

18.1 Future Directions Regional Assessment Service

File Number: IN24/1
Responsible Director: Director Connected Communities
Attachments: Nil

PURPOSE OF REPORT

This report sets out the proposed future directions for the Regional Assessment Service (RAS) for aged care and notes the intention to commence staff consultation regarding an in-principle decision to cease providing this service at the end of the contract from the State and Commonwealth on 30 June 2024.

EXECUTIVE SUMMARY

The Regional Assessment Service (RAS) is a government-funded service operated by Manningham that assesses older adults for their eligibility to receive Commonwealth-funded aged care services.

Manningham has been delivering the RAS for many years. The service is funded by the Commonwealth and contracted to the Victorian Government, who in turn sub-contracts the service to local government. Most local Councils in Victoria have operated a RAS until recently, with many councils now ceasing delivering the service at the same time as ceasing Commonwealth Home Support Services.

The Manningham RAS has 6.92 FTE with a workforce of nine full and part time staff. The service is funded with a grant of \$900,834 (2022-23).

The Commonwealth Aged Care Reform agenda was introduced more than ten years ago.

- The first stage of the reform has now been completed at Manningham, with the cessation of the Commonwealth Home Support Program (CHSP).*
- The second component of the reform agenda is the streamlining of the current RAS system to simplify the way that older adults are assessed for funded services.*

The RAS in its current form will cease operating on 30 June 2024. A new single assessment system will replace it with different features to the current system:

- Sub-regional service across many municipalities (approx. 4 regions for all of Victoria).*
- A single stream assessment system that includes assessment of all older adults requiring access to the Federally funded aged care system.*
- No more block funding – payment only in arrears and on a ‘per assessment’ basis.*
- The funding model will change and tenderers will submit their funding proposal which is likely to result in less funding than previously received.*
- A consortia model may operate.*

The single assessment system will simplify and improve the experience of older people by providing a flexible system that can quickly adapt to their aged care needs. Currently there are different assessment systems, which means that assessments are not consistent and older people are often moved between assessment organisations as their needs change.

The new system will provide a single assessment pathway that can quickly adapt to changing needs without having to change assessment providers.

Many Victorian Councils have now ceased operating their RAS services. For example, Whitehorse Council ceased operating their RAS in June 2023 and the Commonwealth appointed Monash Health as the local provider.

The service is ceasing, and a block funded contract will no longer be offered to Manningham. Given this and that alternative providers will be operating the full suite of assessment services, it is proposed that a process is undertaken to begin staff consultation (as required under our Enterprise Agreement) for the cessation of the RAS at Manningham from 30 June 2024, when the contract ceases.

COUNCIL RESOLUTION

MOVED: CR CARLI LANGE
SECONDED: CR GEOFF GOUGH

That Council:

- A. Note that the current Regional Assessment Service contract will cease in its current form on 30 June 2024 due to changes to the Commonwealth funded aged care system;**
- B. Make an 'in principle' decision to cease the Regional Assessment Service at the end of contract on 30 June 2024;**
- C. Note that staff consultative processes required under the Council Enterprise Agreement would commence following the 'in-principle' decision involving affected staff and the organisation, staff representative bodies and the Commonwealth and State funding bodies;**
- D. Note that this report will be made public once all affected staff and stakeholders have been informed of the proposed in-principle change; and**
- E. Note that all feedback received during the consultation phase will be presented to Council for consideration before making a final decision at the Council meeting on 26 March 2024.**

