

Home and Community Care (HACC) Program

Gippsland Region HACC Planning and Funds Allocation 2005-06

Addendum to the Gippsland Regional Plan, 2003-06

January 2006



Glossary of terms

Annual Plan	Victorian Home and Community Care Program Annual Plan 2005-06
CALD	Culturally and Linguistically Diverse
DHS	Department of Human Services
HACC	Home and Community Care Program
MDS	Minimum Data Set
RREF	Relative Resource Equity Formula
WREN	Within Region Estimate of Need

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Section 1 Addendum to the Regional Plan 2003-06

1.1 Purpose of the Addendum

The Regional Plan 2003-06 set goals for service expansion over the three-year period 2003-04 to 2005-06. The plan was based on an analysis of service provision and demographic data, research and evaluation reports of various stakeholders and information received during the consultation period held during the development phase of the Plan. The Plan proposed a number of measures to:

- Implement the Ministerial Priorities
- Redress funds inequity across local government areas (LGAs)
- Expand HACC services, paying attention to service mix
- Allocate growth funding to agencies.

The aim of the HACC Planning and Funds Allocation 2005-06 is to provide any rationale/basis for adjusting the Plan. This Addendum takes account of exact Commonwealth and Victorian government budget allocations for 2005-06, the most up-to-date data and unanticipated events. This addendum should therefore be read in conjunction with the Regional Plan 2003-06.

1.2 Consultation with the sector

During June 2005, each DHS region presented a Draft Addendum to the sector. The Draft Addendum documented the basis for any adjustment to the proposals outlined in the Regional Plan 2003-06. DHS sought critical appraisal from the sector for each of the changed proposals through the consultation sessions or in writing.

The 2005-06 consultation also included a discussion about the next triennium's priorities.

Gippsland had four consultation sessions:

Table 1: Consultation details

Consultation	Date	Total number of attendees	Number of service providers	C'wealth representative in attendance
South Gippsland &	21 June 2005	12	8	0
East Gippsland & Wellington	22 June 2005	20	13	0
Latrobe & Baw Baw	23 June 2005	13	8	0
Regional Koorie HACC Network	27 Jul 2005	9	3	0

There was broad sector agreement to the recommendations posed by the Region.

1.2.1 Advisory and Consumer Feedback Mechanisms

Advisory mechanisms currently in place in the Region

The Gippsland HACC Training Advisory Committee has been established in line with statewide guidelines and meets bimonthly. The Gippsland HACC Managers, is a network of Home and Community Care Managers representing local councils or community health centres that provide HACC basic services across the region. This means a two-way communication between HACC providers and the regional office in regard to policy and practice issues.

Customer feedback mechanisms that are being used by services in this Region

During the past year all agencies undertook the HACC National Service Standards Assessment and as part of this process consumer feedback was obtained via a survey. Overall the response from consumers was very positive in regard to the quality of service being provided in Gippsland.

1.3 Data

Some changes were made to the data used to calculate the RREF and WREN populations in 2005-06, in line with DHS' commitment to make the figures as up-to-date as possible. New population projections for 2006 were sourced from the Department of Sustainability & Environment (DSE), and new disability rates for persons aged 0-69 years were drawn from the 2003 Survey of Disability, Ageing & Carers (SDAC) published by ABS. Forward projections of DVA-eligible clients were advanced by one year, and the numbers of persons aged under 65 years in residential care were also revised. Weights remained the same. The main effect of these changes was to increase the overall size of the HACC target population, and to show significant increases in the target population in certain (mainly outer-metropolitan) LGAs. Table 2 in Section 2.1 shows the revised RREF and WREN population figures.

1.4 HACC budget

1.4.1 Service expansion – recurrent funding

The Victorian HACC budget for 2005-06 is \$377,734,091 million (full year effect), inclusive of indexation and growth. The HACC budget is comprised of Commonwealth and State funds allocated according to an agreed ratio and an additional Victorian contribution.

A new Regional HACC Planning and Funds Allocation will be prepared in 2006 for the 2006-09 triennium based on indicative growth allocations

1.4.2 Joint Commonwealth/State commitment

Allocations on the basis of the RREF, for each region are listed below:

Table 2: Allocation to regions

Region	Growth 2003-04	Growth 2004-05	Growth 2005-06
Barwon-South Western	\$835,047	\$854,649	\$1,077,489
Grampians	\$509,922	\$524,690	\$652,135
Loddon Mallee	\$734,879	\$753,604	\$956,366
Hume	\$583,815	\$598,390	\$779,782
Gippsland	\$658,137	\$685,652	\$840,168
Western	\$1,295,727	\$1,353,730	\$2,001,392
Northern	\$1,720,255	\$1,756,788	\$2,734,380
Eastern	\$1,937,771	\$2,014,279	\$2,186,399
Southern	\$2,476,750	\$2,569,283	\$4,136,033
Statewide	\$435,751	\$600,000	\$1,033,999
TOTAL	\$11,188,055	\$11,711,065	\$16,398,143

Note: Growth allocations include those for the HACC Response Service

Section 2 Unanticipated events/Latest Developments

2.1 Intra-regional equity

Table 3. Shows the HACC needs weighted population (WREN) in columns 5-7 for each LGA and the percentage share of regional WREN for 2003-04, 2004-05 and 2005-06 in columns 2, 3 and 4.

