

Australian Government's draft National Care and Support Economy Strategy

Via email to CareandSupportEconomyTaskforce@pmc.gov.au

Submission by the

Australian Physiotherapy Association

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Acknowledgement of Traditional Owners

The APA acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander Peoples today.

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1. Executive Summary

Introduction

The Australian Physiotherapy Association (APA) is pleased to provide feedback to the Taskforce's draft *National Strategy for the Care and Support Economy* (the draft strategy). We welcome the Australian Government's progress to build a sustainable care economy and commitment to put 'care' at the centre of public policy to generate new social and economic opportunities. To guide the required policy response, the draft strategy appropriately focuses on the provision of paid care and support services across aged care, disability support, veterans' care, and early childhood education and care.

The APA supports the strong focus on the care and support sector where policy inaction has seen the skills profile of this vital workforce deteriorate. It is this workforce that remains the most undervalued, resulting in low job satisfaction and low relative pay and it must be prioritised. However, in terms of the required reforms in building the care and support economy, a much wider policy lens is needed to seek opportunities from within the entire health workforce.

The APA provided written input to the Issues Paper released just prior to the Government's Jobs and Skills Summit, the Employment White Paper, and to the migration system reform consultation. The APA has also contributed to consultations to the complementary strategies, reports and reviews across aged care, in disability and veterans' care, including in aligning regulation. This submission builds on our earlier advice to these major associated reforms to provide more specific information on the barriers and enablers to driving a sustainable and productive care and support economy encompassing the right skills.

We would welcome the opportunity to brief the Care and Support Economy Taskforce as you progress the draft strategy towards a finalised vision.

APA Position

The APA congratulates the Australian Government on committing to a major focus on fixing the care economy to build capacity across the nation's disability, veterans' and aged care systems.

The APA shares your vision that every Australian should have access to high quality care and support, reliant on investment in high quality jobs in this sector. However, in setting a new direction for this sector, the draft strategy is limited in reach with some key policy 'misses' in addressing service deficiencies and related skill deficits in the context of an ageing population and other drivers of demand for care services. There is significant opportunity to reframe it towards a policy vision that values, recognises, and strengthens the whole care and support workforce, including critical healthcare professions, such as physiotherapy, to enable better health outcomes and quality of life for vulnerable Australians.

The strong causal relationship between the supply of certificate level occupations and reliance on the supply and demand for higher specialised clinical skills in meeting these care needs, particularly in the allied health workforce, and where a delegation frameworks exists, is overlooked in the draft submission and absent in the overarching strategic direction. We are concerned that the draft strategy, in its current form, where allied health is cast outside of the focus areas, particularly in addressing unmet need in aged care, disability support and veterans' care, will lead to the very fragmentation this strategy is trying to address.

Vision, goals and policy objectives

In response to the draft strategy, while the APA supports the policy direction of the vision statement, and provides in principle support for the three level goals set out to help achieve this vision, there are key areas that need more policy emphasis and documented detail. This includes the need to explicitly outline the roles that encompass the care and support workforce, including for the healthcare roles encompassing allied health, particularly the regulated disciplines which include physiotherapy.

It is also our view that, of the three goals guiding this vision, the draft strategy is effectively countered by the intent, as described, against *Goal 3: Productive and sustainable*.

The draft strategy currently states:

“As we work towards these goals, and the vision they underpin, we do so in a context where Government budgets are under strain. Financing the care and support economy in a sustainable way presents a significant challenge.”

Budgets and the allocation of funds is a choice. Significant investment is required to meet the Government’s strategic priorities towards a strong inclusive and sustainable economy, otherwise the stated direction of your vision cannot be achieved if the underlying premise is budget constraints. Creating a care economy to underpin our whole society cannot be measured as such—the solution lies in extensive reform to fund high quality care and support provision, and this is reliant on an appropriate budget allocation to getting the right mix of skilled workers.

