

AUSTRALIAN COMMUNITY TRANSPORT ASSOCIATION

Statement to the Hon Ken Wyatt AM, MP, Minister for Aged Care

regarding concerns for the future viability of community transport under revised provisions for aged care at home

The Australian Community Transport Association (ACTA) is the national peak body representing providers of community transport across Australia. For years we have been concerned that funding for our members' vital services has been provided on an uncertain, contract-by-contract basis, which has hindered our planning and service delivery. On behalf of our members across Australia, we are now asking the Minister, as a matter of some urgency, to provide assurance of stable funding for our services into the future.

As the Department of Health website indicates, there are significant reforms occurring across the field of aged care at home. These reforms, some of which have been in place since February 2017, are moving towards a more consumer-driven system of aged care provision. A Home Care Packages program has been in place since that time, and enables consumers to establish a care package and agreement that identifies their care needs, and specifies the care providers who will be paid on the consumer's behalf to service those needs.

The stated purpose of the Home Care Package is to enable the person to "age in place"; that is, to remain in their own home with a degree of independence and autonomy and continue to be engaged in their community. The alternative would be to relinquish their independence and move into a residential aged care institution – an alternative that would be more expensive to both the Government and the consumer, and potentially debilitating to the person's health and well-being.

For the time being, a range of services continue to be funded under the long-standing provisions of the Commonwealth Home Support Program (CHSP). The CHSP is described by the Department of Health as "an entry-level aged care program designed to provide small amounts of a single service or a few services to a large number of frail older people who require only a small amount of assistance to remain independent." They are intended to be delivered "with a focus on activities that support independence and social connectedness, and take into account a person's individual goals, preferences and choices."

As of Feb 29 this year, the Department of Health website showed that CHSP provisions have been extended to 30 June 2020. We now note that, in the Federal budget 2019 delivered to Parliament on 2 April this year, provision has been made for a further extension of CHSP funding, presented on the Budget website thus:

"The Government is providing \$5.9 billion over two years from 2020-21 to extend the *Commonwealth Home Support Programme* — providing access to essential home support services..."

This was subsequently clarified by Department of Health informing us that the CHSP funding arrangements will be extended out to 30 June, 2022, just over three years from now.

One vitally important service provided for under CHSP is community transport. This supports those over the age of 65 who cannot transport themselves and do not have ready access to public transport, to enable them to attend medical, business and social contacts and thus remain living at home independently while retaining social connectedness. As the national representative body for community transport providers across Australia, this organisation is extremely concerned that at this point, we have no indication of how, or even whether, this service will continue to be funded beyond the end date of this apparently *ad hoc* CHSP funding extension.

We have participated in a consultation process than occurred in July-August 2017, canvassing input from providers, consumers and the general public about proposals for an integrated care at home program. We made the point then, in our response, that community transport is both a vital component of any care at home system, and is also dependent, for its effectiveness, on having a reliable fleet of vehicles available, and a ready cohort of volunteers and employees, especially as drivers.

To maintain a fleet of vehicles; managing the purchase, depreciation and replacement, as well as ongoing mechanical maintenance, of those vehicles, operators need a regular, dependable source of funding. We therefore made the point that this is one service that cannot readily make a switch to a consumer-directed payment model. We were not alone in this view, it seems: the Department's paper – "Future Care at Home Reform – Key insights from consultation" contains the following observation:

- *It was suggested that services with the following characteristics would require at least some block funding to continue operations:*
 - *significant capital/infrastructure costs, which are typically funded by lump sum (e.g. vehicle fleets).*
 - *services dependent on a volunteer workforce (e.g. meals). (our underline)*

To provide efficient transport services, our members have made a significant investment in infrastructure. They also have welcomed, trained and supported significant numbers of volunteers and employees for whom driving their clients is a way of "putting in" to their community, and gives them a sense of being needed and appreciated. Both of these resources can only be maintained while operators have assurance of a regular funding base, for delivery of a contracted (and thus, assured) number of service outputs.

It is our contention that a consumer-directed payment system would mean that income for community transport providers becomes unpredictable and therefore unreliable. This would very likely result in reduced reliability of the services, and even in some instances discontinuation of the services – especially in the more rural and remote areas where it is needed most, but low volume of usage cannot sustain it.

Inability to access reliable transport services would place at risk the goal of ageing at home for tens of thousands of Australians. Such transport as our members are able to provide

would very likely be more expensive, and less likely to survive, as they struggle to run any consistent service in the face of fluctuating and unreliable payment flows.

We already have the example of the national disability funding program, NDIS, as an example of where transport provisions might head in the advent of consumer-directed payment. The participants' transport needs have been significantly under-estimated and the provisions do not take into account variability in local, regional and state transport infrastructure, rather applying a very basic "one size fits all" approach. Consequently, participants are finding themselves unable to access transport when they need it, not only to attend treatments and activities associated directly with their health needs, but also incidental social, personal and business contacts.

We are deeply concerned that, for community transport services, a switch to consumer-directed funding could have some or all of the following undesirable effects:

- Consumers insufficiently funded to cover their transport needs
- Funding resources tied up in under-utilised consumer accounts
- Uncertain supply and increased cost of services
- Deterioration of service quality due to insecurity of income
- Increased pressure demand on residential care facilities as consumers are unable to access other needed services from home
- Reduction in the number of volunteers involved in this crucial community service
- Unintended consequences of further social isolation
- Reduction of services and employed persons in this sector

We therefore request that:

You give strong consideration to retaining some form of block funding arrangement for provision of community transport services, which are a vital component of aged care provisions.

We further request that:

A clear decision on this issue be made as a matter of some urgency, and providers be reassured that some form of block-funding model will continue when the current CHSP funding period ends.

We appreciate that the recent budget has at least provided us a little more "breathing space"; however, for most providers in this field, budgeting around heavily asset-dependent infrastructure must of necessity be based on forward planning that spans, generally, three to five years minimum. It therefore remains vitally important to us to know, as soon as practical, what form our future funding will take.

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