



2019-20 Federal Budget Submission

January 2019

AN AUSTRALIA THAT VALUES AND SUPPORTS ALL CARERS

ABOUT CARERS AUSTRALIA

Carers Australia is the national peak body representing the diversity of Australians who provide unpaid care and support to family members and friends with a:

- disability
- chronic condition
- mental illness or disorder
- drug or alcohol problem
- terminal illness
- or who are frail aged

Carers Australia believes all carers, regardless of their cultural and linguistic differences, age, disability, religion, socioeconomic status, gender identification and geographical location should have the same rights, choices and opportunities as other Australians.

They should be able to enjoy optimum health, social and economic wellbeing and participate in family, social and community life, employment and education.

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INTRODUCTION

Carers Australia values the widespread political and community recognition of the contributions of unpaid family and friend carers, both to society and the economy. It is also widely understood that providing care to a family member or friend often comes at personal cost, including to their own health and wellbeing. Even with this recognition, carers are often unable to get the services and support they need. These support needs can cover a number of areas of government policy, including employment, health, social support services, aged care, disability care, education, administrative law, aspects of taxation and superannuation, and government payments.

The measures proposed in this submission seek to:

- reverse the decline in funding for support services available to carers in their own right
- improve respite care and home support for older people
- improve opportunities for carers to participate in paid employment
- offer greater access to external review of NDIS decisions.

INTEGRATED SERVICES TO SUPPORT CARERS

Funding the Integrated Carer Support Services model

The issue

In March 2018, the Government announced its intention to roll out a new Integrated Carer Support Services (ICSS) model to replace the currently fragmented national funding for carer support services. The new program will be implemented in October 2019.

Carers Australia has grave concerns about the adequacy of funding committed to providing these new services.

What we know

- The original catalyst for developing a new national model of carer support service delivery was the acknowledgement by government that carers had lost out in the new arrangements for aged care reform and for the NDIS, which were accompanied by changes to entitlements to carer support and a transfer of carer funding. Against this background, the expectation of Carers Australia and the other carer organisations that participated in the co-design of the new delivery model was that it would replace funding for carer support services. Instead, there has been a significant reduction.
- In 2017-18 funding for carer support services was \$161.9 million, excluding \$7.6 million for the Carer Gateway website. Under the new model, which reduces the large number of current grant recipients providing care services to sixteen new Regional Delivery Partners (RDPs), the funding falls to \$80.2 million in 2019-20, \$72.2 million in 2020-21, and edges up to \$106 million by 2022-23. Even taking into account that there will be some administrative savings by reducing the number of grant recipients, and that new online services may divert some demand from direct services, the magnitude of the loss of funding for direct services is daunting. This is against a background where it is likely that RDPs will serve a growing consumer base.

- In this context, it needs to be noted that the range of services to be provided by the new RDPs will not be reduced. Their responsibilities will go considerably beyond that required of Carer Respite and Carelink Centres (CRCCs) and other organisations currently funded by the Department of Social Services (DSS) to deliver carer services and, in some cases, they will need to operate across very extensive geographical areas.
- A major reason the level of funding for carers has been reduced, is the transfer of over \$70 million of respite funding to the NDIS, which the Federal Government included in its contribution to support the Scheme in the original bilateral agreements with the states and territories. Carers Australia has long challenged the logic of diverting this funding to the NDIS. Carers receive no direct entitlement to respite under the NDIS. Further, because only a proportion of people with disability meet the high eligibility requirements for NDIS packages, carers of people who are not, and will not be, eligible for the NDIS will also lose access to respite. The Australian Institute of Health and Welfare (AIHW) has estimated that approximately 36 per cent of people with *profound* disabilities, and 89 per cent of people with disability overall, will not be eligible for the NDIS.
- Carers Australia's very strong view is that at least 30 per cent of that funding should be reimbursed in the funding arrangements for the new carer support model and that this funding should be invested in planned respite. As matters stand under the new model of service provision, the only respite funding available is from Consumer Directed Financial Packages which can be used for several purposes. Packages are limited in number and capped at \$3000, which will not cover the cost of replacement care so that carers can take a reasonable break.

Recommendation

1. That additional respite funding valued at least 30 per cent of the carer respite funding being transferred to the NDIS (or \$22 million per annum) should be invested in the new Integrated Carer Support Services funding for the purposes of providing planned respite.
2. Regardless of whether this additional funding is made available, there should be an independent review of the performance of the new Integrated Care Support Service system two years after it has been rolled out in October 2019. Among other things, the review should assess the effectiveness of its design, whether it is meeting demand, whether online digital services and Regional Delivery Partners have been able to meet service requirements, and any gaps in the model including, importantly, funding gaps.