Further, against *Goal 1: Quality care and support*, while the strategic goal is underpinned by a set of solid objectives, these lack the required detail. There is certainly risk in progressing a draft strategy that lacks detail of the workforce roles and skill depth required to drive significant change towards a sustainable and productive care and support economy. This detail cannot simply be conveyed in an infographic on page 5, as the reform being sought is reliant on a workforce plan that identifies the system, health service and workforce priorities to enable your vision.

Goal 2, Decent jobs, to deliver secure jobs and increase wages, and ‘decent’ jobs as described throughout, it is clear that a sustainable care economy must value, and be built on the right skills mix. Valuing skills must be core to the response to attract the optimal staff and skill mix required to strengthen quality of care and quality of life outcomes.

Funding high quality care and support provision

To ensure the care economy can begin to reach its full potential, extensive reform is required to address the serious neglect, policy failure and broader impacts brought about by the marketisation of vital services. This is reliant on a funding model that can facilitate individualised care to address the complex needs of each priority cohort ensuring patients get the right care, support, and dignity they deserve.

A focus on attracting and retaining critical skills and enabling higher-level skills is key to addressing quality and supply concerns. It is also important to note that the care and support workforce, particularly in the aged care and disability sectors, is often reliant on delegated practice and under the supervision of other disciplines to ensure their safe and effective use. Maintaining an appropriate ratio of allied health professional to unregulated allied health assistant is critical.

Conclusion

In reforming the care and support economy, a vision that values the full benefits of the full health workforce, encompassing physiotherapy, will secure better health outcomes for patients and a more cost-effective health system. Sustainable workforce supply will only be achieved through funding reform and prioritising discipline-specific inputs to skills planning taking a holistic view across the care and support sector. We are at a critical juncture with an opportunity to address ongoing and acute workforce shortages that are impacting on quality of care. The capacity to fund high quality care must be found to meet the demands of an ageing population and the increasing demands for high quality healthcare across all settings. Strengthening policy directions toward sustainable solutions and measures to attract, retain and enable appropriate scope of practice of all occupations and professions among the care and support workforce, including physiotherapists, is imperative.

2. Recommendations

The APA supports the strong focus on the care and support sector to reverse further deterioration of workforce and employment conditions as a consequence of previous policy inaction. It is vital that healthcare professions and multidisciplinary care continues to be valued, retained, and grown to ensure optimal health, wellbeing and quality of life outcomes for the most vulnerable Australians. We call on the Government to invest in the entire care and support workforce.

Recommendation 1	Reframe the strategy towards a policy vision that values, recognises, and strengthens the whole care and support workforce , including critical healthcare professions, such as physiotherapy, to ensure the required skill depth to enable better health outcomes and quality of life for vulnerable Australians.
Recommendation 2	Build capacity to fund high quality care to meet the demands of the stated priority populations and the increasing caseload and in managing complexity for healthcare provision across all settings.
Recommendation 3	Extend Goal 1, Objective 1.2, to make explicit the need to support the required mix of skills for safe and quality care in recognition of the regulated professions and where a delegation frameworks exists.
Recommendation 4	Ensure the strategy directs supportive funding models to fully realise the potential opportunities presented by advanced scope roles across the full range of disciplines, including new skill acquisition pathways for advanced scope physiotherapists.
Recommendation 5	Extend Goal 2, to encompass more detail around the unique composition of the health workforce , particularly the regulated disciplines, or high-level clinical skills, to reduce the risk of diminution of clinical care, and potential overreach by unqualified workers. This includes reference to the delegation frameworks in relation to the Allied Health Assistant workforce and reliant practitioner supervision and oversight, particularly for the regulated professions.
Recommendation 6	Extend Goal 3, Objective 3.3, to include funded supports for higher clinical skills , including critical healthcare professions, such as physiotherapy, and for this to be reflected in fee structures to reduce the risk of cheaper care and ensuring continued safe and quality care for these priority cohorts through directing the required clinical expertise.
Recommendation 7	<p>Ensure physiotherapists working in government schemes, including within the NDIS and DVA, and the aged care sector are appropriately remunerated.</p> <p>The APA calls for:</p> <ul style="list-style-type: none"> › The immediate indexation with CPI of NDIS price limits for physiotherapy supports. › The DVA to adopt an urgent review of fees to reflect scope of physiotherapy and viability of services. › Urgent further reform of the residential aged care funding model to ensure access to high quality, needs-based physiotherapy care, with mandated funding and a separate dedicated funding component for the assessment and delivery of allied health services that respond to the individual needs of older people in residential aged care.

