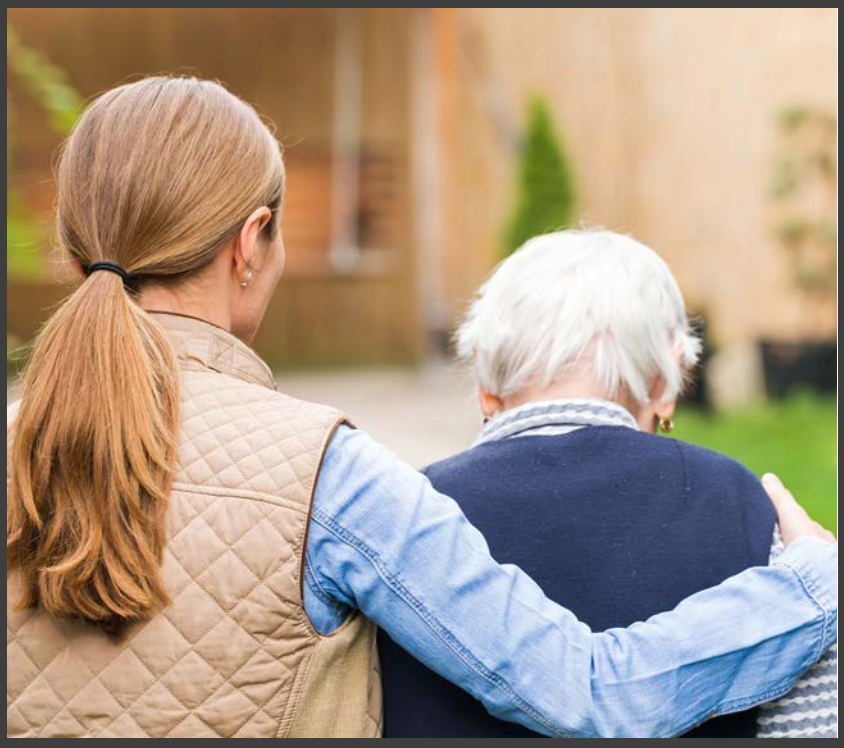

Consumer Policy Research Centre

Choosing care: the difficulties in navigating the Home Care Package market

Ben Martin Hobbs

January 2020

ABOUT CONSUMER POLICY RESEARCH CENTRE (CPRC)

An independent, non-profit, consumer think-tank established by the Victorian Government in 2016 and launched in 2017, Consumer Policy Research Centre (CPRC) undertakes consumer research independently and in partnership with others to inform evidence-based policy and business practice change. Working closely with policymakers, regulators, academia, industry and the community sector, our vision is to deliver a fair outcome for all consumers. For more information go to cprc.org.au.

Executive Summary

Affordable, effective and quality care is essential to Australia's ageing population and the growing number of older people choosing to age in place. The sector has seen a range of reforms in response to the Productivity Commission's 2013 report, *Caring for Older Australians*. As a result of the *Living Longer Living Better* and *Increasing Choice in Home Care* reforms, home care is now assigned directly to the individual with the intent of enabling Home Care Package (HCP) recipients to control and better manage their own care, a Consumer Directed Care (CDC) model.

Introducing a CDC model for HCPs in an environment where older people face major changes to health, long term illness, cognitive decline, digital exclusion and/or social isolation creates a range of challenges. This has been reflected in the evidence put to the Royal Commission into Aged Care Quality and Safety (ACRC) during hearings to date, raised in submissions, as well as the various reviews of in-home care.

Consumer choice in markets is most effective when:

- barriers to choice and decision-making (such as digital exclusion or financial distress) are reduced or removed
- information disclosed about the quality and price of the product is transparent, accessible and comprehensible
- comparisons can be made simply and easily between alternatives
- costs of switching between providers is minimised both in terms of time or financial costs
- consumers are aware of how to access, assess and act on the available information, tools and supports.

Our study builds on the largely qualitative evidence presented to the ACRC to date, exploring the evidence base for some of these issues across the broader community through a larger quantitative Computer-Assisted Telephone Interview (CATI) survey of 502 Australians accessing HCPs. Our questionnaire was also directly informed by the University of South Australia's *Financial Capabilities of Older Australians* report and structured around CPRC's *Five Preconditions of Effective Consumer Engagement* conceptual framework.

We offer a range of insights into the barriers experienced by older Australians and their carers in accessing, evaluating and getting home care services. This is followed by a series of recommendations for change to improve the delivery of HCPs, drawing on the priorities of those we surveyed and our analysis of the research findings.

Key research findings

HCP recipients seek assistance from trusted individuals when choosing providers

The majority of HCP recipients surveyed (60.9%) reported relying on a trusted individual in their support network, particularly health professionals, to assist them in selecting a HCP provider. Only one third of HCP recipients said that they selected a HCP provider unassisted. Health professionals also prompted HCP recipients surveyed to seek a HCP assessment; were key in providing them with information; and helped many with their final choice of provider and services. Major changes to health or illness were also identified as key reasons HCP recipients sought a HCP assessment, indicating the importance of health professionals at the assessment stage. HCP recipients surveyed also strongly endorsed proposals for independent advice and guidance to help them navigate the HCP system. For some, a health professional may be the only individual that can currently provide this role.