CARRIED UNANIMOUSLY

2. BACKGROUND

- 2.1 The Regional Assessment Service (RAS) is a Commonwealth-funded service which enables older adults to be assessed by a skilled practitioner to determine their eligibility for aged care services.
- 2.2 The Commonwealth funding is provided via contract to the Victorian Government, who in turn, sub-contract the service to Manningham. Most Victorian Councils have provided a RAS in the past. With the aged care reform agenda now progressing, many Councils have ceased delivering RAS, at the same time as ceasing their other aged care services.
- 2.3 Manningham ceased delivering Commonwealth Home Support Services (CHSP) on 31 October 2023. A decision about ceasing the RAS component was deferred, pending the receipt of further information about the future directions for RAS in Victoria.
- 2.4 Currently, aged care assessment is part of a two-tier system.
 - **Simple entry level assessment** for funded aged care services is being conducted by a RAS at the municipal level.
 - **Complex level assessments** for older adults who have complex needs are managed through a different service – the Aged Care Assessment Team (ACAT) which operates regionally.
- 2.5 Under the Aged Care Reform agenda, assessment would be delivered through a new process, through a simplified single assessment process, using an Integrated Assessment tool. This would be a new process for Victoria.
- 2.6 The May 2023 Federal Budget indicated that one combined assessment system would be implemented, and the current RAS service would cease on 30 June 2024.
- 2.7 Council has been briefed about the changes to the Regional Assessment Service on at least five occasions since 2016. The proposed shift to a new assessment system was originally planned for 2020, however this has been delayed by the Commonwealth each year since. There has been bi-partisan support for the broader Aged Care Reform agenda over the last ten years, if not longer.
- 2.8 Other Councils who have already ceased RAS service delivery have seen the services picked up by alternative services such as Monash Health. (At Whitehorse, Monash Health became the new service provider.)
- 2.9 The provision of information from both the Commonwealth and State regarding future directions has been scant. Manningham was advised in late January 2024 of a proposed tender process. Tenders close on 14 March 2024.
- 2.10 The open tender is for the delivery of a single assessment service, to commence 1 July 2024, to replace both the Regional Assessment Service (RAS) and the Aged Care Assessment Teams (ACAT). As an open tender, it is expected to attract both clinical and non-clinical providers. Four service regions are proposed across Victoria, and it is expected that the tendering provider/agency is in partnership with other providers/agencies. To date, no other agency has contacted Manningham to propose a partnership.

- 2.11 The Victorian Government has advised, via the Department of Health, that it will not be participating in the open tender. It will, however, continue to negotiate with the Commonwealth to deliver hospital assessments and some community assessments under the new single assessment model, and will advise once a decision is made.
- 2.12 In anticipation of the transition period after 1 July 2024, the Department of Health has invited expressions of interest from local governments as to their interest in extending contracts to 31 December 2024, and is otherwise making provision for alternative providers to be available, pending the establishment of the single assessment system.
- 2.13 Officers are satisfied that there are alternative service providers in place who can provide aged care assessment from 1 July 2024 and that an extension until December 2024 would not have any substantial benefit to staff or clients. Under the new Single Assessment System, Manningham residents will still be provided with assessment services.

3. DISCUSSION / ISSUE

- 3.1 The RAS will cease in its current form to 30 June 2024. With the exception of the transition extension as outlined in paragraph 2.12 above, contracts will no longer be offered.
- 3.2 The single assessment system is a very different service to the current service. Multiple agencies are expected to work in partnership across a broad geographic region (possibly four regions for all Victoria) to take in numerous local government areas. For comparison, there are 17 assessment service providers around Australia – each taking in a large geographic area.
- 3.3 There is no strategic advantage for Manningham to be an assessment provider. Without a Manningham aged care delivery workforce, the new assessment service is simply a function of the Commonwealth aged care system.
- 3.4 The cessation of the current service model would trigger the consultation requirements of our Enterprise Agreement where staff are consulted about the change.
- 3.5 These system-wide changes have been expected for some time. Early trials of an Integrated Assessment Tool (as part of the Single Assessment System) were undertaken by Manningham staff. The new Tool will determine the level of need for the new participant.
- 3.6 The following information describes the anticipated changes to the new system:
- The new assessment service will likely be sub-regional, operating across many municipalities.
 - Assessment services will not be block funded – payment will only be in arrears and on a 'per assessment' basis.
 - Funding is likely to be lower than current levels.
 - A consortia model may operate, and will include both clinical and non-clinical models, requiring a different set of skills to that provided in existing local government RAS.