3. APA's response to the consultation questions

Vision

Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Vision: A sustainable and productive care and support economy that delivers quality care and support with decent jobs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

APA response to the vision

The APA **supports** the broad policy direction of the vision statement; however, of the three goals guiding this vision, the draft strategy is effectively countered by the intent, against *Goal 3: Productive and sustainable*.

The draft strategy states: 'As we work towards these goals, and the vision they underpin, we do so in a context where Government budgets are under strain. Financing the care and support economy in a sustainable way presents a significant challenge.' Budgets and the allocation of funds is a choice. Therefore, the stated direction of your vision cannot be achieved if the underlying premise is budget constraints.

The vision statement could be improved through a stronger emphasis on social sustainability as opposed to containing budgetary spend. We suggest a reframe of the vision statement to align more closely to the first and second goal in securing the required workforce: The care and support economy delivers high-quality person-centred care across sectors through a skilled, valued and fulfilled workforce.

Goal 1 – Quality care and support

Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Goal 1 Quality care and support: Person-centred services that recognise care and support recipients as individuals and deliver quality outcomes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

APA response to Goal 1

The APA **supports** the policy intent of Goal 1; however, in order to achieve this goal a more diverse skill mix is required to enable more person-centred approaches across sectors.

Significant reform is required to optimise this workforce to allow person-centred, relational models of practice and adequate time for care. This requires a more prescriptive skills focus supporting advanced scope roles that can facilitate more multidisciplinary, team-based approaches to enable high quality care. Supportive funding models are needed to fully realise the potential opportunities presented by advanced scope roles.

We note that a migrant workforce will be important to building capacity, however, this should not be at a cost to domestic workforce graduates and supply. We welcome the greater role for digital platforms in navigating the care and support sector, and enhanced support and recognition for 'informal carers'.

Providing care in thin markets through 'integrated commissioning where providers are funded to deliver cross-sectoral services' is supported in principle. More consultation around the workings of the policy should be undertaken across the health workforce.

APA response to Goal 1 objectives

The APA **supports** the policy intent of the six objectives that underpin Goal 1, but recommends an addition to objective 1.2 to make explicit the need to support the required mix of skills for safe and quality care.

In finalising the draft strategy, there are some important policy requirements to the workforce objectives at 1.2, in ensuring *the right skills and training*, and 1.3, in ensuring *workforce supply meets demand* that require more emphasis in the draft strategy to guide policy action. A more diverse skill mix is required to enable more person-centred approaches across sectors. It is clear that optimal models cannot work in an underfunded service environment where changing patterns of demand, significant reform and incremental change have not been matched with appropriate changes in funding models. Supportive funding models are needed to fully realise the potential opportunities presented by advanced scope roles.

Goal 2 – Decent jobs

Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Goal 2 Decent jobs: Secure, safe jobs with decent wages, conditions and opportunities for career development	<input type="radio"/> Strongly Disagree	<input type="radio"/> Disagree	<input type="radio"/> Neutral	<input checked="" type="radio"/> Agree	<input type="radio"/> Strongly Agree

APA response to Goal 2

We **support** the policy intent of Goal 2; however, while the emphasis remains on one component of the health workforce, at the certificate qualification level, there is a risk of diminution of clinical care.