HCP recipients have difficulty understanding and accessing key information about both providers and their HCP

Around a third (33.2%) of HCP recipients reported that they received a HCP but could not identify what level of package funding they received. This raises significant questions about the ability of these HCP recipients to effectively manage their budget, and therefore services they should receive based on the assessment of their needs.

When choosing a provider, HCP recipients identified quality and cost as important. However almost 40% had some degree of difficulty understanding their fees and charges, and it is unclear how HCP recipients accessed information about the quality of providers. Moreover, a significant number (39%) of HCP recipients were not provided with a Care Plan or were unsure about this. Given a Care Plan enables a consumer to ensure their assessed needs are being met, it is unclear how they might effectively manage different services and hold providers to account without it. HCP recipients strongly endorsed proposals to improve and simplify information about quality, cost and the support offered by providers and ensure the presentation of this information is consistent.

Existing information and comparison tools are used far less than direct advice from health care professionals, family or friends

Few HCP recipients indicated they had used online resources (My Aged Care portal (6.8%) or the internet more generally (5.8%)) to find and compare information about their HCP. While the My Aged Care Contact Centre had higher patronage (25.3%), HCP recipients indicated a clear preference to talk to trusted individuals when making choices about their in-home care.

HCP recipients may be uninterested in switching and when they do, it's difficult

The overwhelming majority (95.4%) of HCP recipients hadn't switched provider and only a small proportion (9%) had even considered switching, which raises questions about the level of competitive pressure within a market model to deliver care in-home. Those who considered switching, but who ultimately didn't, identified a range of non-financial barriers stopping them, including: difficult comparison, uncertainty, and loss aversion about aspects of their services they wanted to maintain.

Challenges with in-home care and underspending packages require improvements

Most HCP recipients indicated they could access all the services they wanted, support staff were well trained, and they hadn't underspent their package funding. However, almost a third couldn't access all the services they wanted, almost a quarter considered staff were "somewhat" to "not at all" trained, and nearly a third had underspent their package funding. This suggests a range of improvements may be required to ensure HCP recipients can access quality in-home care.

No "one size fits all" model for choice and control in delivery of Home Care Packages

When asked about preferred future delivery of HCPs, a key finding was HCP recipients' views varied around how much choice and control they wanted. The largest group (41%) preferred enhanced support and guidance about package funding, while just over a quarter (26.3%) sought increased control over package funding to hire professionals directly. Two smaller groups sought to delegate choice about support and care to an independent trusted advisor (18%) or were ambivalent (14.5%). This demonstrates there is no "one size fits all" model. Instead, differing levels of choice and control might better enable HCP recipients to live longer and healthier in their own homes.

Recommendations

1 That the Department of Health develop an outreach and education program to ensure all eligible individuals are aware of the HCP support available.

2 That the Department of Health produce improved, comprehensive and understandable information and resources, along with clear and effective referral pathways, to aid health professionals when advising their patients, who are heavily relied on as a source of information in choosing providers.

3 Simplify and standardise price and fee information through consumer comprehension testing to enable recipients and carers to understand the information and compare prices and services effectively.

4 Ensure comprehensible disclosure of the HCP funds available in the package to enable recipients to effectively manage their services. This may require further comprehension testing.

5 Introduce and publish quality measures of service providers to inform consumer choice that are consistent across all mediums to enable effective comparison.

6 Information on provider support services must be disclosed in a consistent and understandable manner to better inform consumer choice. A review may be undertaken into the complexity of the differing services and management of the package itself, with opportunities identified to simplify the services or the management of the package.

7 Undertake capacity building and training of employees in the My Aged Care Contact Centre to ensure applicants and recipients with reduced cognitive capacities can access meaningful information and make effective informed decisions.

8 Disclose simple standardised pricing (Recommendation 3) across all contact points – on providers' websites, on the My Aged Care website, any other comparator websites, and materials sent out to potential clients. Service providers could also be required to refer to these resources when speaking to applicants applying, comparing and receiving HCPs.

9 Make it easier for carers (including family members) to seek information on behalf of HCP recipients to provide input into assessment of needs and value for money decisions.

10 Enhance the My Aged Care online services to improve comparison and choice.

11 Conduct a review of current comparison websites, and an assessment of consumer outcomes when compared to use of the government funded comparison service.

12 Fund the provision of independent advice, navigation and support services potentially linked to health professionals (Recommendations 1 and 2) that can:

- clearly establish and understand an applicant's needs in the initial application process
- help these applicants get access to, and navigate, the HCP system particularly during their initial decision
- assist HCP recipients to navigate the HCP system on an ongoing basis, with the capacity to conduct regular reassessments for those on packages and make recommendations/help recipients change service providers.

13 Audit service providers' delivery and ongoing use of Care Plans and deliver penalties for non-compliance.

14 Provide funding for service delivery separately from case management/intermediary advice to ensure that services can meet the assessed needs of HCP recipients.

15 Further research is needed in the areas of:

- understanding the home care experiences among those unsure whether they have a HCP or Commonwealth Home Support Package (CHSP), and those unable to access a HCP, to shed light on the particular barriers that prevent access
- experiences of smaller demographic groups who might be more vulnerable and disadvantaged, for example recipients located in rural parts of Australia and the experiences of Aboriginal and Torres Strait Islander Australians
- the drivers of home care support worker churn, and opportunities to reduce churn given the overwhelming preference from recipients to have the same workers entering their homes
- opportunities to build financial capability to assist recipients to manage package funding with confidence.

