want, to the extent they wish to do so  
                                         • Caring for themselves and for those for whom they have responsibility |
| Providers and workforce           | • Providing quality aged care services that respect and respond to the diversity of consumers  
                                         • Supporting consumers to have a high quality of life  
                                         • Supporting consumers to be active partners in care planning and making choices about their care  
                                         • Pursuing innovation  
                                         • Delivering best practice governance and management capability to improve efficiency, productivity and quality in service delivery  
                                         • Actively contributing to developing sector leadership and reputation  
                                         • Creating and maintaining strong relationships with communities that contribute to an understanding of local service needs  
                                         • Building the skills and capability of all organisations and individuals providing care  
                                         • Providing analysis and experience about how government policies and funding operate at the local level  
                                         • Providing the necessary information to consumers about the services and support they can access  
                                         • Being clear about what can be delivered and the level of contribution which consumers will have to make |
| Australian Government             | • Acting as system steward through setting policy with appropriate funding that fosters flexibility, responsiveness and innovation amongst providers  
                                         • Commissioning a contestable market of public, private and not for profit providers competing on value for money and performance  
                                         • Embracing an evidence-based approach to policy design  
                                         • Promoting, supporting and monitoring quality  
                                         • Maintaining an effective safety net that ensures cost is not a barrier to receiving |
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PRINCIPLES OF AUSTRALIA’S FUTURE AGED CARE SYSTEM

Empowered consumers and informal carers

- Are given access to the information they require
- Make an equitable contribution to their care costs
- Are active partners in decision making

Innovative and responsive services

- Services responsive to consumer diversity
- Services available when and where people need them
- Providers who compete on quality, value and performance

Financially sustainable but affordable

- Informal carers are recognised and supported
- Exercises responsibility and make decisions
- Drive quality

A viable and sustainable system for all

- A skilled workforce
- Continuous improvement in delivery
- Consumers protected by a strong safety net
- Funding attached to the consumer
- Integrated services delivered in a holistic manner
- Market-based funding
Empowered consumers and informal carers

1. Exercise responsibility and make decisions

People as they age will be able to exercise individual responsibility for decisions that enable them to lead active and fulfilling lives.

2. Drive quality

Consumers will be made aware of their right to receive quality care and will have the confidence to pursue this with their provider. Appropriate safeguards will continue to provide protection for consumers.

3. Are active partners in decision making

Consumers will be viewed as active partners throughout the care journey. They will be given the resources and information they need to make informed decisions.

4. Make an equitable contribution to their care costs

Consumers will be responsible for meeting some of the costs of their care on an equitable basis where they have the financial means to do so.

5. Are given access to the information they require

Consumers will have access to information and support services to enable them to exercise choice. An effective gateway will provide consumers with information and independent, consistent eligibility assessments. The gateway will be easy to navigate and will guide, support and empower consumers as they move through the aged care system.

6. Informal carers are recognised and supported

Informal carers play a vital role in providing support to people who receive aged care services and ensuring the sustainability of the aged care system. Carers are recognised as partners in decision making and supported in their caring role.

Innovative and responsive services

7. Continuous improvement in delivery

Providers will accept responsibility for continuous improvement towards best practice accountability, governance and operational management to deliver high quality aged care services.

8. A skilled workforce

An appropriately skilled workforce will deliver quality care and services that are evidence-based. Workforce development and training will be supported.
9. Services responsive to consumer diversity

Services that are appropriate to and reflect the diverse needs of the population will be available. These services - which include care, assessment and information provision by service providers and Government - will be delivered to consumers in a safe and effective manner that is responsive to and respectful of diversity.

10. Providers who compete on quality, value and performance

A competitive market based approach to aged care services that is based on the ability of consumers to exercise choice and control. Contestability of delivery will promote quality, productivity, efficiency, innovation and value for money services that are responsive to consumer needs and preferences.

11. Services responsive to consumer wellbeing

Consumers will be supported towards wellbeing and reablement. Services will focus on quality of care and quality of life for consumers.

12. Services available when and where people need them

Consumers will have access to the care they need when and where they need it. This includes access to care in the home, residential services, or other appropriate location depending on consumer needs and preferences. Consumer views remain the priority in determining solutions for care in the local community, whether it be in metropolitan or rural areas.

13. Financially sustainable but affordable

Consumers will have access to affordable aged care. Financing and funding arrangements will enable efficient aged care services to thrive while being financially sustainable for Government and the public, private and not for profit providers who deliver programmes.

14. Funding attached to the consumer

Government funding will be provided consistent with the assessed short and long term care needs of the consumer. Funding will attach to the consumer allowing greater consumer choice of who provides services and how they are provided.

15. Integrated services delivered in a holistic manner

Aged care will be delivered in a holistic manner enabling consumers to access integrated services. System design will ensure strong linkages with the health, mental health, disability and community services sectors. Services across sectors will complement rather than duplicate each other.

16. Market based funding

Government intervention will be focused on areas of potential market failure and consumer protection. A light touch approach to regulation will give providers freedom to be innovative in how they deliver services.

17. Consumers protected by a strong safety net

Where consumers are unable to meet the costs of their care, they will be protected by a strong safety net of Government support. Cost will not be a barrier to care and will not create an undue burden on consumers and carers.