

June 16, 2021

To: Social Services and Community Select Committee
Komiti Whiriwhiri Take Hapori
New Zealand Parliament

RE: SUBMISSION
On the Petition of Sue Brown

Background

Presbyterian Support is one of New Zealand's largest aged care providers with services expanding across Residential Care and Retirement Villages through to Home-Based Care, known in every region as Enliven services. We operate as seven regional organisations within a Federation model, each operating independently with their own diverse range of aged care services. From region to region we are part of a stakeholder network and community meeting the local aged population's varying demands for care.

Thank you for this opportunity to submit on the Petition of Sue Brown. Firstly, we acknowledge Sue Brown and her family and the trauma experienced by all residents and their families when health needs necessitate changes in status to both the level of care and inaccommodation options. Regardless of where this occurs, including older people's own homes, there is a high level of stress and fear of the unknown. The often-quick transition period is driven by changing health needs that accelerate as deterioration occurs. This is an acknowledged and appreciated ageing fact of life.

Despite our sympathy for Sue Brown's family's experience, we do not support her petition *"That the House of Representatives pass legislation so that it is a legal requirement for retirement village operators to ensure that they have the capacity to accommodate residents when they move from one level of care to the next (that is, serviced apartment to rest-home to hospital level of care)."*

We are members of the Retirement Villages Association (RVA) which, we understand has also submitted and that it does not support the petition of Sue Brown. We support the arguments put forward by RVA in its submission explaining why it would not be practically or economically viable for our industry to have this legal requirement. Were it to be legislated, it would take significantly higher levels of government investment to meet the costs associated with the changes proposed. Without such investment the aged residential care component of the care and village package would be financially unviable.

As aged residential care providers we can comment with experiential knowledge about what impacts the petition would have for providers. We also wish to point out how we, and our sector, already address a number of the points made in the petition.



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Viability

Presbyterian Support NZ supports RVA's submission in saying it is not practically or economically viable for aged residential care facilities to be required to guarantee that a suitable aged care room will always be available to any resident, whenever they might need to move into the next stage of care.

Not all retirement village operators offer aged care:

Presbyterian Support in each region manages a different mix of Enliven services including a mix of retirement villages, with more or less aged care facilities. Each region's mix of our Enliven services is, to many extents, determined by the stakeholder network and where Presbyterian Support organisations see they can fit to meet service needs in a sustainable way. In our residential care homes we endeavour to try and provide a continuum of care to accommodate the anticipated needs of our residents, and we also undertake long term planning to determine areas of growth required to support the needs of the ageing population.

We cannot sustain unfunded and mandated empty care beds:

Presently, we are only funded for providing aged care *when* our rooms are in use. This is how the funding model works: in every region the Ministry of Health through local District Health Boards (DHB) fund us to provide care for those members of the community assessed as needing care by the Needs Assessment Service Coordination Service (NASC). Local DHB's role is to try and ensure there are sufficient beds at all levels available within the region to meet the needs of their ageing population, however where those beds at the required care levels are situated depends on overall occupancy across a district.

We don't believe it's responsible to maintain empty care rooms:

What we know is that there is already a shortage of suitable aged care rooms in New Zealand, especially hospital and dementia beds¹. We also know the issue is only growing as the ageing population is rapidly increasing. We are bound by and very committed to te Tiriti o Waitangi, the Human Rights Act, as well as a multitude of other legislation and Health and Safety requirements. The choice of whether intending residents come to a particular care home isn't made by the providers; it is the choice of the resident, but their needs must be met and it is of course subject to availability. We see it as our responsibility to provide our aged residential care rooms to meet the needs of our whole region – it is not responsible to keep rooms available for one group of people when the health needs of others in the community might be met.

We cannot support legislation that might force us to keep our care rooms available – empty – for our village residents, while another person – a neighbour in the community - is moved into the public health system to wait until another care room becomes available. Not only does this place unnecessary burden on our public

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health system, but it goes against our Enliven Service philosophy and values and would damage our standing as a stakeholder in the community.