Table 3: Comparison of WREN and WREN population

Local Government Area	Percentage of Total WREN			WREN 2003-04	WREN 2004-05	WREN pop'n 2005-06
	2003-04	2004-05	2005-06			
Bass Coast	13.54	13.62	14.51	5,685	5,842	6,618
Baw Baw	13.29	13.32	13.45	5,582	5,714	6,134
East Gippsland	19.39	19.52	19.41	8,141	8,370	8,854
Latrobe	27.12	27.02	26.49	11,385	11,589	12,083
South Gippsland	10.80	10.75	10.67	4,534	4,611	4,866
Wellington	15.86	15.76	15.49	6,660	6,760	7,065
Total	100	100	100	41,987	42,886	45,620
RREF	6.20	5.84	6.07			

Table 3 shows some interesting changes to the HACC Target population data for Gippsland. Overall the trend as expected is for increases due to the ageing population. For instance there has been an increase of the total regional WREN and for each local government area, for each of the three years. In 2005-06 the total WREN has increased by 2,734 or 6.4% from the 2004-05 WREN.

All LGAs have seen an increase to the HACC target population or WREN, Bass Coast increased by 13%; Baw Baw 7%; East Gippsland 6%; Latrobe 4%; South Gippsland 6% and Wellington 5%.

Fortunately as indicated in section 1.4.2 above, there has been an increase to the state-wide growth funding pool which means an increase of growth funds for all regions. The Gippsland share of the state wide growth pool for 2005-06 is \$840,168. Over the previous years the Department of Human Services Gippsland Region has consulted widely and given the issue of equalisation substantial consideration and the region is committed to achieving an adequate level of equalisation over time. The Region will utilise growth funds to achieve equalisation and adapt the level of growth funding across the region according to the changes of the HACC target population. This is expected to be an ongoing process in order to meet the resource needs of the Gippsland community.

In 2005-06 the Region plans to continue to use the 5% Deviation Model of equalisation that was implemented in 2004-05. This model compares the recurrent HACC funding across all six LGAs and determines an average \$ per head of WREN per LGA. A 5% deviation on either side of the average is

considered to be within an acceptable equity band, while those LGAs on or outside of the range are considered either high thus in line for a reduction of growth or low and in line for an increase of the standard growth according to WREN allocation.

Analysis of Recurrent HACC Funding by LGA

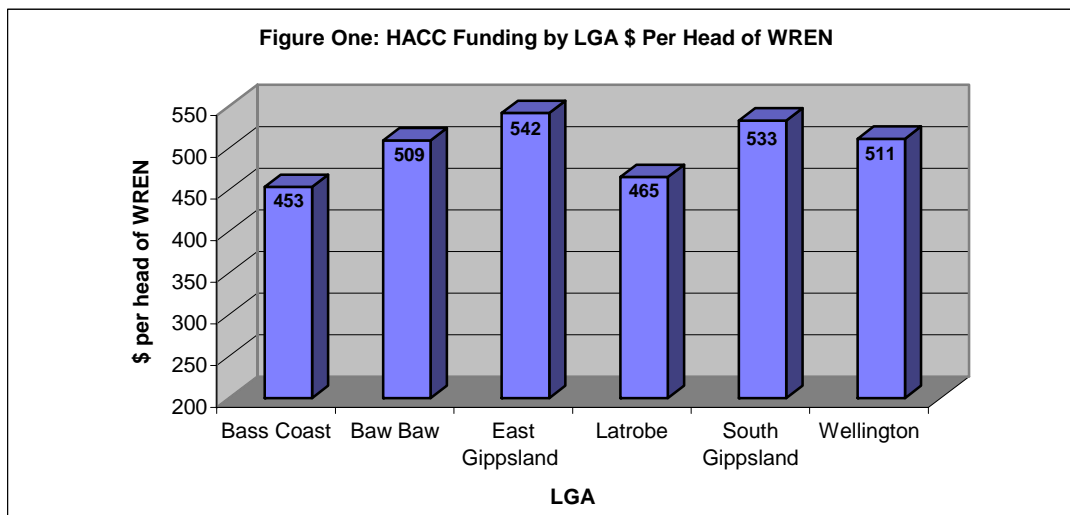


Figure one provides an illustration as to the current level of equity across the region. It is important to recognise that the key factors influencing the level of equity between LGAs are changes to growth funding and variations to the ageing population.

The '\$ per head of WREN' is achieved by applying the WREN formula to LGA HACC funding allocations. The regional HACC funding budget of \$23M for 2005-06, was divided between LGAs according to designated service delivery on a LGA basis. For example, services delivered by agencies that deliver across LGA boundaries such as Interchange Central Gippsland, Latrobe Community Health Service Linkages Program, and Gippsland and East Gippsland Aboriginal Co-operative, were apportioned across the relevant LGAs. Note that 34% of BNC nursing funds have been deducted, in line with previous planning agreement with the Gippsland HACC sector, in order to recognise services provided to non-HACC eligible people.