Background to research partnership and focus

This report is the product of a research partnership between Consumer Policy Research Centre (CPRC) and an academic research team – Braam Lowies, Christine Helliar, Kurt Lushington and Rob Whait – based at the University of South Australia (UniSA), funded through CPRC's Research Pathways Program.

This report is based on the joint CPRC and UniSA submission to ACRC. It is focused on the key aspects of aged care where consumers can and must make choices, namely Home Care Packages (HCPs), which have been delivered on a Consumer Directed Care (CDC) basis since 2015.

The ACRC heard the testimonials of many individuals and received an enormous number of submissions detailing the experiences of others navigating the aged care system. The Commission has received further evidence from qualitative research, identifying common themes of experiences through structured interviews with HCP recipients and workshops.

CPRC and UniSA's quantitative research project was informed by much of the existing qualitative research. Through our survey we sought to provide further statistically significant evidence about the experience of HCP recipients navigating the HCP system, and the extent of particular issues raised in other qualitative research and findings.[1] Our study explores the extent to which HCP recipients can make effective choices, given CDC is the primary intent of the original *Living Longer Living Better* reforms and subsequent *Increasing Choice in Home Care* legislation. Though much attention has been paid to the lack of funding and wait times for individuals seeking a HCP, which CPRC also believes is of great significance, supply side issues are not the primary focus of this report.[2]

1. See Sarah Russell. *Older people living well with in-home support,* (Research Matters: Melbourne, 2019); and Commissioner for Senior Victorians, Royal Commission into Aged Care Quality and Safety – Submission, 2019.
2. Ibid.; StewartBrown, *Aged Care Financial Performance Survey – Sector Report,* June 2019, p. 54; National Seniors Australia, *You don't know what you don't know: The current state of Australian Aged Care service literacy,* September 2018, p.33;Liz Alderslade, "Peak bodies say Home Care Package waitlist is still in crisis", *Aged Care Guide,* https://www.agedcareguide.com.au/talking-aged-care/peak-bodies-say-home-care-package-waitlist-is-still-in-crisis

Summary of the Five Preconditions

This report applies CPRC's *Five Preconditions of Effective Consumer Engagement – conceptual framework* to the in-home care market, to explore the experience of older people accessing and comparing HCPs, examining the efficacy of the CDC model.

CPRC's framework was developed in response to a range of government and regulatory processes considering interventions in markets to address concerns regarding a growing number of disengaged consumers, where engagement is often seen as essential to markets functioning effectively.[3] More recently, regulators and policymakers have been more explicitly recognising that competition is only ever a means to an end, not the end in itself,[4] with a greater focus being placed on the quality of products delivered as well as consumers' ability to access services at a 'fair price'.[5]

In its *Reform of Human Services* issues paper, the Productivity Commission noted that:

> "The benefits of user choice have been well demonstrated. Where exercised under sound stewardship arrangements, choice raises living standards for the service user, both by giving them a greater sense of control over their own lives, and also by placing pressure on providers to understand and meet their needs".[6]

However, the Commission also noted that "[u]ser choice is not always desirable or feasible".[7]

The deregulation of a range of markets, along with a lack of effective market stewardship from policymakers and regulators, has (in part) enabled firms to develop information disclosure practices and *choice architecture* (the ways in which choices are presented to consumers) in ways that address compliance requirements or marketing purposes, rather than enable consumers to comprehend product or service information and make, effective informed decisions.[8]

The result in many markets has been complex and inconsistent disclosure by firms. This has often led to a lack of meaningful information for consumers to compare and *information overload* or price/choice *framing* (e.g. meaningless percentage discounting in the energy market or bundling of plans in the telecommunications or insurance sectors).[9] This can lead consumers to make uninformed choices, or choices that do not reflect their preferences. The poor consumer outcomes, experiences and frustrations that eventuate have arguably contributed to the low trust observed in these sectors.[10] In turn, this has likely fuelled further consumer disengagement, subsequent government reviews and interventions.[11]

Historically, interventions in complex markets, including residential energy, superannuation, banking and insurance, and telecommunications, have sought to improve consumer engagement primarily through the vehicle of increased information disclosure.[12] This has often come without first determining what information consumers want or need, whether they can comprehend and compare the information to act on it, or whether they are aware of the existence of this information and where to find it. This approach has failed to account for the numerous barriers that consumers encounter when navigating markets and also often failed to consider *how* consumers prefer to make decisions, or even the extent to which they want to choose.[13]

