

2 June 2023

Audit Team

Design and Early Implementation of Aged Care Reforms

Performance Audit Services group

Australian National Audit Office (ANAO)

Email: aged.care.reforms@anao.gov.au

Dear Audit Team

The National Rural Health Alliance (the Alliance) welcomes the opportunity to make a submission to the ANAO Audit of the Design and Early Implementation of Aged Care Reforms. The Alliance is the peak body for rural health in Australia.

The Alliance comprises 48 Members and our vision is for healthy and sustainable rural communities across Australia. The Alliance is focused on advancing rural health reform to achieve equitable health outcomes for rural, regional and remote (hereafter rural) communities, that is, the 7 million people residing outside our major cities. Our members include health consumers, healthcare and medical professionals, service providers, health and medical educators, students and the Aboriginal and Torres Strait Islander health sector..



I would like to take the opportunity to raise a few key points that you might like to consider in your deliberations as part of the audit. The Alliance has produced the following comprehensive fact sheet: Aged Care Access in Rural Australia. This fact sheet provides key facts, figures and commentary on the range of factors impacting rural aged care service provision. In particular, it states the number of residential aged care workers per 100,000 of the population, by occupation and remoteness category.

The availability of aged care services in rural areas is significantly lower than in major cities, with the proportion of older people using aged care services decreasing with remoteness. Older people living in rural Australia often experience delays in accessing, or simply do not receive, the care they need, leading to: increased frailty, functional decline, increased hospitalisation and premature entry into residential aged care or relocation from their communities to receive the care they need, despite an increasing preference for older people to receive care in their home and community.

The Royal Commission into Aged Care Quality and Safety noted a particular concern about access to aged care services in rural areas. It was noted that older people make up a greater share of the population in these areas than in major cities. Furthermore, people in rural areas experience multiple disadvantages, which can magnify the need for support in older age. The data shows that the availability of aged care in Outer Regional and Remote areas is significantly lower than in Major Cities, and has declined in recent years¹.

Implementation of the recommendations of the Royal Commission provides a unique opportunity for the nation to improve the quality and professionalism of Australia's aged care services. The Royal Commission made specific recommendations for rural communities including:

Recommendation 54: Ensuring the provision of aged care in regional, rural and remote areas

The System Governor should ensure that older people in regional, rural and remote locations are able to access aged care in their community equitably with other Australians by: a. identifying areas where service supply is inadequate, and b. actively responding by planning for, and supplementing services to meet entitlements and needs.

Recommendation 75: Aged care workforce planning

1). The Australian Government should establish an Aged Care Workforce Planning Division within the Australian Department of Health by 1 January 2022. If an Australian Aged Care Commission is established, the Aged Care Workforce Planning Division should be transferred into that Commission upon its establishment. The Division should be responsible for developing workforce strategies for the aged care sector through.....:

d) ensuring an appropriate distribution of health professionals and care workers to meet the needs of the aged care sector, particularly in regional, rural and remote Australia.

Recommendation 86: Minimum staff time standard for residential care:

This recommendation includes the provision (No 5) that from July 2024, the minimum staff time standard should require at least one registered nurse on site per residential aged care facility at all times. The recommendation then goes on to the state possible exemptions to this requirement.

7). Approved providers should be able to apply to the System Governor for an exemption from the quality and safety standard relating to staff skills mix, but not the standard relating to numbers of staff. Any exemption should be granted for a limited time, and details of the exemption should be published on My Aged Care. The grounds for granting an exemption should include.....:

c) regional, rural and remote residential aged care facilities, where the approved provider can demonstrate it has been unable to recruit sufficient numbers of staff with the requisite skills.²

¹ Aged Care Royal Commission Final Report Summary, [cited 2 June 2023]. Available at:

<https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-executive-summary.pdf>, page 6.

² Aged Care Royal Commission Final Report Recommendations [cited 2 June 2023]. Available at:

<https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-recommendations.pdf>

The Alliance is supportive of the requirement that residential aged care must have a 24/7 registered nurse (RN). This is to ensure that the facility is able to offer the appropriate level of clinical skills and provide the quality and safety of care that residents should be able to expect. Rural areas should be able to expect equally trained and experienced nurses as are required in the city.

Rural providers can apply for an exemption from the 24/7 responsibility for up to 12 months if they are located in a Modified Monash Model (MM) 5, 6 or 7 area; have 30 or fewer operational places; and have appropriate alternative clinical care arrangements in place. There needs to be financial support for those regions that are not able to immediately recruit a RN, to ensure rural people have the same level of care and safety as their urban counterparts.

The Alliance believes that people living in rural Australia should not be disadvantaged or receive reduced quality of care because of where they live. The Alliance urges the Government to ensure that where aged care providers have applied for these exemptions, proactive measures are put in place to require providers to prove that they are recruiting for the registered nurse positions and offering an attractive and appropriate salary package. It needs to be ensured that exemptions cannot be extended. Otherwise, the Australian government is sending a message that lesser quality care is an acceptable outcome for rural Australians – and it is not.

Thank you for your consideration of these issues. I would be happy to provide further background or information required. I can be contacted at (02) 6285 4660 or susanne.tegen@ruralhealth.org.au.

Your sincerely,



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