The regional average funding per head of WREN (WREN representing the eligible HACC target population), by LGA, for Gippsland in 2005-06 is \$502. As illustrated, Bass Coast remains the LGA with the lowest funding per head of eligible target population while East and South Gippsland have the highest funding per head of WREN.

Chart one shows that there has been a reduction in the range between the lowest LGA (Bass Coast) and the highest LGA (East Gippsland) in the last 12 months. In 2004-05, the range was \$110, the application of equalisation, has reduced this range to \$89 in 2005-06, as is illustrated in Figure One.

Using the 5% Deviation Model, the low end of the equity band is \$477 and the high end of the band is \$527. Therefore Bass Coast falls below the equity band by \$24, which represents a substantial improvement to last year's \$59. This year Latrobe is below the equity band by \$12 on \$465 per head of WREN. Bass Coast and Latrobe, are therefore in line a share of equalisation funds.

East Gippsland, on \$542 is currently \$15 over the equity band as compared to \$43 over in 2004-05. South Gippsland on, \$533 is over the equity band by \$6, compared to \$16 in 2004-05. Baw Baw on \$509 and Wellington on \$511 are near the mid-point of the equity band and thus in line for their WREN allocation of growth funds.

The Region proposes to address equalisation during the 2005-06 funding round by the following process:

9.27 % of the Growth Funds will be top sliced for Regional priorities other than equalisation as detailed below:

- Top Slice \$15,000 or 1.85% of funds for CALD Initiatives
- Top Slice \$60,000 or 7.42% of funds for Indigenous Initiatives

Equalisation is proposed to occur using the following method:

- Top Slice \$50,007 or 6.18% of Growth Funds for Equalisation Pool
- Apply \$684,033 or 84.55% by WREN to all LGAs
- Additional equalisation funds from WREN allocations where LGAs are over the accepted equalisation range, \$70,000 East and \$22,000 South Gippsland
- Total regional equity pool of \$142,007
- Provide \$95,000 equity to Bass Coast and \$47,000 Latrobe LGAs.

The proposed approach would result in an increase to Bass Coast of \$14 and to Latrobe of \$4 per head of WREN. It would mean a reduction of \$8 for East Gippsland and \$4.5 for South Gippsland. The range from the highest to lowest Local Government Areas would be narrowed from \$89 before equalisation to \$67 afterwards, with East Gippsland on \$534 and Bass Coast on \$467.

2.2 Service development

The region commenced the Gippsland HACC Transport Pilot Strategy in 2004-05, the project steering committee includes six HACC providers one representing each Local Government Area, three Transport Connections Project Officers, and representatives from the Department of Victorian Communities, the Department of Infrastructure and the Department of Human Services.

The project aims to improve the coordination of Community Transport across Gippsland through innovative and best practice solutions, and to engage and establish positive working partnerships between relevant organisations for the benefit of the community. The project has established three sub-regional networks and will pilot a web-based booking system, develop a volunteer transport procedures manual and seek to address the barriers associated with volunteer insurance. The project will conclude during 2005-06.

The region proposes a new service development project in 2005-06. The project aims to review the methods and approaches used by HACC Planned Activity Group providers in the region, to identify the most effective models or approaches for use with the HACC target group, given a rapidly ageing population.

The following table shows 2005-06 Regional Priorities for non-recurrent growth:

Table 4: Service Development Projects

Project Name	Outputs	Target Group	Indicative budget
HACC PAGES	2 Forums & Reports	HACC Providers	\$30,000

2.3 Minor capital

Minor capital is allocated to agencies via a formula and in 2005-06 all agencies will receive a minimum of \$1,500. This is an additional \$500 minimum payment to offset the cost of the upgrade to HACC MDSv2.

In 2004-05 there were only a small number of agencies that applied to the discretionary pool. In the 2003-04 and 2004-05 years a discretionary pool was created using 20% of minor capital funds. Given the small number of applicants in 2004-05 it would appear that smaller HACC agencies have adjusted well to obtaining an annual minor capital sum via the formula. Therefore Gippsland Region will allow all of the minor capital funds to be distributed via the formula for the first time, during the 2005-06 funding round.

Maximising Transport Project

\$1.5 million was made available in 2004-05 towards the change-over cost of replacing ageing HACC client transport vehicles operated by larger HACC funded agencies. The funds were allocated through a statewide invited submission process. The table below outlines the allocation of the non-recurrent funds to this region.

Table 5: Vehicle changeover allocations

Agency	Type of Vehicle	Approved funding \$
Baw Baw Shire Council	Mini Bus	\$20,000
Baw Baw Shire Council	Car	\$5,583
South Gippsland Hospital	Bus	\$55,488
Latrobe Community Health Service	Mini Bus	\$13,403
Bass Coast Shire Council	Mini Bus	\$16,339
Gippsland Southern Health Service	Bus	\$43,500
TOTAL		\$154,313

2.4 Other

There is potential for strategic development within the HACC Training Program, arising from formal evaluation feedback obtained via the HACC Innovations Forum (held at West Gippsland Arts Centre May 5, 2005) and also from planned discussions to occur at the annual program review, which will occur in August 2005. Information obtained from both methods may result in revised priorities and therefore, funding directions for this program.