3. CPRC, *Five preconditions of effective consumer engagement – a conceptual framework*, March 2018, p. 2.
4. Productivity Commission, *Reform to human services – issues paper*, 2016, p. 7.
5. See for example the Victorian Default Offer for retail energy markets, which was introduced on 1st July 2019. https://www.energy.vic.gov.au/victoriandefaultoffer
6. PC, *Reform to human services*, p.6.
7. Ibid.
8. CPRC, *Five preconditions of effective consumer engagement*; See also Richard Thaler and Cass Sunstein, *Nudge: Improving Decisions about Health, Wealth, and Happiness* (New Haven & London: Yale University Press, 2008), p. 179.
9. For example, see Paul Harrison, Laura Hill, and Charles Gray, *Confident, but Confounded: Consumer Comprehension of Telecommunications Agreements*, (Sydney: Australian Communications Consumer Action Network, 2016); Australian Securities and Investments Commission (ASIC) and the Dutch Authority for Financial Markets (AFM), *REP 632 Disclosure: Why it shouldn't be the default,* October 2018.
10. Edelman Trust Barometer 2019 – Australia.
11. See the *Independent and Bipartisan Review of the Electricity and Gas Retail Markets in Victoria*, August 2017; ACCC, *Restoring electricity affordability and Australia's competitive advantage - Retail Electricity Pricing Inquiry—Final Report*, June 2018; *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry*, February 2019; See also the recently announced ACCC pricing transparency inquiry for home loans - https://www.accc.gov.au/media-release/accc-commences-pricing-transparency-inquiry-for-home-loans
12. ASIC, 19-279MR *ASIC 'calls time' on disclosure reliance*, October 14th 2019.https://asic.gov.au/about-asic/news-centre/find-a-media-release/2019-releases/19-279mr-asic-calls-time-on-disclosure-reliance/
13. See Cass R. Sunstein, *Choosing not to choose: Understanding the value of choice. (*Oxford University Press, USA, 2015).

In developing the *Five Preconditions* framework, CPRC drew on the lived experience of consumers and the behavioural economics literature, which challenges the fundamental assumptions of rational choice theory.[14] Consumers aren't *perfectly rational*, nor do they have access to *perfect information*. Instead, consumers have *bounded rationality*, a limited capacity to consider and sort through often complex or overwhelming amounts of information to make an optimal decision that maximises their preferences.[15] Moreover, decisions are affected by physical and cognitive limitations, literacy, numeracy and increasingly consumers' digital capacity. Evidence suggests poverty itself can temporarily affect cognitive capacity and that decisions can be framed or affected by emotional states, or even by hunger.[16]

Further, policymakers and regulators shouldn't treat individuals as a homogenous group of consumers. Forthcoming CPRC research, conducted in collaboration with RMIT's Behavioural Business Lab, has found evidence that some consumers prefer to receive what we might call *rational information* – hard data about the products or services they are comparing – while others prefer to rely on the views and opinions of others. Consumers may prefer both kinds of information, or they may prefer *neither*, which might suggest more impulsive decision-making. These findings appear to cut across traditional socio-economic indicators. For example, our research found *no* correlation between income and those who were more likely to be *rational information seekers*.

Evidence from other complex markets finds that there is significant variation in motivation to engage in a market, approaches to searching for and using key disclosed information, decision-making styles and decision-making processes among different consumer cohorts.[17] Moreover, an individual's decision-making style can change based on the context.[18]

This evidence points to a need for policymakers and regulators to reflect further on how consumers navigate and make choices in complex markets, what information or tools they use on the journey from initial search to subsequent choice, as well as the ongoing use of a product or service. To this end, CPRC developed our *Five Preconditions of Effective Consumer Engagement* (Fig.1), which we view as five necessary aspects of market stewardship for consumers to be enabled to make informed choices.

14. In particular, Office of Fair Trading, "What does Behavioural Economics Mean for Competition Policy?", *OFT1224*, 2010. http://webarchive.nationalarchives.gov.uk/20140402182927/http:/www.oft.gov.uk/shared_oft/economic_researc h/oft1224.pdf
15. Herbert Simon, *Models of bounded rationality,* (Cambridge, MA, MIT Press: 1982)
16. Anandi Mani et al., 'Poverty Impedes Cognitive Function', *Science* 341, no. 6149 (30 August 2013): p. 976; Rozita H Anderberg et al., "The Stomach-Derived Hormone Ghrelin Increases Impulsive Behavior". *Neuropsychopharmacology*, 2015; 41 (5): p. 1199 https://www.nature.com/articles/npp2015297
17. See GfK UK Social Research, *Consumer Engagement in the Energy Market 2017 – A report on a survey of energy consumers*, (Ofgem, 2017); Rebekah Russell-Bennett et al., 'Taking Advantage of Electricity Pricing Signals in the Digital Age: Householders Have Their Say. A Summary Report' (Brisbane: Queensland University of Technology, 2017); Australian Securities and Investments Commission (ASIC) and the Dutch Authority for Financial Markets (AFM), *REP 632 Disclosure: Why it shouldn't be the default*, October 2018, pp. 34-40.
18. ASIC and AFM, *REP 632 Disclosure: Why it shouldn't be the default,* October 2018, p. 36.

Precondition 1 - Barriers to access for consumers with reduced capacity or vulnerability are removed:

Fair access to markets requires outreach interventions and direct assistance mechanisms which address barriers for vulnerable consumers experiencing reduced capacity.

Precondition 2 - Key product information is disclosed in a relevant, clear and comprehensible manner:

Consumers can easily find, assess and understand information about different products or services.

Precondition 3 - Comparison tools are accurate, simple and effective:

Consumers can easily use comparison tools, platforms or assistance to effectively compare different products or services on the basis of price, quality or other features and identify products that best suit their preferences.

Precondition 4 - Switching costs are low (financial and non-financial):

Consumers can easily act on this information, with minimal switching costs or thinking costs that create barriers for consumers to switch from their current provider or product to an alternative that better suits their preferences.

Precondition 5 - Consumers are aware of how to access, assess, and act on information:

Consumers' awareness of how a market functions underpins its efficiency. If consumers are unaware of any of the preceding preconditions – how to access support, find comprehensible information, compare offers and switch providers – they may disengage regardless of the quality of interventions to address these separate elements.

