



AGED CARE & THE COMPLAINTS SYSTEM

Older people, their families and aged care providers need access to a complaints system which deals with complaints fairly and decisively and in which they can be confident. The current CIS system, introduced in 2007, does not do this and a new system must be developed.

The Current System

- The CIS does not adequately resolve complaints for anyone involved (older people, families, providers) is punitive and creates a major administrative load.
- The current system pays insufficient attention to due process or standards of evidence and is regarded with some concern by many of the legal firms who specialise in aged care.

“The CIS plays no part in the active resolution of disputes, ignoring contemporary best practice in complaint resolution schemes. It does not refer complaints to mediation or conciliation and does not give the parties the chance to talk before handing down its decision on whether the approved provider is at fault or not. The CIS acts as the final arbiter of allegations of breach without following due process during its inquiry, not allowing a proper opportunity to be heard and relying on inadequate evidence. The Department does not pay sufficient regard to the Aged Care Commissioner when she finds the CIS got it wrong, ignoring the recommendations on more occasions than a properly functioning appeal system should allow.” Victor Harcourt, Principal, Russell Kennedy Solicitors

- The issues raised through the complaints system are not used to improve industry performance systemically because they do not focus on the underlying reasons so much as on finding fault.
- The CIS does not comply with the 1997 “Benchmarks for Industry-Based Customer Dispute Resolution Schemes” which covers principles of accessibility, independence, fairness, accountability, efficiency and effectiveness.
- In 2007-08 the Complaints Investigation Scheme (CIS) investigated 7,496 complaints with only 930 cases resulting in a finding of breaches of an aged care provider’s responsibilities.
- A Notice of Required Action (NRA) is issued when a breach is found and the provider has not already taken action to address the issue. In 2007-08 there were 214 NRA’s issued of which 89% were complied with resulting in no further action being required.
- Only 11% of complaints “remained open” at 30/6/2008.

The System We Need

- An independent complaints authority with a capacity for investigating, resolving and conciliating complaints.
- The authority to be overseen by an agency comprising consumer representatives, provider representatives and other key agencies.
- A system which complies with the Governments 1997 “Benchmarks for Industry-Based Customer Dispute Resolution Schemes”. Performance monitoring to this standard would be undertaken.
- The focus of the system must be on resolving the complaint for the complainant. This focus must replace the blame and punitive ethos of the current CIS system.
- The National Aged Care Alliance (comprising all the stakeholders in aged care - providers, consumers, professional groups and unions) paper *Resolving aged care complaints. A continuous improvement orientation for the aged care complaints mechanisms* clearly sets out how such a system can be achieved. The paper is available from www.naca.asn.au . For a consumer view contact Ian Yates Chief Executive, COTA Over 50’s (ph: 08 8232 0422).

This would improve access, due process, transparency and the ability to properly manage issues arising in aged care which is what we all want.

Fast Facts about the Aged Care Industry

- The aged care industry is the 9th largest employer in Australia employing 262, 500 people.
- The majority of aged care workers are female and work as personal carers or nurses.
- The aged care industry provides residential care services to 170,000 older people at any one time.
- There are 2,380 residential facilities in Australia. Only 14 facilities have had sanctions imposed on them by Government.
- 700,000 older people and younger people with disabilities are cared for by the aged care industry in their own homes and communities.
- Funding for residential aged care is provided by the Federal Government and indexed annually using the inadequate Commonwealth Own Purpose Outlay (COPO) methodology. Since 1997 COPO has delivered a total increase to meet rising care costs of 27.32 per cent. Over the same time CPI increases have totalled 37.48 per cent. Aged care costs are rising at a faster rate than these increases.
- The building of aged care homes is under threat. Building is financed through a combination of government funding and user-pays contributions which are not providing enough money to build. As an example many older people do not have to pay a capital contribution to the cost of high care unless they have sufficient assets that meet the government's asset test. In these cases Government pays \$26.88 per day for high care beds. Independent analysis shows that the cost to build high care beds is 50% more than this amount at \$40.32 per bed per day over 25 years to achieve a break even cost, not including the cost of the land or the care provided to the older person.