CARING FOR OLDER PEOPLE

Giving carers a break

The issue

Access to aged care respite is declining.

What we know

- Carers Australia conducted a survey of Commonwealth Respite and Carelink Centres (CRCCs) and similar providers in order to investigate reports from carers, organisations that support carers to find respite opportunities, and members of the National Aged Carer Alliance (NACA) that respite in residential aged care facilities is becoming increasingly difficult to access.¹ The survey indicated that:
 - there is a very high demand for both emergency (74 per cent of survey respondents) and planned (88 per cent) residential respite care
 - most services organising access to respite found both emergency and planned respite care difficult or very difficult to access
 - only 3 per cent of respondents found planned respite very easy to access, while none found emergency respite very easy to access
 - there are not enough planned or emergency respite beds, particularly for people with high care needs, including dementia
 - the subsidies paid to residential care operators are significantly lower for respite than permanent care, even though there are increased administration and other costs for providers associated with respite care admissions
 - around half the places that are recorded as respite care, are used as an entry to permanent care, rather than for genuine respite
- as well as the need for places in residential aged care, where services are often only available in two-week blocks or longer, there is a high demand for, and a low supply of, overnight and weekend respite in more informal, home like settings, such as respite cottages.
- The 2017 Aged Care Legislated Review Report, recommended a review of residential respite care, which was undertaken by the Aged Care Financing Authority (ACFA). ACFA's research confirmed that there has been noticeable use of residential respite care places in recent years for purposes other than to assist older people to continue living at home as long as possible and to provide their carers with the opportunity for a break. ACFA made 17 recommendations for potential improvement of respite care services, including establishing funding arrangements that are neutral between respite residents and permanent residents, and will not act as a disincentive to provide respite care.

Recommendations

3. Implementation of the Aged Care Financing Authority's recommendations with respect to residential respite, including a new funding model that removes disincentives for residential respite providers to provide short term accommodation for the purposes of respite care.
4. A review of options and incentives to increase the provision of short-term accommodation outside of residential aged care facilities.

¹ <http://www.carersaustralia.com.au/storage/residential-respite-care-report.pdf>

Waiting to get help at home

The issue

Even with recent Budget increases in the number of home care packages available, and those brought forward in the Mid-Year Economic and Fiscal Outlook (MYEFO), there are still long waiting lists, particularly for people with higher care needs.

What we know

- Older people prefer to live independently, in their own homes, for as long as they are able.
- There are four levels of funding to help older people buy support services and equipment to support them to stay in their own homes.
- The demand for lower level (1 and 2) packages is decreasing, while it is increasing for higher level (3 and 4) packages, creating long waiting lists for appropriate levels of support to become available².
- According to the Council for the Ageing (COTA), a person who has been assessed at the highest clinical need (a Level 4 package) is estimated to wait six to nine months from the day of assessment before being offered any level of care. More often this is at a lower level of care, such as a Level 2 package. Older Australians can wait another 12 months or more before receiving the Level 4 package they were originally assessed as needing. This means it can take 18 to 36-months from assessment until they receive the right level of care.³
- In the meantime, their level of health is likely to decline and their need for support increased, making it difficult for them to remain at home. Alternatively, family and friend carers will need to step in to provide the level of care required. If these carers are working, they may have to give up their jobs. If the carer is a partner, their own needs as they age may mean that they are not able to provide the level of care needed and are at risk of compromising their own health and wellbeing.
- Estimates suggest that there are currently more than 30,000 people waiting for home care packages.⁴

Recommendations

5. Funding for an additional 35,000 high level (3 and 4) home care packages.
6. Periodic review of funding for high level home care packages, with a target that waiting periods not exceed three months.

² <https://www.cota.org.au/wp-content/uploads/2018/09/Policy-Paper-Five-Fixes-Aged-Care-September-2018-FINAL-SOFT-COPY.pdf> p10

³ <https://www.cota.org.au/wp-content/uploads/2018/09/Policy-Paper-Five-Fixes-Aged-Care-September-2018-FINAL-SOFT-COPY.pdf>

⁴ <https://www.cota.org.au/wp-content/uploads/2018/09/Policy-Paper-Five-Fixes-Aged-Care-September-2018-FINAL-SOFT-COPY.pdf> p12

CARERS OF WORKING AGE

Reduced participation requirements for carers on Centrelink jobseeker payments

The issue

Many carers leave the labour market when they are unable to provide the level of care needed or they cannot find employment that is flexible enough to accommodate their caring commitments. When the care they provide is substantial enough to qualify them for a Carer Allowance (which requires the daily provision of care), but not significant enough to qualify them for the Carer Payment, they will need to access a jobseeker payment, such as Newstart Allowance or Youth Allowance.