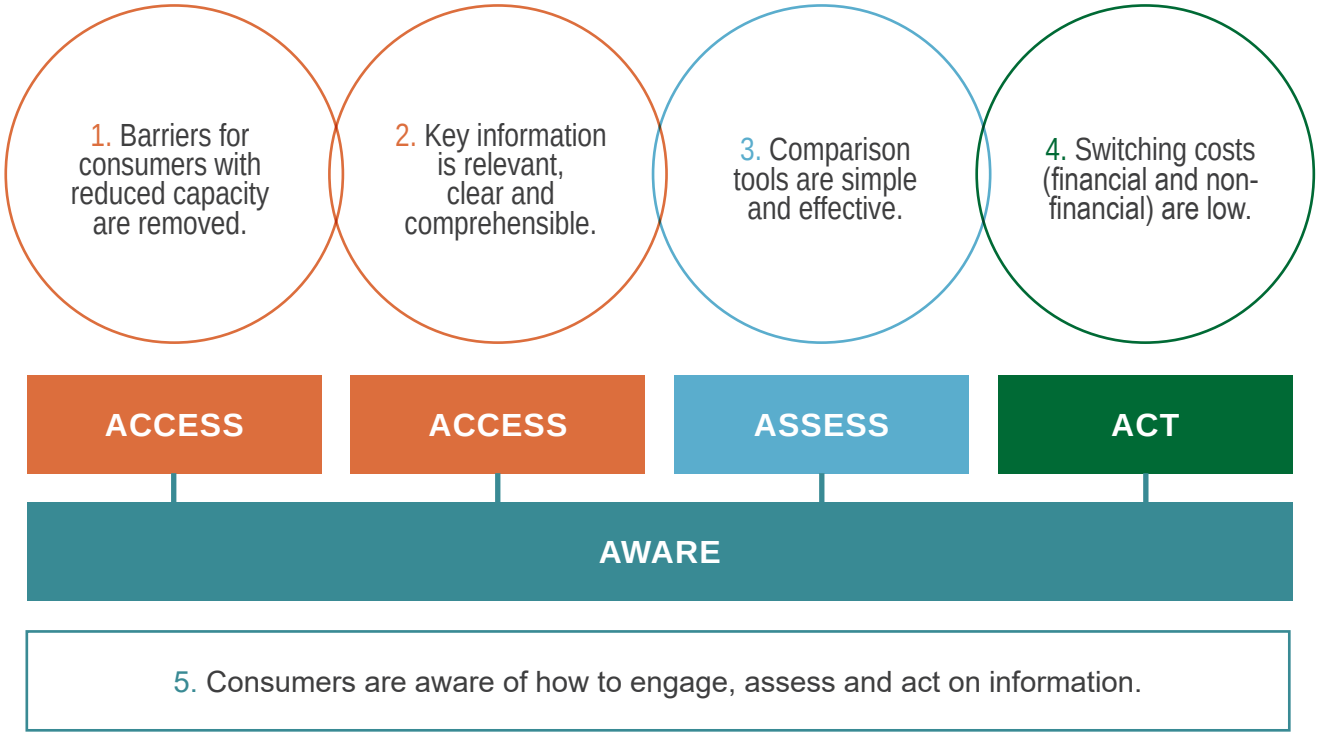

Figure 1: Five preconditions of Effective Consumer Engagement

These five preconditions presume that consumers are willing to make choices, they do not address the question of the underlying motivations of consumers. Related to his concept of *bounded rationality*, Herbert Simon argued that individuals often reverted to *satisficing:* identifying the options that are 'good enough', rather than maximising their welfare or preferences, which is particularly relevant where consumers feel choices are overly complex.[19] While some individuals may seek to maximise their preferences, others may *satisfice*, which may be problematic for the efficiency of the whole market where the service provided is based on individual needs.

More recently, academics in the literature have noted this assumption may also be problematic. Fletcher observes issues that arise from *relative consumer engagement* – a "situation in which consumers differ in the extent to which they engage in a market" – may be more pertinent in a context such as HCP where services are required to meet the bespoke clinical needs of an individual.[20] In their now famous jam study, Iyengar and Lepper observed that "though consumers prefer contexts that offer them more rather than fewer options, subsequently the very contexts that offer more options can prove debilitating during the choice process".[21]

Iyengar has subsequently argued that the real power of choice involves "constructing those most meaningful combinations", rather than designing markets to encourage the proliferation of more superficial choices that are less meaningful.[22]

As raised in our *Five Preconditions* framework, often there is no "one-size fits all" solution. Different segments of customers will respond differently to particular kinds of information in their own unique choice context.[23] This creates challenges for market stewards, and demonstrates the need for trials and pilots wherever possible to identify both what works and for who.

19. Herbert A. Simon, *Models of Man, Social and Rational: Mathematical Essays on Rational Human Behavior in a Social Setting,* (New York: John Wiley and Sons. 1957), pp. 204-5; Herbert Simon, *Models of bounded rationality,* (Cambridge, MA, MIT Press: 1982).
20. Amelia Fletcher, "Disclosure as a tool for enhancing consumer engagement and competition." *Behavioural Public Policy* (2019): 1-27.
21. Simona Botti and Sheena S. Iyengar. "The dark side of choice: When choice impairs social welfare." *Journal of Public Policy & Marketing* 25, no. 1 (2006): 24-38.
22. Hanna Rosin & Sheena Iyengar, *Choice & authenticity - BX2019*, https://www.youtube.com/watch?v=ZaSSMeT79k4
23. CPRC, *Five Preconditions of Effective Consumer Engagement,* 23; see also ASIC and AMF, *Disclosure: Why it shouldn't be the default*, p. 35.

