**Victoria’s Community Care System**

**Updated May 2019**

**Community care at risk of service system failure**

Most people want to remain living in their own home for as long as they are able. Aged care funding provided by the Commonwealth Government to people aged over 65 years is intended to assist people with support services to live independently in their own home.

However, national reforms to community-based aged care and support programs have raised ongoing concerns about potential service system failures. The reforms continue to have significant impacts on clients, carers, communities, workforces and councils across Victoria due to the ambiguity of policy and lack of ongoing funding commitments.

The Commonwealth Home Support Programme (CHSP) provides home-based aged care services to support continued independence of people aged over 65 years to remain at home. Funding for the CHSP is currently committed only until 30 June 2022.

The longer-term future of the CHSP is uncertain. This is having a significant impact on councils’ budget planning processes and is influencing some councils to consider their future role in service delivery.

Continuity of care and service availability for frail older Australians are now at risk. The CHSP should be continued permanently and further expanded with recurrent block funding to recognise the program’s important role in caring for our ageing population.

**Service stability needed**

National aged care reforms and the rollout of the National Disability Insurance Scheme (NDIS) has placed significant stress on Victorian councils, particularly the 72 municipalities delivering the Commonwealth Home Support Program.

As a service planner and provider, as well as currently a funding contributor, local government seeks a commitment to five critical actions to secure service stability for our community care system:

1. **National Partnership Agreement:** Establish a National Partnership on community aged care and continue the bilateral agreementwith Victoria to quarantine the strengths of the Victorian Community Care system to achieve continuity of care, and access and equity for older people.
2. **Public sector stewardship:** Ensure public sector stewardship is continued for community care, including negotiating a formal role with local government in planning, co-design and stewardship on behalf of clients and communities.
3. **Funding beyond 2022:** Commit to retain ongoing block funding to support population-based service planning and delivery of the Commonwealth Home Support Program (CHSP), provide funding certainty to councils post June 2022 and reinstate CHSP annual growth funding. Discontinue Level 1 Home Care Packages and roll the funding allocation into CHSP.
4. **Regional Assessment Service:** Continue to fund the Victorian Government to deliver the Regional Assessment Service post June 2020.
5. **Service coordination:** Establish a new funding stream for planning and service coordinationto ensure clients (and their carers) can continue to access the service system; and support councils’ role in local area planning in collaboration with State and Commonwealth governments to ensure a range of services are available to respond to diverse needs in a planned and coordinated manner.

**MAV advocacy**

The MAV has been negotiating with the Commonwealth on behalf of local government over many years to ensure continuity of care for clients, and to give councils maximum options in considering their future roles.

**The 2019 Federal Budget extended the funding arrangements for the CHSP for two years from June 2020 until June 2022. However, we continue to advocate for ongoing continuation of the CHSP and block funding, reinstatement of growth funds and rolling-in of the Home Care package level 1 resources into the CHSP.**

Our advocacy efforts have and continue to include:

* Writing to successive Prime Ministers, relevant State and Federal Ministers urging them to continue the Bilateral Agreement and commit enduring funding for the CHSP
* Making a submission to the Royal Commission into Aged Care Quality and Safety
* Regular meetings and briefings with Victorian Ministers and Shadow Ministers
* Convening the Tripartite Community Care Officials Working Group
* Working in partnership with the Australian Local Government Association to make submissions to the Federal Budget
* Submissions to Commonwealth discussion papers, reviews and reform processes
* Meetings and briefings with Federal Ministers and Shadow Ministers.

Through MAV advocacy, we secured a Tripartite Agreement – signed by the Commonwealth, Victorian Government and the MAV in 2017 – to guide aged care reforms in Victoria. The Agreement committed to retaining the strengths of our integrated community care system.

Our advocacy has also resulted in attendance at a Roundtable of the Royal Commission into Aged Care and Quality. As a result, the MAV provided testimony before the Royal Commission in Adelaide in March. At this hearing we responded to specific questions, including:

* how the Victorian community care system operated prior to the introduction of the aged care reforms
* the role of local government in the planning, funding, delivery and oversight of aged care services
* the strengths and weaknesses of the current service system, including consumer-directed care
* the advantages and disadvantages to councils of block funding for aged services
* concerns expressed by Victorian councils about the current service system and how the system could be improved in the future.

The MAV is continuing our advocacy on these issues in the lead up to the federal election. Please refer to the MAV [community care campaign website](http://www.mav.asn.au/fixcommunitycare) for information on our latest advocacy work.

**Sector advocacy**

We acknowledge the considerable contribution that Victorian councils have made in advocacy to the Commonwealth Government to date.

