

11 October 2019

Dear Colleagues

Re: An opportunity for courage and imagination

I have written previously that the Royal Commission into Aged Care Quality and Safety provides a generational opportunity to determine what we need and want from aged care now and into the future. While we may take our health and independence for granted in our younger years, we all have a vested interest in ensuring that we and those we love will continue to live well into old age, with the care and support needed.

While a sobering and at times saddening critique of our care for the elderly has unfolded over the past year, as stories have continued to surface about care and systems that could and should be better, we cannot build a better system on critique alone. This is a time for imagination both in what we create and how we design the system so that it is achievable and sustainable. We want — and deserve — better care that nourishes a person physically as well as emotionally and spiritually. This demands a revolution of the aged care sector, which we do not anticipate before the Royal Commission delivers its final report.

More immediately, our sector is in crisis. In an article in last weekend's *The Saturday Paper*, Rick Morton warned that many parts of the sector are at risk of collapse, propped up by a one-off government funding injection earlier this year. While the article focused mostly on the precarious position in which the three listed for-profit providers find themselves, the reality is that not-for-profit providers manage more than half the available places in residential aged care. Most of those are on shaky ground because of unsustainable funding and a lack of free capital to invest in new infrastructure. Without an immediate and lasting solution, many will be forced to close. Older people, particularly those in regional and rural areas, risk spending their last months or years in hospital beds or in metropolitan residential care homes far from family and friends because there is simply nowhere else for them to go.

We hear about innovations in aged care from around the world but great change usually comes in response to great societal challenges. Aged care is Australia's challenge now and the world is watching us. I discovered as much last month at the Global Ageing Network Conference of peak bodies and providers from around the world, at which I presented on Mercy Health's small household living approach. The issues we are wrangling — societal views of ageing, government regulation, funding and sustainability, and training and retaining a quality workforce — are common to many other developed nations. In terms of spending as a percentage of GDP, however, Australia is lagging behind on just 0.9 per cent compared to 30 of the 34 OECD countries that average 1.4 per cent and the Netherlands ahead on 4.5 per cent. If we want to see an improvement in quality of life and care outcomes for people living in aged care, we need to create environments that facilitate meaningful relationships with those in caring roles. Addressing insufficient and unsustainable funding in the aged care sector should therefore be a matter of priority for this government.

My question to all Australians is: What do we want to do with this opportunity? Will we be imaginative, courageous and compassionate or will we settle for bland incremental change? It is only when we ask our political leaders for change that they have a true platform on which to advance such change. Thus, we must avoid blaming government but ask ourselves as people of this great nation whether we value our elderly, and if so, how can we ensure they are cared for in a way that reflects the contribution they have made to advancing this great country.

Pope Francis urged the Church to “assume always the spirit of the great explorers” and be open to the challenges of the present. At Mercy Health our focus on good stewardship means we are positioned to weather the storm. We also have an eye on the map — a map for a better way of living as we age. We have a vision for a future in which older people are nourished physically, emotionally and spiritually, either in their own homes or in small households where relationships are nurtured. This requires prudent stewardship of our resources and a funding model that facilitates the type and quality of care that we believe every aged person has the right to expect as they age.

Yours sincerely

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