Applying the Five Preconditions framework to Home Care Packages

The reforms introduced from 2013 onwards have sought to deliver home care via the CDC model, with the intention to give HCP recipients more choice of providers, flexibility and control of the services they wanted, increasing agency and autonomy. The CDC approach views the consumer as both knowledgeable about their needs and preferences, and able to select the services required to meet those needs.[24] Notionally, under the Australian model of CDC, consumers of in-home care can also decide the extent to which they exercise this control.[25] Research suggests that CDC has the potential to increase service use, enhance personalisation and satisfaction, and empower older people to control their care without the burden of service administration.[26] Australia's adoption of CDC also follows in the footsteps of other western nations which have implemented similar reforms, though variation exists between the different models and funding arrangements.[27]

This market design and choice context is slightly different to other sectors CPRC has evaluated through the lens of our *Five Preconditions* framework. In the case of HCP, funding (a subsidy) is assigned to each consumer based on their assessed needs.[28] In the Australian CDC model, the consumer chooses a provider and is given a Care Plan by the care coordinator based on the needs as determined by the Aged Care Assessment Team. This assists in developing an individualised budget. Service providers retain responsibility for financial control and accountability to the government. This means that to make use of the subsidy, a choice is necessary and time-bound and a care coordinator is largely responsible for assisting the individual to allocate funds for relevant services.

However, the ability of a consumer to make an informed choice to initiate the CDC model requires the same core preconditions be delivered through effective market stewardship.[29] Once assessed, consumers identify an appropriate provider based on the services offered, the costs of service and fees of the provider, as well as the quality of services. In this context, the complexity of the choice, the lack of information available, the limitations of comparison tools and the motivation of HCP recipients all affect the efficacy of the market mechanism to deliver effective consumer outcomes. These issues, common to other complex markets, present a clear rationale for considering the HCP market through the *Five Preconditions* framework lens.

Our findings focus on the experience of consumers on the demand side of the HCP market. More specifically, exploring consumers' ability to:

- access and comprehend the information available
- make informed choices
- conduct a thorough comparison of providers and the services offered when initially allocated a HCP
- compare and switch providers to better meet needs and preferences.

Our findings offer insights into the limitations of the consumer-directed HCP model and the extent of competitive tension between suppliers. Drawing on research findings, we also make some recommendations to improve the efficacy of the HCP system and the experiences and welfare of older consumers.

24. Tracee Cash, Wendy Moyle and Siobhan O'Dwyer, "Relationships in consumer‐directed care: An integrative literature review". *Australasian journal on ageing*, 36(3) (2017): p. 193.
25. Ibid.
26. Jenny Day et al., "Experiences of older people following the introduction of consumer-directed care to Home care packages: A qualitative descriptive study", *Australasian Journal on Ageing*, Vol 37 No 4 (December 2018): 275–282.
27. See Virpi Timonen, Janet Convery, & Suzanne Cahill, "Care revolutions in the making? A comparison of cash-for-care programmes in four European countries". *Ageing & Society*, 26(3), (2006): 455-474.
28. Norma B Bulamu et al., "An early investigation of individual budget expenditures in the era of consumer‐directed care". *Australasian Journal on Ageing*, (2019).
29. For a more in-depth analysis of different stewardship approaches see Katie Moon, Dru Marsh, Helen Dickinson, and Gemma Carey, "Is All Stewardship Equal? Developing a Typology of Stewardship Approaches". *Public Service Research Group Issues Paper Series:* Issues Paper No. 2. (University of New South Wales, Canberra; 2017).

Survey design and methodology

The data used in this report was obtained from a CATI survey, administered by an independent third party. A total of 502 interviews were conducted over the period June to July 2019.

The survey was co-designed by the UniSA research team and CPRC drawing on CPRC's *Five Preconditions* framework, relevant existing literature in consumer research, and matters identified in the ACRC hearings. Our survey was informed more directly by UniSA's qualitative research project, *Financial Capability of Older HCP recipients*, exploring older HCP recipients' experience in making financial decisions and their experience navigating HCPs, and shed light on older HCP recipients' decision-making capabilities.[30]

The survey was subsequently revised in light of input from key stakeholders, and on the basis of insights gathered after piloting the survey with the target demographic.[31]

A simple random sampling method was used to select the participants in the study. Only individuals aged 65 years or over that had received HCPs were eligible for inclusion. Where a carer answered, that individual answered the survey on behalf of the HCP recipient, not themselves. The sample were screened to exclude recipients on a CHSP and those unsure whether they were on a HCP or CHSP. Further screening was also conducted to exclude those who had Veterans Home Care.[32]

While other large quantitative studies have relied on online panels to recruit participants and survey form to gather data, the CATI method enabled our study to reach individuals unlikely to participate through online methodologies. For the cohort relevant to this study, it also offered the ability to include individuals unable to use a computer, and those reliant on a carer to answer on their behalf.