Additionally, recommendations pending the release of the HACC Assessment Framework will require a significant contribution in the area of training and service restructure.

Section 3 – Recommendations to implement Ministerial Priorities

3.1 Recurrent growth allocations, 2005-06

There are a few changes to the allocations of growth for 2005-06 to those identified in the original Gippsland Regional Plan 2003-06 and these are identified below:

- \$5192 was originally allocated for HACC Training but given the additional \$20,000 received in 2004-05 it is not seen as necessary to provide this additional growth at this time
- Latrobe has not received an allocation for personal care because they are currently unable to use the funds. Further work is required to understand the underutilisation of personal care in Latrobe compared with other LGAs
- 2000 units of home care in Latrobe to achieve equity with other LGAs
- East Gippsland and South Gippsland allocations were reduced due to the equalisation process
- Wellington has a high level of allied health thus received no allocation.

Table 6: Recommended growth allocations by priority and LGA, 2005-06

2005-06	Priority 1 (including Training and HACC Response Service)	Priority 2 CALD	Priority 3 ATSI
Bass Coast	\$194,232.91		
Baw Baw	\$100,604.03		
East Gippsland	\$62,762.58		
Latrobe	\$228,181.89	\$15,000	
South Gippsland	\$50,961.81		
Wellington	\$105,926.76		
Region Wide	\$22,498.00		\$60,000
Total	\$765,167.99	\$15,000	\$60,000

3.2 Priority 1

3.2.1 Recommended expansion of activities

Table 7: Recommended expansion of Priority 1 activities, 2005-06

ACTIVITIES	Units	\$
Home Care	4457	113,653.50
Personal Care	2200	64,152.00
Property Maintenance	800	29,680.00
Allied Health	1800	134,802.00
Nursing Public Sector	4230	286,074.90
Delivered Meals	4000	5,160.00
Assessment & Care Management		109,147.60
Service System Resourcing		22,498.00
		\$765,168

Analysis of Recurrent HACC Funding by Growth Activity per LGA

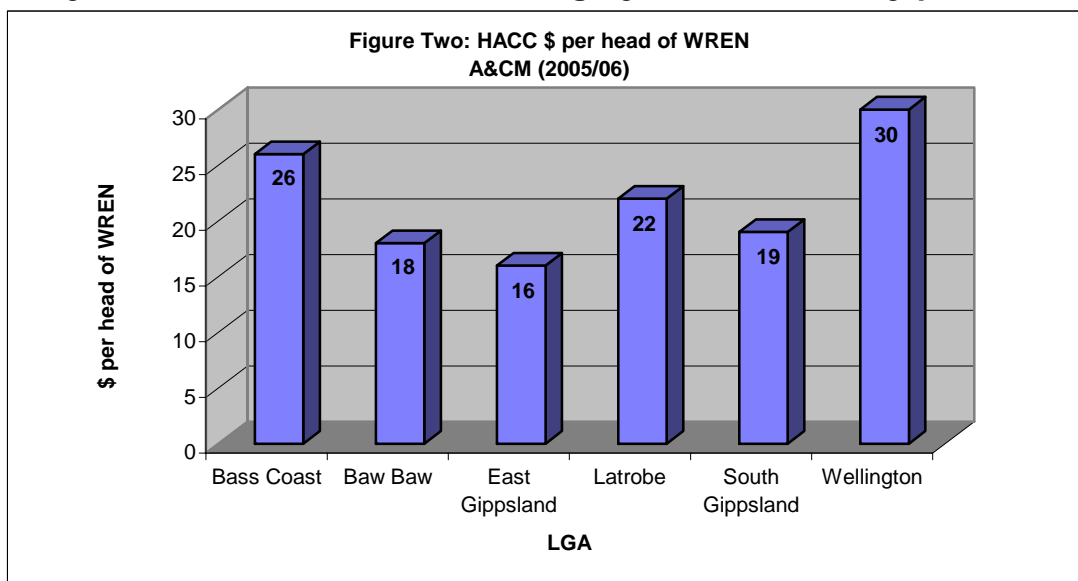


Figure two illustrates funding per head of WREN for Assessment and Care Management. Variable funding levels are evident across the region, with the most significant variance between East Gippsland on \$30 and Wellington \$16. Whilst this variance appears significant, the four Bush Nursing Centres in East Gippsland is one factor that contribution to assessment in outer-lying areas. None the less the data analysis suggests Baw Baw, East Gippsland, Latrobe and South Gippsland are priorities for growth funding in this activity.