More detail on unique composition of the health workforce is needed. Allied health professionals, including physiotherapists, comprise 13% of the care and support workforce - the second largest occupation group. Nine of the 15 care and support occupations are skill level 1 (commensurate with a bachelor degree or higher qualification), accounting for approximately 29% of total care and support workforce. This skill level includes all registered nurses, health and welfare managers and allied health professional occupations.¹

Further to Goal 2, we note the commitment to improved worker conditions through a 'Priority Workforce Initiatives Action Plan', and to safety through a 'Worker Safety Action Plan'. More detail is required around the stated commitment to preferencing 'direct employment in aged care' in relation to how this is to be incentivised through policy.

APA response to Goal 2 objectives

We **support** the policy intent of the six objectives that underpin Goal 2, but recommends that more attention is placed on clinical performance, safety and effectiveness.

APA supports focusing on care and support workers in valuing social and economic contributions of caregivers and using incomes and equity policies to prioritise and integrate into macroeconomic policy. While supporting the focus on growth (Level 4 occupations); in the context of healthcare provision, we stress that these roles are reliant on the development of a workforce comprising high-level clinical skills. Therefore, one component of the workforce cannot grow without a focus on ensuring there is the required mix of skills for safe and quality care. Further, the qualification level of these employees is generally too low to deal with the increasing complexity of care demands. All these factors need to be considered in job design. Delegation and supervision need to be defined in a national framework across sectors, and we recommend that the required clinical leadership and oversight be captured in the objectives.

¹ Pg 83, Care Workforce Labour Market Study Final Report, Nationals Skills Commission, September 2021

In terms of objectives at 2.1-2.4, as these relate to training, we note that some labour market developments, such as casualisation and skill supplementation through migration, can have an impact on sector development by reducing the incentive of employers to invest in skills development and training.

Goal 3 – Productive and sustainable

Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Goal 3 Productive and sustainable: A care and support economy that has functioning markets, sustainable funding and generates productivity gains	<input type="radio"/> Strongly Disagree	<input type="radio"/> Disagree	<input type="radio"/> Neutral	<input checked="" type="radio"/> Agree	<input type="radio"/> Strongly Agree

APA response to Goal 3

We **support** the policy intent of Goal 3; however, as these are not regular markets, the sector requires significant government investment and reform, alongside targeted workforce incentives.

Continued stewardship of the thin markets and market gaps by government is imperative, particularly where enduring supply gaps drive inequity in healthcare access, and undermine the goals of the various schemes. Pricing limits make it challenging to be competitive in the current market. There is a risk of diminution of clinical care and increasing low-value care unless targeted supports for higher clinical skills, including critical healthcare professions, such as physiotherapy, is reflected in fee structures.

Further important elements to Goal 3, we note the planned development of a '*Pricing and Market Design Action Plan*' to better align incentives and contribute to well-functioning care and support markets. As previously indicated, mentions to the '*long-term sustainability*' of the sector is problematic and undermines your vision. There is considerable scope for quick efficiency gains in our current health system, and more emphasis is needed on driving the required clinically and cost effective care. The commitments to an '*Innovation Action Plan*' and a '*Data Standards Action Plan*' are welcomed additions.

APA response to Goal 3 objectives

The APA **supports** the policy intent of the five objectives that underpin Goal 3, but recommends specific funded supports for the **higher clinical skills**, and for this to be reflected in fee structures

The APA welcomes the commitment as outlined to incentivising providers to deliver quality care and support decent jobs. We welcome the focus on streamlined regulation (3.2), to reduce duplication and burden, without compromising quality and safeguards, and funding models to support market sustainability and workforce development (3.3), but the latter need to be made more specific in enabling the required skills. Objective 3.3 could also be reordered to: Funding models support quality care and support, including consumer choice and control, job quality for workers, and market sustainability. Ensuring the regulatory systems work together and do not result in unnecessary duplication or red tape which can discourage entry in market is key. A focus on attracting and retaining critical skills, and enabling higher-level skills, is key to addressing quality and supply concerns.