4. COUNCIL PLAN / STRATEGY

4.1 The Manningham Council Plan 2021-2025 theme, Healthy Community, has two relevant goals, which are:

4.1.1 A healthy, safe, and resilient community; and

4.1.2 A connected and inclusive community.

5. IMPACTS AND IMPLICATIONS

Finance / Resource Implications

5.1 The RAS operates predominantly from grant funding. If Council will no longer be a RAS provider, there may be modest savings from reduced operational costs. Building space could be re-purposed for other organisational activities.

5.2 The proposed cessation of the RAS has not been driven by the desire for cost saving at our level. Rather, the service will no longer exist in its current form.

5.3 The Commonwealth changes are part of the wider Aged Care Reform program across Australia which is making broad changes to the way that older adults' needs for care are met. Victoria has had heavy involvement from local government as aged care providers for more than 40 years. The changes to aged care will bring Victoria into line with other States and territories around Australia, where local government is not a provider – rather the health system manages assessments. The systemic changes are in part influenced by Commonwealth cost pressures, as the numbers of older adults in the Australian population continues to grow and the government needs to design new systems to meet the increased demand for services. It is expected that future funding for assessment will be lower than current levels.

5.4 The new Integrated Assessment Tool is a specially designed computerised tool which will deliver a quick, streamlined process to determine an older person's level of need for Commonwealth funded services. Clients will still be visited in their homes to be assessed. The new tool will allow for a greater number of people to be assessed more quickly, and more cheaply. Additionally, under the single assessment system, the assessors will have both clinical and non-clinical capacity, making a more streamlined service for those being assessed.

5.5 Should the proposed change proceed, the skills of Manningham staff would be expected to be in demand within the wider industry for their qualifications and experience. It is likely that there would be employment opportunities available for skilled, specialist staff, within State government or within the assessment agencies themselves. Staff would be supported with outplacement support and services – similar to that provided to the aged care team who ceased delivering in home services on 31 October 2023.

5.6 Manningham is committed to supporting older residents. A new Healthy Ageing Unit has been established within the Connected Communities Directorate. The staff in this unit have a dedicated function to provide advice and support to residents who need assistance in navigating the aged care system. This unit was established following the exit from CHSP funded in-home aged care in October 2023 and has dedicated ‘Navigation and Community Support’ Officers who are available 8.30am – 5pm, Monday to Friday. This is supplemented by a new partnership building opportunities, a range of social connection activities for older adults, a new Advisory Committee and two new grant streams.

6. IMPLEMENTATION

Communication and Engagement

- 6.1 If supported, the change process to conclude RAS at the end of the contract will be similar to that followed for the cessation of in-home aged care.
- 6.2 All staff would be consulted individually and provided with outplacement support.
- 6.3 The proposed change would be communicated to the community in a general manner through publications such as Manningham Matters for example.

Stakeholder Groups	<ul style="list-style-type: none"> 1. Staff 2. Unions 3. State and Commonwealth Governments 4. General community 5. Wider organisation
Is engagement required?	Yes
Where does it sit on the IAP2 spectrum?	Consult
Approach	<ul style="list-style-type: none"> In person staff consultation – individual and group Staff letters and FAQs Written advice Submissions Publications – e.g Manningham Matters Internal communications.

6.4 Timelines

The timelines below provide three months’ notice to the State and Commonwealth of Council’s intention to not participate in the future assessment service, should this change proceed:

Council ‘in principle’ decision	27 February 2024
Commence consultation period with staff and other stakeholders	28 February 2024

Close staff consultation period	13 March 2024 (14 days)
Council consideration	26 March 2024
If decision to cease if finalised, inform Staff and State and Commonwealth – three months' notice	27 March 2024
If decision to cease if finalised, service ceases	30 June 2024

7. DECLARATIONS OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any general or material conflict of interest in this matter.