Key limitations of the methodology included:

- The sample is only drawn from metropolitan areas due to budget constraints, consequently participants in regional areas were omitted. We strongly encourage policymakers to conduct research in regional and rural areas due to the significant variation in experiences between regional and metropolitan areas.
- To ensure a reliable sample of respondents receiving a HCP, the survey methodology necessarily screened out those receiving CHSP, in addition to those who were unsure if they received CHSP or HCP. Inclusion of this cohort risked false positives from the larger population with a CHSP. Future research might consider these issues and target these segments of the population.
- While the CATI methodology improves the likelihood of reaching individuals less likely to participate in online panels, it still requires recipients and carers to be accessible by phone. As a result, those who need higher levels of support may still be underrepresented.

30. Braam Lowies et al., *The financial capability of older people: a report prepared for Financial Literacy Australia*, (University of South Australia Business School, Australia, 2019).: https://apo.org.au/node/223456
31. We are indebted to Fiona York, Housing for the Aged Action Group; Anne Muldowney, Carers Victoria; Dr Mikaela Jourgensen, Macquarie University; Dr Sandra South, Australian Association of Gerontology; and the Australian Medical Association for their invaluable feedback into aspects of this report, including the survey design and policy recommendations. Note that the views and recommendations contained in this report are attributable to CPRC.
32. Initial pilots revealed individuals with VHC were unsure whether they had CHSP or HCP – both of which are available *in addition* to VHC.

Accounting for these limitations, the pilot testing and recommendations from industry experts renders the data as reliable for representing, to a large extent, participants on HCP only. This report presents the findings from 502 survey interviews, drawing conclusions and recommendations based on descriptive and inferential analysis of data collected.

In the descriptive statistics, we examined mean values for survey items, separating for a range of demographic factors (gender, age, living arrangements, health, whether the survey was answered by either recipient or carer and source of income) and aged care package factors (package level, where people sought advice, considerations in switching providers, service needs and requirements).

Who we spoke to

The age range of HCP recipients spanned 50 years, from those born in 1921 to 1971.[33] In subsequent analysis, HCP recipients were split into a younger group (65-79) who accounted for 57% and an older group (80+) who accounted for 43% of our sample.

In the present study we found that two thirds of HCP recipients are female (66%), a higher percentage than the general older population (i.e. ABS 2016 Statistics indicate that the gender distribution of > 65 years was 41% men and 60% women). The survey asked HCP recipients whether they identified as LGBTI, as stakeholders noted this community had difficulty identifying LGBTI appropriate services. Within our sample, 2.8% of HCP recipients identified as LGBTI, a higher percentage than the general population (2016 ABS data indicate less than 1% in 65+ age group). Given the small size of this subgroup they have not been separately examined.

A small portion of HCP recipients (4.4%) reported having difficulties understanding English. This is a comparable percentage to the Australian general population which was estimated at 3.5% in 2016.[34]

Roughly a quarter of HCP recipients were located in Sydney, Melbourne and Brisbane, with around a tenth living in Perth or Adelaide. Hobart, Canberra and Darwin were less represented with 1-3% of HCP recipients living in each of those locations.

With regards to tenure, a large proportion of HCP recipients (76.7%) were outright home owners, which is very similar to the general population of older people where around three-quarters own their own home; 3.8% of our sample reported they were paying off a mortgage and around 10% were renting, either privately (4.2%) or in government or social housing (5.6%).[35] Only 2.8% lived in a granny flat and 5.6% lived in a retirement village. Of those over 80 years old, only 3.2% were renting, 6.9% were in a retirement village, 5.3% lived in a granny flat and 82.5% owned their own home.[36]

Given the cohort being considered are largely (though not entirely) retirees, we determined that traditional income survey questions might be misleading. The most common form of retirement income was from a government pension (62% of HCP recipients) followed by a mix of pension and self-funded income (24%) and a smaller number (13%) were self-funded with a superannuation fund. Less than 1% were employed.

33. Two HCP recipients were <65 years, an exception which although atypical can occur in cases of individuals with serious health needs. These HCP recipients were excluded from the analyses.
34. Australian Bureau of Statistics, *Census of Population and Housing, 2016 (Usual residence data)*
35. Ibid.
36. 1.8% responded “other” – which included “life time lease”, “don’t know”, “refused to answer”, “live in a caravan park”

Recipients' access to home care

Just over a third of HCP recipients were on a level 1 package (37%) and 12% were on a level 2 package. A smaller proportion reported they received a higher level of HCP, with only 7% on level 3 and 10% on a level 4 package. By comparison, the 2019 *Report on Government Services* indicates 5.3% of HCP recipients were on level 1 package, 56.1% received a level 2 package, 13.8% received a level 3 package and 24.8% received a level 4 package (see fig.2).[37]

This means that in our sample, recipients with a level 1 package are significantly overrepresented, recipients with a level 2 package are significantly underrepresented and recipients on a level 3 or 4 package are somewhat underrepresented. While this discrepancy is unfortunate, it reflects the limitations of our CATI survey with the available funding. Importantly, around a third (33.3%) of HCP recipients did not know which level of package they received.

If HCP recipients are not sure what package of funding they receive, it raises larger questions about the HCP mechanism and how recipients can navigate the services provided, funding allocated and the relevant costs of different services.

