

# Aged Care Reforms – Community Frequently Asked Questions

*Build a Better Buloke – a healthy, connected, inclusive and prosperous community*

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## **1.0 What is happening?**

Buloke Shire Council (the Council) has determined that it will not extend its agreement to provide funded home and community-based services for older people beyond 1 July 2023.

This decision applies to services funded under the Commonwealth Home Support Program (CHSP), the Victorian government funded Home and Community Care for Young People Program (HACC PYP) and Regional Assessment Services.

A new provider or providers will be appointed by the Commonwealth and Victorian governments towards the middle of 2023.

There is currently no immediate change to current services.

Council is committed to ensuring the interests of clients, families, carers, staff, and the community are understood and protected.

## **2.0 Will the service change?**

Services to the Buloke community will continue to be funded to the same level and will be delivered under the same quality standards that apply to Council and all other providers.

The only change is that Council will no longer be the provider of services and a new provider or providers will be appointed.

Specialised service providers may have different ways of supporting delivery, but these must be equal to or above current standards.

Continuity of service is an important principle in ensuring quality of care.

## **3.0 Why is this change happening?**

Council is a funded provider of services on behalf of the Commonwealth and Victorian governments; this has been an important and long-term role for Council.

Over the past decade there have been significant reforms in the aged and disability services sector, this includes:

- Government needing to find the most efficient and effective model of service to meet very dramatic increased demand for aged care and disability services
- A commitment by government to introduce a standard national approach to the delivery of aged care and disability services
- A shift to a model of care where the consumer controls their own care, including who will deliver it and when and where it is delivered

- Government response to the recommendations from the Aged Care Royal Commission

Council has assessed its current aged and disability service model and believes that it will be unable to adapt to meet the requirements of the future model. The key drivers of Council's in-principle decision are:

- Council currently operates under a block-funded program, it is paid in advance and there is predictability and certainty regarding the program
- Council has been a provider of 'entry level' services and the future program is designed so that the service adapts to the changing needs of the client rather than the client being handed over to a new provider
- The future model will rely on a regulated market approach and activity based; payment will be made in arrears once services are delivered
- Council is a high-cost provider and sustaining services requires a significant ratepayer subsidy, under the future funding model it will be unlawful for Council to subsidise services when there are other non-government providers who do not require an operating subsidy
- Government introducing greater choice and control for clients means the availability of multiple providers who will be competing on quality and cost for new clients
- Council has previously operated in a virtual monopoly arrangement and does not have the organisational capacity to transition into a client-centred, flexible, and more commercial model of operating
- Council is operating in an increasingly constrained financial environment and subsidising a program of another level of government is not in the public interest and does not make sense, services will be delivered to the same standards without the need for a ratepayer contribution

The CHSP program will transition to the *Support at Home* program in mid-2024 and Council believes that a planned and well-managed transition to an alternative provider during the 2023 calendar year is in the best interests of clients and community.

#### **4.0 When will the change occur?**

There will be no change in the way services are delivered until at least 30 June 2023.

An important principle is that a future transition to a new provider is resourced and carefully managed to avoid service disruption to clients and families.

There will be a carefully managed transition of clients to a new provider appointed by the Commonwealth from 1 July 2023 (or alternate date as nominated by the Commonwealth).

The exact date of a future transition is not known and will ultimately be determined by the Commonwealth and Victorian governments.

### **5.0 Who will provide services?**

Services to the same standard will continue to be funded by the Commonwealth and Victorian governments and delivered by a newly appointed provider operating under the same quality and compliance arrangements that have applied to Council.

When a potential successor provider is nominated, there will be a series of discussions to agree a comprehensive transition plan to minimise disruption for clients and ensure that risks are identified and effectively managed.

Council will keep community updated on progress, but all announcements regarding the identity of the new provider will be made by the relevant funding agencies.

Council's commitment is to work constructively with the appointed provider(s) and proactively identify and manage risks throughout the transition process.

### **6.0 What happens to Council staff?**

Council recognises and values the long-term commitment of its staff who have worked in the home and community care program for many years or even decades.

Council will meet all industrial obligations under the Buloke Shire Enterprise Agreement No.7.

There is a national shortage of qualified workers across disability and aged care and therefore it is expected there will be high demand for workers. Council will provide coaching and support for career transition.

### **7.0 Which other Councils have made this decision?**

Many Victorian councils have decided to transition out of some or all funded home and community support services.

Councils that have made decisions in recent times include Southern Grampians Shire Council, Loddon Shire Council, Macedon Ranges Shire Council, City of Ballarat, City of Greater Bendigo, Campaspe Shire Council, Hepburn Shire Council, Golden Plains Shire Council, Moorabool Shire Council, Mildura Rural Council, Loddon Shire Council, and Greater Shepparton.

### **8.0 What is Council's ongoing role for older people?**

Council will continue to play an important role in strategic planning and advocacy on behalf of its community. This includes ensuring the community has equitable access to services and that clients living in rural parts of the shire will not be disadvantaged.

Council will seek to play an ongoing monitoring role following the transition.

Council will also explore its broader policy role for older people through Positive Ageing, and Age Friendly Communities.

If you require support in accessing information, please call Council's main reception on 1300 520 520 or send an email to [buloke@buloke.vic.gov.au](mailto:buloke@buloke.vic.gov.au).