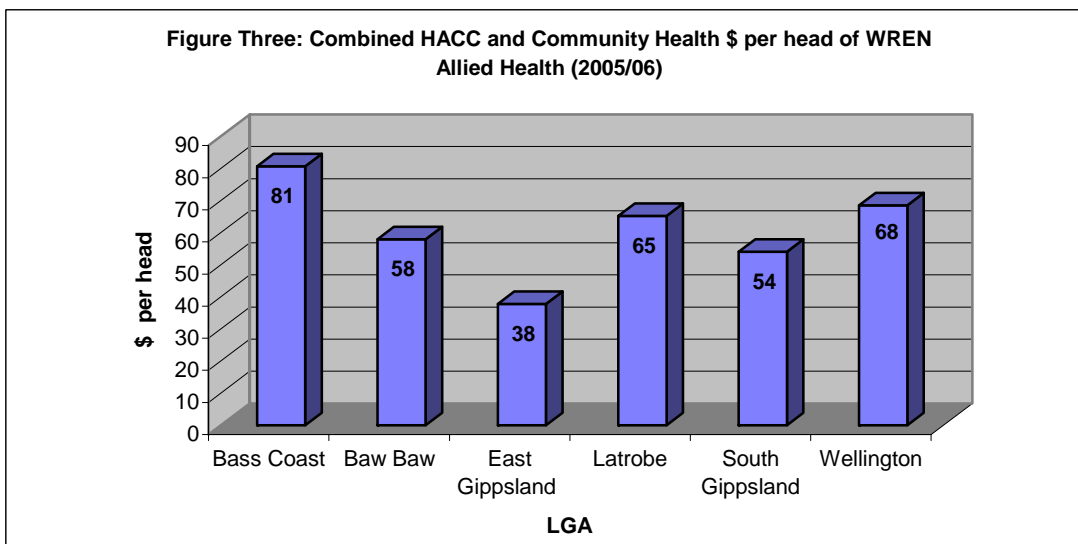


Figure three highlights combined Allied Health funding for both HACC and Community Health programs. Due to the similarity in the delivery of these two funded programs, it is appropriate that they be considered in conjunction with one another, when considering priorities for funding. Comparative to last year, East Gippsland remains the LGA with the largest variance from the regional average (\$60.66), with \$38 per head of WREN, this is a marginal improvement on last year's result for East Gippsland of \$35 per head.

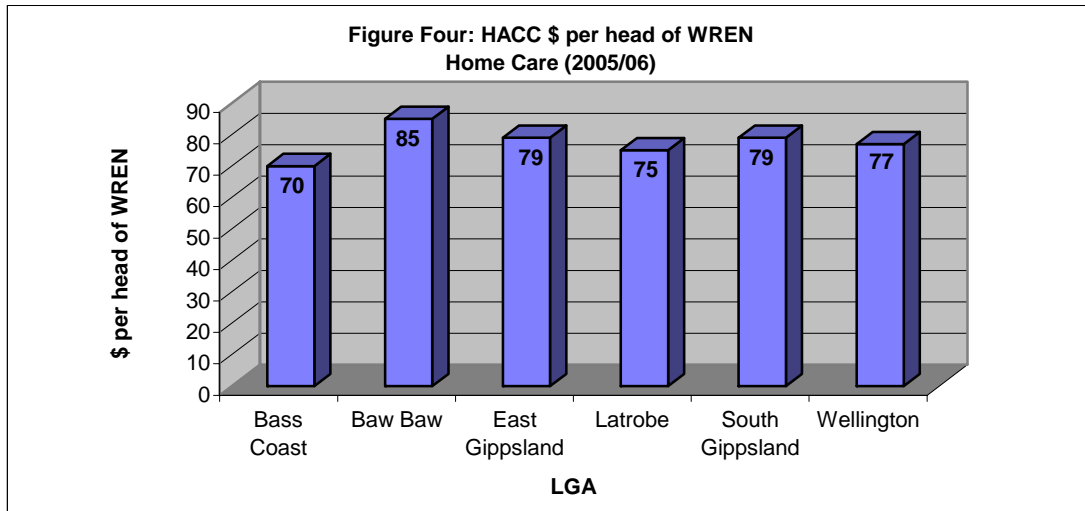


Figure four shows the distribution of Home Care funding across the region. Predominantly delivered via Council who on the whole make significant agency contributions that results in much greater levels of service delivery than are portrayed within the graph above. The average WREN for this activity is \$77. Bass Coast is lowest on \$70 and is a clear priority for growth funding in this activity.

