



# Closing the door to younger people entering aged care

## Summer Foundation position statement on the proposed new Aged Care Act

2 November 2023

The Summer Foundation welcomes the proposed change to aged care legislation that specifies “apart from First Nations persons, or people at risk of homelessness, no other younger persons will be able to access funded aged care services”.<sup>1</sup>

### Small numbers – A solvable problem

Historically most (over 95%) of the younger people entering residential aged care (RAC) over the past decade were eligible for the NDIS. However, the number of NDIS eligible young people entering RAC has plummeted over the past couple of years. The NDIS provides crucial funding for support that younger people with a disability in aged care, or at risk of entry, need to live in the community.

The number of people under 65 who are not eligible for the NDIS (apart from First Nations persons, or people at risk of homelessness) entering RAC is very small. This makes it a fixable problem.

A sustainable solution to the issue of young people in residential aged care (YPIRAC) requires completely closing the door to aged care for younger people. This will force state and territory governments to address service gaps and make better use of public money to develop alternative pathways that enable younger people to remain living in the community. Other sectors and service systems need to address the gaps and failures in their service system rather than use aged care as the provider of last resort.

State governments and other stakeholders are advocating to allow a wider group of younger people access to RAC. We support the change to the Aged Care Act as proposed. Keeping the door to aged care ajar for additional cohorts of young people risks creating inequity and replicating the mistakes of past initiatives.

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<sup>1</sup> Australian Government Department of Health and Aged Care (2023) ‘A New Aged Care Act: the foundations. Consultation paper No. 1’ p51. Link [here](#).

## What we have learned from previous government initiatives

The Federal Government has been working to solve the issue of YPIRAC for the past 25 years. Previous government initiatives did not create the systemic change required to have a long-term impact on the issue of YPIRAC. The complex needs of YPIRAC requires a coordinated approach that involves health, housing and aged care, rather than relying on disability services to solve the issue alone.

The Western Australian Government's 4-year Young People in Nursing Homes project from 1995 developed a range of alternative housing and support options for 95 young people previously living in RAC.<sup>2</sup> Over time, the vacancies in RAC created by this project were backfilled by a new cohort of young people.<sup>3</sup>

Through the national [YPIRAC initiative \(2006-2011\)](#), 250 younger people moved out of RAC and 244 younger people avoided being admitted. The initiative was implemented through disability services departments within Federal, state and territory governments. There was limited collaboration with housing and health departments. Once the initiative ended, the system largely reverted to the way things were previously, and a new cohort of younger people entered RAC.<sup>4</sup>

## Current YPIRAC initiative

The [YPIRAC Strategy \(2020-2025\)](#) requires commitment at all levels of government to achieve 3 targets to solve the issue of YPIRAC by 2025. The Coalition Government failed to achieve the 2022 targets of ensuring that no younger person under 65 entered RAC, and no younger person under 45 was living in RAC. Without a more sophisticated evidence-based strategy, the current Federal Government will also fail to meet the 2025 target.

For many younger people at risk of RAC who are not eligible for the NDIS, the [\\$29.5m Ability First program](#) is currently delivering systems "coordination to nowhere". In some jurisdictions, Systems Coordinators are not able to get outcomes for many younger people at risk because there is virtually no funding available for people not eligible for the NDIS. This program needs to pivot to focus on creating lasting systems change rather than replicating previous YPIRAC programs, and filling a gap until the end of 2025 but letting people fall through the gap afterwards.

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<sup>2</sup> Australian Institute of Health and Welfare (2010) 'Younger People with Disability in Residential Aged Care program: Final report on the 2008-09 Minimum Data Set.' Link [here](#).

<sup>3</sup> Australian Institute of Health and Welfare (2010) 'Younger People with Disability in Residential Aged Care program: Final report on the 2008-09 Minimum Data Set' Email. Canberra, ACT: AIHW 2010 February. Cat.no.DIS 57.

<sup>4</sup> Summer Foundation (2015) 'Senate Inquiry into the adequacy of existing residential care arrangements available for younger people with severe physical, mental or intellectual disabilities in Australia'. Link [here](#).

## Asks

**Evidence base for the design of services and solutions:** The Department of Health and Aged Care (DoHAC) and Ability First should prioritise the delivery of a public report with rigorous, detailed and practical evidence about the specific health support and accommodation needs of people under 65 who are not eligible for the NDIS. Ideally this report will include annual flows, aggregate data and case studies for each jurisdiction that are detailed enough to inform new services and solutions.

**Pilot with flexible funding:** Some of the \$29.5 million provided for systems coordination services should be repurposed. A pilot program that provides flexible funding to develop bespoke solutions that meet the diverse needs of younger people entering RAC would be more effective in creating systems change. Ideally this pilot would partner with a state government and leverage state funding and health expertise.

The Federal Government's average annual spend per RAC resident is expected to increase to approximately \$95k in 2023-24.<sup>5</sup> For most younger people at risk of RAC who are not eligible for the NDIS, access to up to \$95k of flexible funding per annum to purchase goods and services has the potential to enable much better outcomes than spending public money on an aged care bed.

## Managing foreseeable impacts

**New institutions for the YPIRAC cohort:** DoHAC need to actively monitor unintended consequences of closing the door to YPIRAC, including the emergence of transitional facilities that warehouse people of the YPIRAC cohort in old hospital wards and aged care facilities. The evidence from services that bridged the gap between health and disability services prior to the introduction of the NDIS, has the potential to guide solutions.<sup>6</sup>

**Co-design community based services and solutions with First Nations people:** The proposed legislation risks creating inequity for First Nations people with disability. We would like to see DoHAC work closely with First Nations people with disability (e.g. [Synapse](#) and [FNDN](#)) to develop a framework for supporting First Nations NDIS participants to make an informed decision about accessing community based alternatives prior to entry to RAC. DSS needs to develop service solutions for all NDIS participants in rural and remote locations including First Nations people at risk of admission to aged care.

More work is needed to make better use of public funding and improve the outcomes of younger people at risk of RAC. Timely discharge from hospital to alternative housing and support options will improve outcomes and has the potential to reduce lifetime health and disability costs.

**Contact:** Dr Di Winkler AM | 0412 248 519 | [di.winkler@summerfoundation.org.au](mailto:di.winkler@summerfoundation.org.au)

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<sup>5</sup> Australian Government Department of Health and Aged Care (2023) 'Financial Report on the Australian Aged Care Sector 2021-22'. Link [here](#).

<sup>6</sup> Winkler D, Moore S, Hilton G, Bucolo C, Mitsch V and Bishop G.M. (2020) 'Transitional Housing and Support in Australia for People with Disability: Environmental Scan' Melbourne, Australia: Summer Foundation. Link [here](#).