Further responses to concerns raised in petition

We note RVA gave further comment in their submission to a number of concerns raised in the petition. We support their comments regarding ‘no cause’ termination and priority access with nothing further to add. We wish to add further comments in support for:

Planning a move into aged care:

When the petitioner recommends that residents should have the right to determine when they are ready for “that next step”, she fails to comprehend the health benchmarks and safety requirements determining residential care at multiple levels of ageing. The access into residential aged care is through the DHB Needs Assessment Service (NASC). It is determined by NASC teams because residents – like the rest of us – over-estimate their health capability most of the time. Registered Nurses use a proven and mandated tool and Aged residential care beds are funded on the basis of resident assessments and entry timing.

Retirement Village operators are not NASC nurses or GPs and therefore cannot predict or assess the needs of their residents prior to entry into care.

NASC teams must provide any clients meeting the access criteria with all available residential care site options because it is the resident’s choice. Fundamentally, assessed residents may not want to move into the care facility attached to the village they live in. They may prefer to move closer to family or select an alternate home with different service options. Sometimes if beds are unavailable at the preferred sites, they move temporarily to another site and then change when a bed does become available. It is certainly not in the resident’s best interests to simply insist their retirement village is their home when it may not be equipped to provide residential care or other care at the level required. NASC teams must be involved in offering all alternatives to the assessed level of care in all facilities for the resident at the time of assessment.

As experts in aged care we are acutely aware of the advancing stages of life and how things can deteriorate rapidly for our residents. At our Enliven services we try to support families as they come to terms with these changes. Often family expectations are at odds with the reality of what Aged Residential Care and Retirement Villages are able to provide within the continuum of care provided on the site.

Government funding

We note the options put forward by RVA in its submission, regarding economically viable ways to implement the requirement to maintain empty care rooms. We note both options put forward are through innovative government funding:

1. For Government to fund the aged care room for the period where a resident is awaiting a needs assessment from NASC (i.e. effectively an 'assessment fee').
2. For Government to provide emergency funding to operators, to enable them to provide special care to an individual resident to meet their care needs in their current retirement village until an aged care room becomes available.

In keeping with the recommendations of the Productivity Commission, we would support government taking a pilot approach to testing the efficacy of both these options within a region or regions of New Zealand, to measure their feasibility for the nation as a whole, before a decision to roll out either one nationally.

Conclusion

New Zealand is facing a perfect storm that has been brewing for some time but has been brought to a head as a result of COVID19. There is an acute and enduring shortage of registered nurses and a shortage of ARC hospital and dementia beds to meet the ageing population needs. In addition, the growth of retirement village living and its various living options, means that people are living well for longer, but when people's health deteriorates, they come into care at very high levels of acuity.

Public Hospitals are rigid in their stance on taking only those at the critical end of the health needs scale and therefore aged residential care providers are required more and more to fill the gap. It is simply not financially possible or socially responsible to have empty care beds available 'in case' someone from the retirement village 'may' need care at some stage.

We extend to the petitioner our sincere regards and sympathies for the experiences of her parents and the grief and outrage this has caused. As a longstanding organisation in the aged care sector, we know and experience the stress and grief caused by their ageing process every day alongside our residents, particularly when deterioration is rapid and changes in residency levels must occur. The ageing process is very complex and a lot for residents and their families to take in. At our facilities we consider these complexities and try with Enliven services to walk alongside residents and their whanau through this time.

We put forward that the petitioner might change their position once made aware of the points we and RVA have raised in our submissions. We do not support the legislation petitioned for and hold it to be counter-productive to our vision of an equitable and sustainable aged care system that values the ageing population. We urge government to



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demonstrate it shares our vision through appropriate investment in the ARC sector and the workforce caring for our most vulnerable members of society. For the time-being, insisting on spare beds 'just in case' will add unsustainable cost-pressures upon providers, and many local, respected not-for-profit operators such as ourselves, may in some regions be forced out of the industry.

Sincerely,

Dr Prudence Stone
NEO

Endnote

¹In 2010 the Grant Thornton review into Aged Residential Care acknowledged the increased need moving forward for new residential aged care development. The occupancy levels for dementia and hospital levels of care are at the upper end across New Zealand, while lower-level rest home care can be managed within alternative Retirement Village accommodation settings that have care built in, such as serviced apartments. The first recommendation in the Grant Thornton Review was for greater public recognition of the need for additional Aged Residential Care services and funding to meet future demand from 2014 onwards. Sadly, this has not been recognised by successive governments and the industry is significantly underfunded.

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