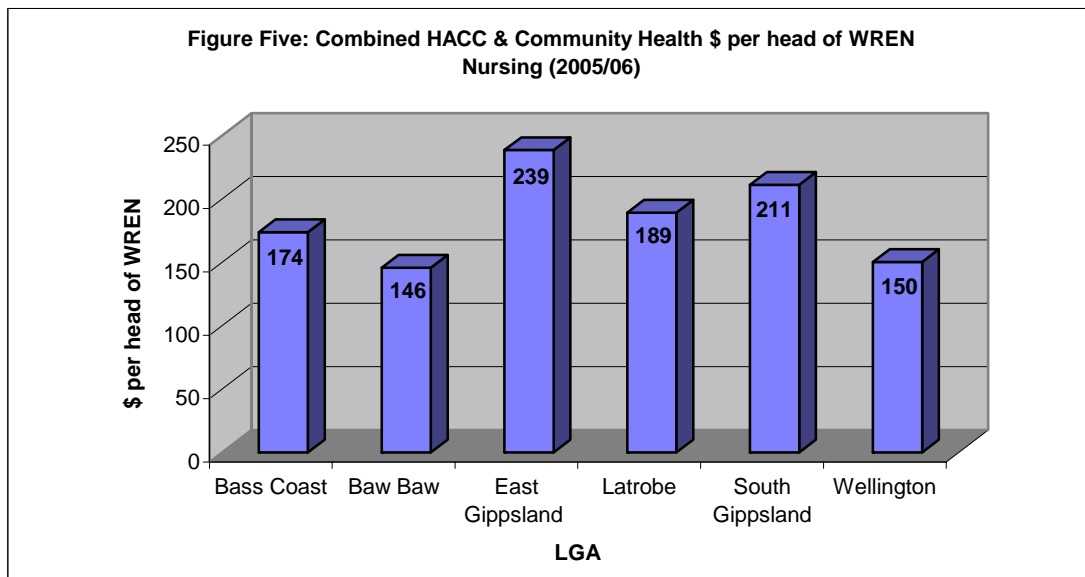


Figure five illustrates considerable variance in equity within combined funding for HACC and Community Health Nursing, across the region. On the high end of the scale East Gippsland receives \$239 per head of WREN and South Gippsland \$211, based on this, these LGA's are not in line for growth. Conversely, the LGA's of Bass Coast (\$174), Baw Baw (\$146), Latrobe (\$189) and Wellington (\$150) are candidates for growth funding in this activity.

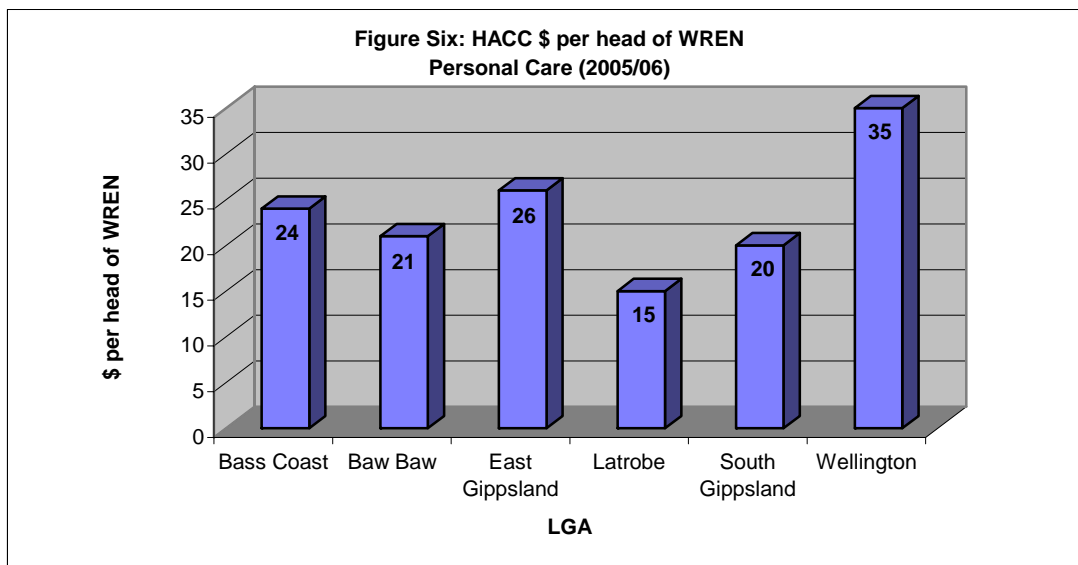


Figure six portrays varying funding levels within Personal Care. There is a significant difference between the LGAs of Latrobe, with a low of \$15 per head of WREN, and Wellington at the high end of the range on \$35 per head. Based on the information presented, Latrobe is a clear priority for growth. Baw Baw, with funding of \$21 per head and South Gippsland, at \$20 per head, are potential candidates for growth.

