

# Vital to know the true cost of aged care at home

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Home care may finally be getting the attention it desperately deserves, but not before scores of elderly Australians go without the help they need.

In response to recommendations from the Royal Commission into Aged Care Quality and Safety, the government is developing a Support at Home Program.



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Due to start in July 2023, the program will replace home care packages, the Commonwealth Home Support Programme (CHSP), short-term restorative Care, and residential respite programs.

The government is consulting on key areas, including improving the way people are assessed and achieving better alignment between assessed care needs and funding.

Other design elements highlighted as needing attention include improved support for informal carers.

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Even before COVID-19, there were not enough workers. There are now bigger gaps which are making it much harder to keep people at home with help. Higher wages and improved conditions would undoubtedly attract more carers.

It's well known that most people's preference is to remain living in their own home.

## **Missing out**

More than 1 million people are receiving government-subsidised care to assist with the activities of daily living which keep them living as independently at home as long as possible. However, many of those people and others are missing out on the care they need – either because the help is not available or they are not prepared to pay for it.

Before the pandemic, being unable to stay at home often meant an unplanned move to residential care. Now, with several facilities closed to new admissions or locked down, social isolation and sporadic care is rife.

Key to keeping people at home is the support they receive.

Through a provider-managed home care package – where people on the highest level four package are assigned a maximum \$56,399 a year before fees, including case management and administration – the hours of help are becoming fewer.

In part this is because providers are putting up their costs to attract workers. Others are charging questionable case management fees.

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## **Appropriate pay**

People seeking carers privately – through online platforms such as mable.com.au or careseekers – have also noticed an increase in the rates workers are setting for themselves. This reflects the value they place on their work as well as the availability of suitably skilled carers. If the carer's personality and skill level meets someone's needs, then they have to be prepared to pay.

The Fair Work Aged Care Award wages – for what can be extremely exhausting work, physically and mentally – have always been low.

Hourly rates start at \$21.62. Providers then charge clients upwards of \$60 an hour depending on the time and day.

Care workers setting their own rates are charging upwards of \$60 an hour, from which they have to pay their costs, including insurance and super. It's usually hard to argue they don't earn every cent of that money.

COVID-19 has clearly imposed major financial and other changes on many members of the superannuation fund HESTA, whose members dominate the aged care workforce.

In its State of the Sector Aged Care Workforce Insights, HESTA reaffirmed that improving pay, conditions and skills development were key to ensuring high-quality, sustainable jobs and how valued care workers feel.

A telling quote by a survey respondent was: “We’re in the middle of this pandemic and you’ve got hospital workers being seen as the heroes and somehow aged care workers are the villains.

## **True cost**

“These people are looking after our family and friends for next to nothing and yet we don’t value them or want to pay them properly. Something has to change.”

Former high court judge Patrick, 97, lives alone on a healthy defined benefit pension of about \$15,000 a month and discovered pretty quickly how much it would cost to remain in his own home.

After a long hospital stint he was discharged to home on the proviso he got help with showering, dressing, meals, cleaning and transport.

Even with significant care needs, he was assessed and approved for a Level 2 home care package worth about \$19,600. Financially it made more sense to reject the government help and pay for everything privately. Three home visits each day is costing him about \$2800 a week. The reality is that he will soon need someone there all the time and the costs will be at least triple.

DR Care Solutions founder and director Danielle Robertson says 24-hour live-in care costs between \$5500 and \$10,000 a week depending on the worker’s training and whether they come via a provider or are employed privately.

She has noticed the increased strain on home care providers in this latest COVID-19 outbreak, with carers either catching the virus or being close contacts. It’s beyond a joke, she says.

There are many cases where people should be in residential care but either can't move in due to facilities being locked down or they are too afraid. This means that family members need to step up to be carers or pay for care.

The number of Australians aged 85 and over is expected to increase from 2 per cent of the population to 3.7 per cent by 2058.

According to Deloitte Access Economics modelling, to maintain current staffing levels, the 2020 workforce of 186,130 direct care aged care staff would need to grow by 70 per cent to meet workforce 2050 requirements, meaning more than 130,000 additional full-time equivalent professionals. The royal commission indicated this number will be even higher if the recommended reforms are implemented.

Home care reforms are good, but aged care workforce reforms are also critical.

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