These jobseeker payments require carers to seek full time employment (of more than 30 hours a week) or meet other equivalent participation requirements. There is no flexibility for carers who are providing daily support to look for part time employment.

What we know

- There is no flexibility for enabling carers who receive Newstart Allowance, but are providing enough care to receive Carers Allowance, to search for work that is compatible with their caring activities.
- There is no recognition of the economic contribution made by carers and the hours of care are not included as a measure of meeting participation requirements.
- Participation in the labour market could be better achieved by addressing barriers to gaining and maintaining employment, rather than setting job search requirements in place.

Recommendation

7. Job search requirements which take reasonable account of the ongoing caring responsibilities of jobseekers, for example by including hours of unpaid care as a participation activity, and by providing flexibility for carers to seek part-time work to accommodate their caring responsibilities.

Transition from care to paid work

The issue

After many years outside of the labour market to care for loved ones, many carers are aware that their caring role is diminishing or coming to an end. These carers are often unable to envisage re-entry to paid work – or how they will get there. They may feel that they have few marketable skills, have been disconnected from paid work for too long, or simply do not know what kind of job they would like and that would suit them.

Carers who anticipate re-entering the labour market after a long absence would benefit from intensive support and assistance, including access to counselling and training.

What we know

- According to the 2105 Australian Bureau of Statistics Survey of Disability, Ageing and Carers (SDAC):
 - more than a third of primary carers are providing more than 40 hours a week of care
 - working aged carers are far more likely than their peers to be outside of the labour market and nearly half rely on government payments as their main source of income
 - primary carers typically spend between one and nine years in their caring role and more than two-thirds of primary carers are women
 - more than two-thirds of carers of working age continue to receive income support payments when they no longer qualify for Carer Payment.
- The Social Security Act requires full time care to be provided in order to qualify for Carer Payment. Under the operational guidelines used by Centrelink, this means that anyone who is working for 25 hours a week or more (including travel time) may not qualify as a full time carer. While working for more than 25 hours should trigger a review, many carers report that their payments are cancelled immediately in these circumstances. This creates a disincentive for carers to take on short term employment, education or volunteer work, including seasonal work or casual work, where hours may vary from week to week.
- While the Department of Jobs and Small Business' Jobactive program is open to recipients of Carer Payment, they may find it difficult to access the services and, if available, support given to those carers is limited, with only a few services to people in that payment category.
- The Transition to Work program, offering intensive support for young people aged 15 to 21 years entering the labour market for the first time, may offer a more appropriate model of support for working age carers than the Jobactive program
- This would be consistent with the recommendations of the Employment Services Expert Advisory Panel, *I want to work: Employment services 2020*, that there should be more flexibility in employment support for job seekers.

Recommendations

8. Improved availability of employment services offered to former and current carers who would like to enter or re-engage in the labour market when they are no longer carers or when their caring role diminishes.
9. Access to intensive support for carers, through Jobactive and other existing and new programs, that will help them to build their confidence, identify training and employment opportunities, deliver appropriate training and develop practical skills to help them find employment.
10. A review of Social Security Act provisions and guidelines to enable greater flexibility for Carer Payment recipients to participate in education, training and part time and/or short term employment.

REVIEWS OF DECISIONS BY THE NDIA

Informal and non-adversarial external reviews

The issue

External reviews of NDIA decisions by the Administrative Appeals Tribunal (AAT) can be lengthy and legalistic, generally requiring legal representation or advocacy.

What we know

- External reviews of NDIA decisions are considered only by the General Division of the AAT, involving a formal legal process in which the applicant and the NDIA (or their legal representatives) can call and cross-examine witnesses.
- In contrast, many other Government decisions affecting disadvantaged members of the community are able to be reviewed by specialist tiers of the AAT, including for Centrelink and Child Support decisions.
- The Social Services and Child Support Division of the AAT offers a first tier of external review that is non-adversarial (government representatives submit their case in writing and do not attend the hearing), and can be dealt with quickly.
- There is still a right of review from the Social Services and Child Support Division to the General Division of the AAT, where all NDIA decisions are currently reviewed.

Recommendation

11. NDIA external reviews to be heard in the Social Services and Child Support Division of the Administrative Appeals Tribunal or in a new NDIS Division, with a right of further review to the General Division of the AAT.