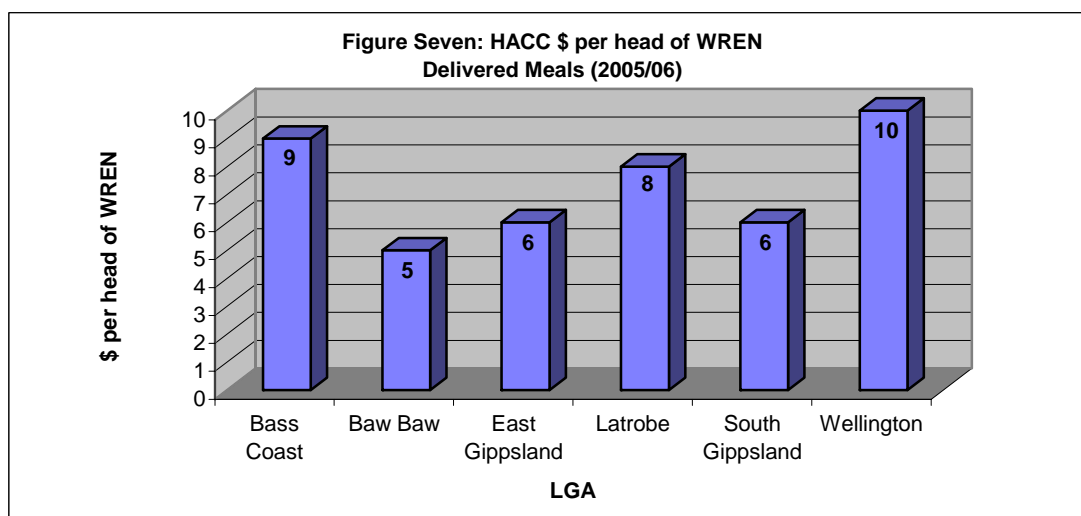
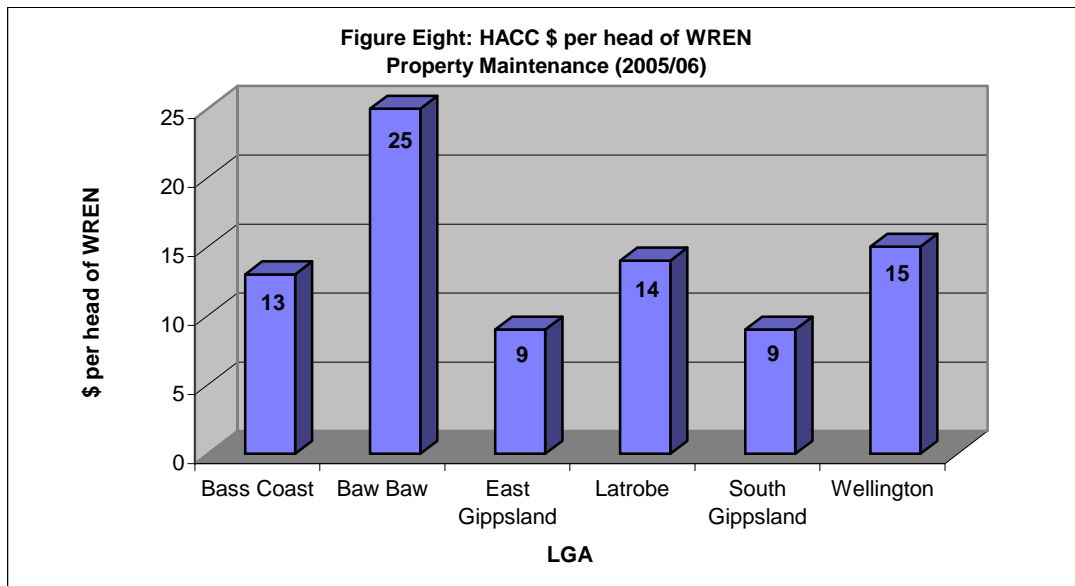


Chart seven illustrates funding levels for Delivered Meals. The average \$ per head of WREN is \$7. Baw Baw, East Gippsland and South Gippsland, are all potential candidates for growth in delivered meals according to this analysis.



Significant funding variations between LGAs can be seen in figure eight, which depicts funding levels for Property Maintenance. East Gippsland and South Gippsland, both on \$9 per head, fall well below the average of \$14, and would be considered as candidates for growth funding. Baw Baw has historically been, and remains, significantly over average by \$10 per head.

3.3 Priority 2

Priority 2 is to increase the quantity and quality of 'HACC Basic' services for people from CALD backgrounds and develop new collaborative direct service delivery arrangements between mainstream, multi-cultural and ethno-specific organisations. Initiatives addressing Priority 2 were presented in the Regional Plan, 2003-06. Any adjustments to the original project recommendations are outlined below.

3.3.1 Adjustments to project recommendations

\$15,000 has been allocated for HACC basic services to the CALD community. In the 2003-06 Gippsland Regional Plan it was allocated as region wide but is now allocated to Latrobe given this is the area with the highest CALD population and clearly identified need.

3.4 Priority 3

Priority 3 is to increase the quantity and quality of HACC services for Aboriginal and Torres Strait Islander (ATSI) communities. Initiatives addressing Priority 3 were presented in the Regional Plan, 2003-06. Any adjustments to the original project recommendations are outlined below

3.4.1 Adjustments to project recommendations

In 2004-05 it was agreed that the region should allocate \$60,000 to the expansion of Indigenous HACC services following completion of the state-wide Indigenous Needs Analysis project in 2004. These funds were allocated to the highest priority area as identified by the needs analysis project. The Indigenous HACC network is about to develop a 5 year Indigenous HACC Plan that will further prioritize the expansion of services in the region.

The region is committed to building the capacity of services to the Indigenous community in order to improve the health and well being of the Indigenous communities in Gippsland. Therefore the region proposes an allocation of \$60,000 for 2005-06 to further expand Indigenous HACC services in the region.

