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Submitted electronically: submissions.ihacpa@ihacpa.gov.au

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Dear Professor Pervan

Thank you for the opportunity to provide feedback on the *Consultation Paper on Pricing Framework for Australian Residential Aged Care Services 2024–25*.

Speech Pathology Australia is the national peak body for speech pathologists in Australia, representing more than 14,000 members. Speech pathologists are university trained allied health professionals with expertise in the diagnosis, assessment, and treatment of communication and swallowing difficulties.

Speech pathologists play an active role in the care of older people with communication and swallowing difficulties. Research shows that up to 95% of people living in residential aged care have some form of communication difficulty¹ while 50-60%² are affected by swallowing difficulties. Being able to communicate is essential in expressing choice and control, actively participating in activities and maintaining social relationships, mental health and quality of life. Furthermore, the associated consequences of swallowing difficulties can be choking, malnutrition and lung infection due to food, saliva and liquids being breathed into the lungs instead of swallowed. For these reasons, speech pathologists are critical members of the aged care team.

The Royal Commission into Aged Care Quality and Safety called for “a change in culture in the aged care sector, to view allied health services as valuable rather than a burden on funding”³ and for allied health to become ‘an intrinsic part of residential care’⁴.

Yet, Speech Pathology Australia remains concerned that current pricing frameworks and costings, like the AN-ACC classification system, continue to be developed and refined based on inadequate data about speech pathology services in residential aged care.

Principles for activity-based funding in aged care

To fulfill IHACPA’s stated intentions for residential aged care pricing principles to provide funding that promotes “access to care, quality care, fairness and efficiency”⁵, it must also ensure that pricing frameworks and costings appropriately reflect allied health needs of older people in aged care.

¹ Worrall, L., Hickson, L. & Dodd, B. (1993). Screening for Communication Impairment in Nursing Homes and Hostels. Australian Journal of Human Communication Disorders. 21:2, 53-64

Leousis, H. et al (2023) Piloting the feasibility of communication screening in residential aged care - a possibility or reality. Conference presentation – Speech Pathology Australia National Conference 2023, Hobart Australia

² Aslam, M., & Vaezi, M.F. (2013). Dysphagia in the elderly. Gastroenterology and Hepatology, 9(12), 784-795

³ Royal Commission into Aged Care Quality and Safety, Final Report Volume 3A The new system, 2021, 176.

⁴ Royal Commission into Aged Care Quality and Safety, Final Report Volume 1 Summary and recommendations, 2021, 101

⁵ IHACPA: Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024-25, p11



Best practice models of care in residential aged care comprise multidisciplinary teams including allied health⁶. The Department of Health commissioned report that explored such best practice multidisciplinary models of care in residential aged care found that whilst the *“level and breadth of allied health involvement is limited”*, allied health should be included within teams to ensure *“prevention of functional decline, early intervention and restoration of function and prevent avoidable hospital admissions”*.

The inconsistent provision of speech pathology and allied health in general must be factored into the approach and considerations of IHACPA in developing a pricing framework. The Residential Aged Care Costing Study must purposely sample facilities that provide the multidisciplinary models of care outlined by the Department of Health report above, inclusive of speech pathology. If facilities selected in pilot studies are ones that do not provide speech pathology services, or don't provide them according to resident need, then the results will not be fit for purpose for delivering quality care.

Furthermore, IHACPA have noted that the Quarterly Financial Report (QFR) data will be used to further support costing and pricing work. The latest QFR reported an average of 4.6 minutes a day per resident of allied health services but speech pathology represented just 0.04 minutes of care per day re resident⁷. This figure of 4.6 minutes is consistent with reports of the reduction of allied health services, now little more than half the 8 minutes a day per resident that was reported at the time of the Royal Commission and found to contribute to substandard care⁸. It also validates concerns that since the introduction of activity-based funding in 2022, the quality and quantity of allied health services is decreasing.

Recommendation 1:

Speech Pathology Australia recommends that residential aged care costing studies purposely sample facilities that provide multidisciplinary models of care that include speech pathology.

Australian National Aged Care Classification funding model

The initial Resources Utilisation and Classification Study and the AN-ACC team made clear recommendations in relation to allied health, specifically that there would need to be separate mechanisms such as *“building allied health into the AN-ACC, including a best practice needs identification and care planning assessment tool”*,⁹ and dedicated Care Minutes for Allied Health¹⁰. Neither of these measures have been implemented, despite continued recommendations from allied health professional peak organisations over the last two years. Future reviews of the AN-ACC model must address allied health appropriately within the model, and IHACPA should prioritise the completion of this work to help inform future pricing frameworks.

There are also concerns regarding the weighting of current AN-ACC classes across resident characteristics – particularly those with cognitive and communication difficulties. AN-ACC classes were developed capturing information on the time spent on care tasks by care workers. For this reason, the AN-ACC classes differentiate residents where physical / mobility issues result in more time being spent with the resident.

The AN-ACC does not, and was not designed to account for all of the allied health needs of a resident. AN-ACC classes do not adequately reflect both the care and resource utilisation of a resident, particularly the resources needed to provide holistic allied health management.

⁶ Department of Health (2022) [Scoping study on multidisciplinary models of care in residential aged care homes – Summary \(health.gov.au\)](https://www.health.gov.au)

⁷ [Quarterly Financial Snapshot of the Aged Care Sector – Quarter 2 2022-23 \(health.gov.au\)](https://www.health.gov.au) p 15

⁸ [Royal Commission into Aged Care Quality and Safety Final Report - Care, Dignity and Respect: Volume 1](https://www.health.gov.au)

Recommendation 2:

Speech Pathology Australia recommends that the AN-ACC funding model include a dedicated funding component for allied health services, using a blended funding model that reflects a fixed component to enable direct employment of allied health professionals within a multidisciplinary team, and activity-based funding based on individual discipline pricing.

Pricing

Speech Pathology Australia has significant concerns that the current residential aged care price for an AN-ACC national weighted activity unit has not been informed by sufficient data regarding pricing of allied health services such as speech pathology. This is due to historical funding arrangements of inadequate levels of care and a lack of mandatory measures for allied health needs assessment or Care Minutes.

While IHACPA state that their pricing advice will adopt a blended best practice and cost-based approach and be based on services meeting the standard of care required in legislation, there are fundamental flaws in the cost data collection that prevent robust costing of services to meet appropriate levels of care. Despite continued recommendations from allied health professional peak organisations over the last two years, the inherent flaws in data collection continue to embed poor quality care into the funding model.

Recommendation 3:

Speech Pathology Australia recommends that pricing based on an allied health needs assessment tool be undertaken to inform a dedicated funding component for allied health services.

Speech Pathology Australia continues to be frustrated by the absence of quality data to inform aged care funding that reflects high quality care. We are keen to engage with IHACPA to change this barrier to high-quality residential aged care. Please contact [REDACTED], Senior Advisor Aged Care, on [REDACTED] or by emailing [REDACTED] if Speech Pathology Australia can assist in any other way or provide additional information.

Yours sincerely



Kathryn McKinley
National President