Councils are encouraged to:

1. Write to or meet with local Federal MPs to brief them on the current issues and solution sought by local government to stabilise our community care system (use the one page advocacy handout).
2. Share local community care service statistics and stories on social media using **#fixcommunitycare** and **#auspol** hashtags.

**Background**

The 2015 Intergenerational Report stated that the number of Australians aged 65 years and over is projected to more than double by 2045-55, with 1 in 1,000 people projected to be aged over 100 years. In 1975, this was 1 in 10,000 people.

Expenditure on aged care services is projected to nearly double as a share of the economy by 2055 due to our ageing population. In 2016-17, there was $17.8 billion in Commonwealth expenditure allocated to supporting aged care services.

Keeping people out of expensive residential care and more connected to their community remains the most cost effective option for the Commonwealth Government.

**National community care programs**

Home and Community Care (HACC) was introduced in 1985. It provided home care and support services to both young people and those aged over 65 years. It has been used by around 210,000 Victorians alongside allied health and home nursing services. In Victoria, HACC has been co-funded by local government.

A number of reviews during the 2000s identified significant growth (up to 350 per cent) in the number of people requiring aged care from 2011 to 2050, and system weakness that compromised the costs and access to adequate services.

In response, fundamental changes were made to the program design, funding and operation of aged and disability services. This included agreement that the Commonwealth would assume full funding and program responsibility for delivery of community care for people aged 65 years and over, while state governments would take responsibility of community care for people aged under 65 years.

In July 2016, national reforms resulted in the HACC program ending and new programs being established:

* **National Disability Insurance Scheme** (NDIS) – which includes approximately 10 per cent of councils’ former HACC clients
* **Commonwealth Home Support Program** (CHSP) for clients aged 65 years and over – which includes approximately 80 per cent of councils’ former HACC clients
* **HACC Program for Young People** (HACC PYP) for clients aged under 65 years – which includes around 10 per cent of councils’ former HACC clients.

The Commonwealth Government currently provides two home-care programs for people aged over 65 years to help keep them in their home for as long as possible.

Home Care Packages (HCP) have four levels to meet low care needs (such as help with cleaning and gardening) through to higher care needs (such as help with showering). Clients are allocated a budget and must find providers to meet their assessed care needs.

Block funding for the Commonwealth Home Support Program (CHSP) supports providers such as councils and rural health services to deliver programs that aim to meet the needs of the aged community. Services may include in-home supports such as domestic assistance, personal care, respite care and support with maintaining the safety of the home. They may also include community services such as transport, social groups and meal programs that are designed to meet a community need rather than an individual need.

The CHSP is not just an ‘entry level’ service to assist people as they age. It is a key component for keeping the vast majority of people requiring support in their homes for their whole lives. It also delays entry to more expensive residential care.

About 80,000 people are accessing help through Home Care Packages nationally (around 24,000 in Victoria) and an estimated one million people receive support from the Commonwealth Home Support Program (approximately 200,000 in Victoria). Around 63,000 Victorians are in residential aged-care facilities.

The demand for people waiting to access Home Care Packages is estimated at 108,000, which is placing people at high risk given their need for care services is unmet. Wait times after being assessed can be between 6-12 months to the start of care being received. In addition, the level of services provided to clients under Level 1 HCP is very similar to services available under the CHSP.

While waiting to access a HCP, if deemed eligible for the Commonwealth Home Support Program, a client may receive only a basic level of support for a time limited period which is not meeting their individual care needs. This is leading to an increase in hospital admissions and early admission to residential care.

**Local government role in community care**

The community aged care service system has a long history in Victoria, with local government being involved in service provision for over 70 years.

* When the Home and Community Care (HACC) Program was introduced in 1985, councils worked actively with the State and Commonwealth governments in service planning and provision
* Victorian councils now voluntarily contribute between $150 million and $200 million annually
* Seventy-two Victorian councils currently deliver Commonwealth Home Support Program (CHSP) services including domestic support, meals, transport, personal care, social support including planned activity groups, and home maintenance.
* Victorian councils employ an estimated 7,000 people in the aged and disability service system.

However, the disruption and lack of clarity about Commonwealth government policy and funding directions has resulted in the many councils reconsidering their commitment to the funding and delivery of community care services beyond 2020.

Councils play a significant role in helping community members to navigate through the community care service system, particularly as the national My Aged Care system is an IT-based model that does not support older people who are not technology-literate or able.

**Further information**

Clare Hargreaves, Manager Social Policy

Telephone: 9667 5543

Email: [chargreaves@mav.asn.au](mailto:chargreaves@mav.asn.au)