3.5 Growth allocation to agencies in 2005-06

Table 8: Growth allocations to agencies in 2005-06

Priority	Allocation Method	Catchment	Name of Agency	Home care hours	Personal care hours	Property Maint hours	Allied Health hours	Nursing Public Sector hours	Delivered Meals meals	ACM \$\$	SSR \$\$
1	Direct	Bass Coast	Bass Coast Shire Council	1,300	600	400				\$19,219	
1	Direct	Bass Coast	Bass Coast Community Health		600			500			
1	Direct	Bass Coast	Bass Coast Regional Health				300	500	1,500		
1	Direct	Baw Baw	Baw Baw Shire Council		800					\$21,720	
1	Direct	Baw Baw	West Gippsland Health Group				200	600			
1	Direct	East Gippsland	Gippsland Lakes CHC				200		1,000	\$16,538	
1	Direct	East Gippsland	Bairnsdale Regional Health				400				
1	Direct	Latrobe	Latrobe City	2,000		200			1,000	\$29,582	
2	Direct	Latrobe	Latrobe City		350						
1	Direct	Latrobe	Latrobe Community Health Service				500	1,500			\$22,498
2	Direct	Latrobe	Gippsland MRC								\$4,794
1	Direct	South Gippsland	South Gippsland Shire Council		200	200			500	\$22,087	
1	Direct	South Gippsland	Gippsland Southern HS				200				
1	Direct	Wellington	Central Gippsland HS	960				938			
1	Direct	Wellington	Yarram & Dist HS	197				192			
3	Direct	Region	DHS – Gippsland								\$60,000
				4,457	2,550	800	1,800	4,230	4,000	\$ 109,146	\$ 87,292

3.6 Impact of growth on equity

The table and graph below provide a summary of the impact of the distribution of growth on equity

LGA	Recurrent \$ 1/7/2003	% of recurrent funding, 1/7/2003	WREN 2003 04	Recurrent \$ + growth, 1/7/2006	% of funding, 1/7/2006	WREN 2006
Bass Coast	\$2,415,830	11.2%	13.5%	\$3,278,145	13.2%	14.5%
Baw Baw	\$2,872,766	13.3%	13.3%	\$3,250,492	13.1%	13.4%
East Gippsland	\$4,687,592	21.7%	19.4%	\$5,170,718	20.9%	19.4%
LaTrobe	\$5,329,721	24.7%	27.1%	\$5,905,480	23.9%	26.5%
South Gippsland	\$2,989,738	13.8%	10.8%	\$2,668,120	10.8%	10.7%
Wellington	\$3,305,867	15.3%	15.9%	\$3,765,419	15.2%	15.5%
Region	\$0	0.0%	0.0%	\$710,731	2.9%	
Total	\$21,601,515	100.0%	100.0%	\$24,749,106	100.0%	100.0%

Table 9: Recurrent funding 1 July 2003 and 1 July 2006, compared to equity

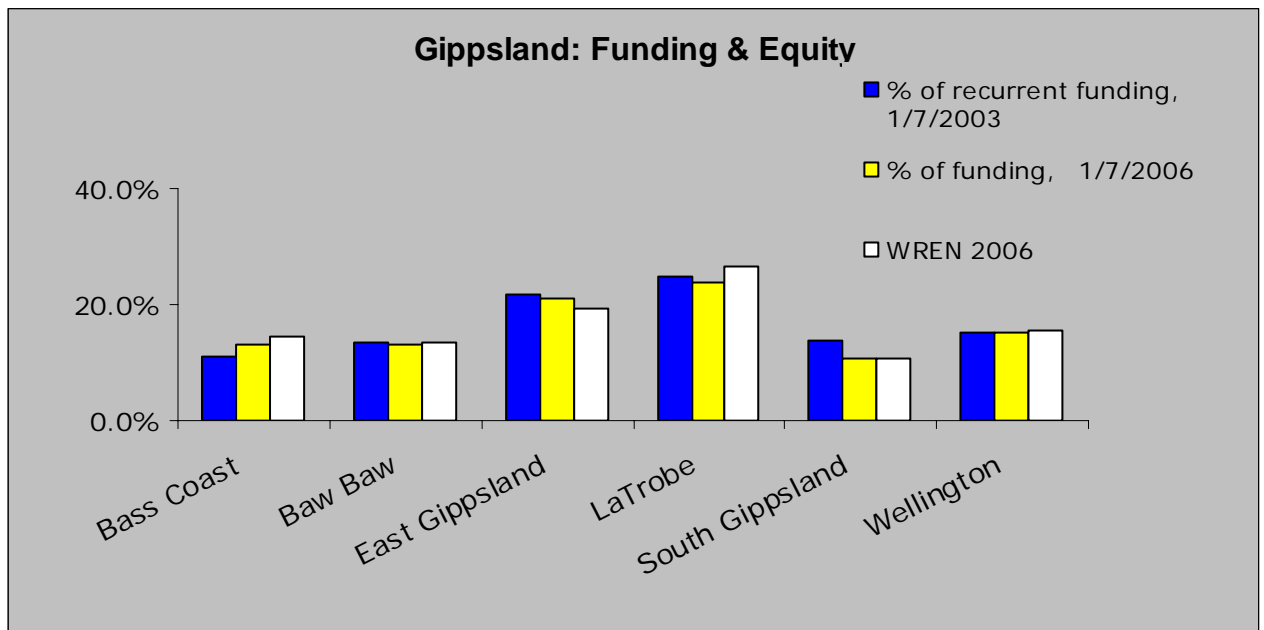


Figure 9: Recurrent funding 1 July 2003 and 1 July 2006, compared to equity