The current state

Q. In your view, what are the current key challenges for the care and support economy?

Policy inaction has seen the skills profile of the care and support workforce deteriorate. We have put forward the case for a more prescriptive skills focus that better facilitates multidisciplinary, team-based approaches that enable high quality care. This is vital to reforming the sector, in delivering quality care and support with decent jobs, and this requirement is a clear omission in the draft strategy.

Healthcare has a cost, and this cost is high, but it's the value provided that we should be focusing on. For physiotherapists, the fees provided by some schemes are not in step with the skills value physiotherapists deliver. To address these key challenges, the APA is calling for targeted skills reform across veterans', disability and aged care.

For physiotherapists working in veterans' care, the current **Department of Veterans' Affairs** (DVA) fee schedule remunerates physiotherapists substantially below their standard prices. The APA recommends that DVA adopt an urgent fee inquiry to ensure viability for all providers.

Likewise, current pricing arrangements and price limits in the **National Disability Insurance Scheme** (NDIS) has similar, negative impacts. Price limits indexation would help with budget certainty and service planning and would make employers more confident when hiring staff. The APA is calling for the immediate indexation with CPI of NDIS price limits for physiotherapy supports.

Recent policy reforms have results in a rapidly diminishing physiotherapy workforce in residential aged care. The APA is calling on the government to urgently undertake further reform of the **residential aged care funding model** to ensure access to high quality, needs-based physiotherapy care, with mandated funding and a separate dedicated funding component for the assessment and delivery of allied health services that respond to the individual needs of older people in residential aged care.

Q. In your view, what is currently working well in the care and support economy?*

We welcome efforts to tackle the ongoing care workforce shortages impacting on quality care. Inadequate staffing levels, skill mix and training are the key causes of substandard care in the current care system. In recognising the need to improve conditions, pay, and the value of work, we acknowledge the progress made through the commitment to fund a 15% pay rise for aged care workers in direct care roles. Further, reform efforts to ensure greater harmonisation across the care and support sectors is vital. Therefore, the existing commitment to align regulation to improve quality and safety for participants and consumers and remove unnecessary duplication of obligations for services providers and workers to work more seamlessly across different types of care is also an important reform to ensuring the care and support economy works well.

Actions to achieve the vision

Q. In your view, what is the first thing Government(s) should do to achieve the vision of a sustainable and productive care and support economy that delivers quality care and support with decent jobs?

You may choose one of the action plans from above, or a different answer.

The considerable issues contributing to demand across aged, disability, veteran and mental healthcare have hindered efforts to date. The policy inaction in aged care and the ineffective iterative reform approach in disability, where pricing, workforce shortages and uncertainty have significantly impacted workforce development, have limited supply planning, impacting on quality care for our most vulnerable Australians.

From the plans listed, the Priority Workforce Initiatives should be the highest priority in planning for current and future workforce needs across the care and support workforce. This will help governments to better understand current gaps and to better plan for future workforce needs. However, reform is also reliant on a commitment to progress all of the action plans that underpin the workforce aim, and rolling out the full range of reform activity encompassing regulation reform, data standards, worker safety, and pricing and market design will drive the required shifts to improve conditions for care and support economy workers.

Australian Physiotherapy Association

The APA's vision is that all Australians will have access to quality physiotherapy, when and where required, to optimise health and wellbeing, and that the community recognises the benefit of choosing physiotherapy. The APA is the peak body representing the interests of Australian physiotherapists and their patients. It is a national organisation with state and territory branches and specialty subgroups.

The APA represents more than 31,000 members. The APA corporate structure is one of a company limited by guarantee. The APA is governed by a Board of Directors elected by representatives of all stakeholder groups within the Association.