Three quarters of HCP recipients answered the survey themselves while the other quarter of HCP recipients answered via their carer. It is estimated that 3.8% of Australians aged over 15 years are primary carers (ABS, 2015). Perhaps unsurprisingly, a larger proportion of those answering the survey themselves were on a level 1 or 2 package (78.4%). This was significantly higher than for those on level 3 or 4 packages, where only 42.4% answered the survey themselves while the remaining 57.6% answered via a carer. Among survey HCP recipients who were unsure about the level of package funding they received, 84.4% answered the survey themselves, while 15.6% of HCP recipients answered via their carer.

37. Productivity Commission, *Report on Government Services - 2019* – Table 14A.9 https://www.pc.gov.au/research/ongoing/report-on-government-services/2019/community-services/aged-care-services

The level of HCP funding received was not significantly affected by age. Among HCP recipients on a level 3 or 4 package, 50% were aged 65-79 and 50% were aged 80 years and older. Among HCP recipients on a level 1 or 2 package, 56.5% were aged 65-79, while 43.5% were aged 80 years old and above. A relatively high percentage of recipients aged 65-79 years old (59.6%) were not sure of their package level compared to recipients who were 80 years and older (40.4%). There was a clear difference between the groups in terms of carers. Of the older cohort (over 80 years old), 61% answered the survey questions themselves, while 84% of those aged 65-79 years old answered the questions themselves.

Within our sample, a higher proportion of men were on a level 3 or 4 package (43.2%) than level 1 or 2 package (22.6%), while almost a third didn't know their package level (33.1%). By comparison, most women in our sample were on level 1 or 2 package (52.7%) and a far smaller proportion were on a level 3 or 4 package (13.9%) but again, a third didn't know (33.3%). A larger proportion of female respondents (81%) also answered the survey themselves compared with male respondents (62%). This higher proportion of male respondents answering via a carer likely corresponds with the larger proportion of men receiving higher HCP funding.

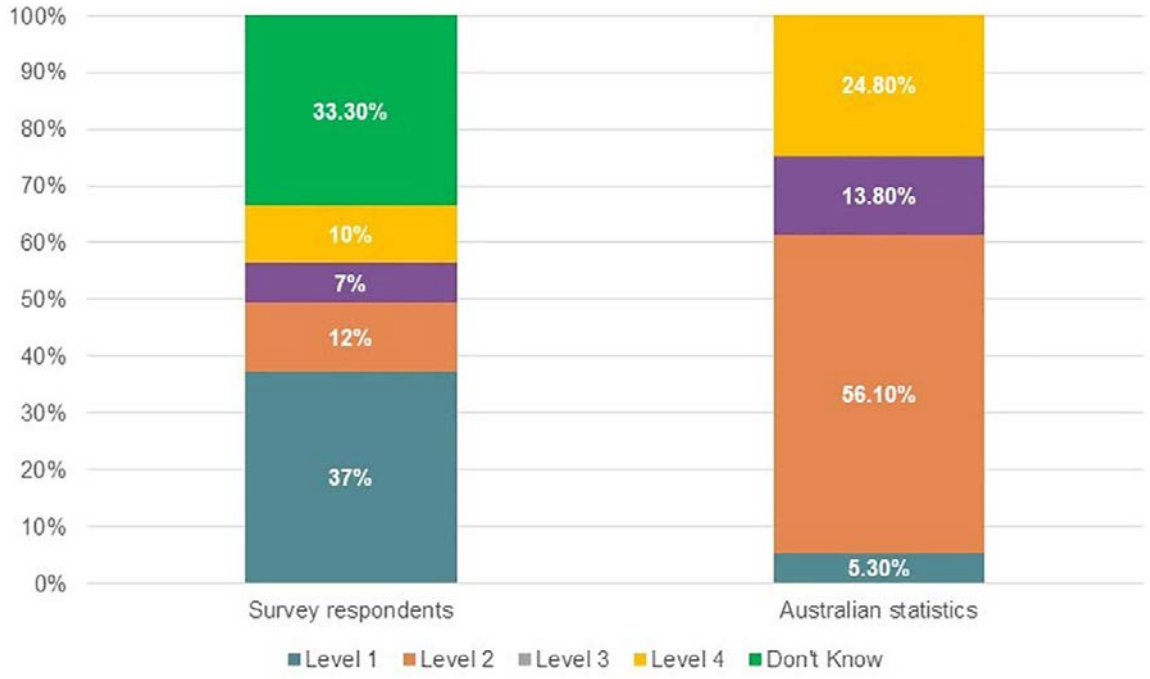

Figure 2: HCP recipients by package level - survey HCP recipients compared with Department of Health statistics

The consumer journey - initial choices, needs and underlying drivers

HCP recipients were asked what prompted them to seek an assessment for a HCP and given ten options (with multiple choices allowed - see Fig.3). The top three reasons were: problems with mobility (48%); the onset of long-term health issues (43%); or a change in health (40%). This is unsurprising as home care is designed for individuals with more complex care needs. However, it reinforces the importance of the context in which HCP recipients are making choices and navigating the system to identify appropriate care. It follows that just under a third of HCP recipients (31%) reported that a recommendation from a health professional was a primary factor that prompted an assessment.

Subsequent inferential analysis found that HCP recipients 80 years and older were more likely to seek an assessment due the death of a partner, conversely, they were less likely to seek a HCP due to a change in health. By comparison, those on level 3 or 4 packages were more likely to be prompted to have sought an assessment for a HCP because of a major change in health or because their carer needed a break.

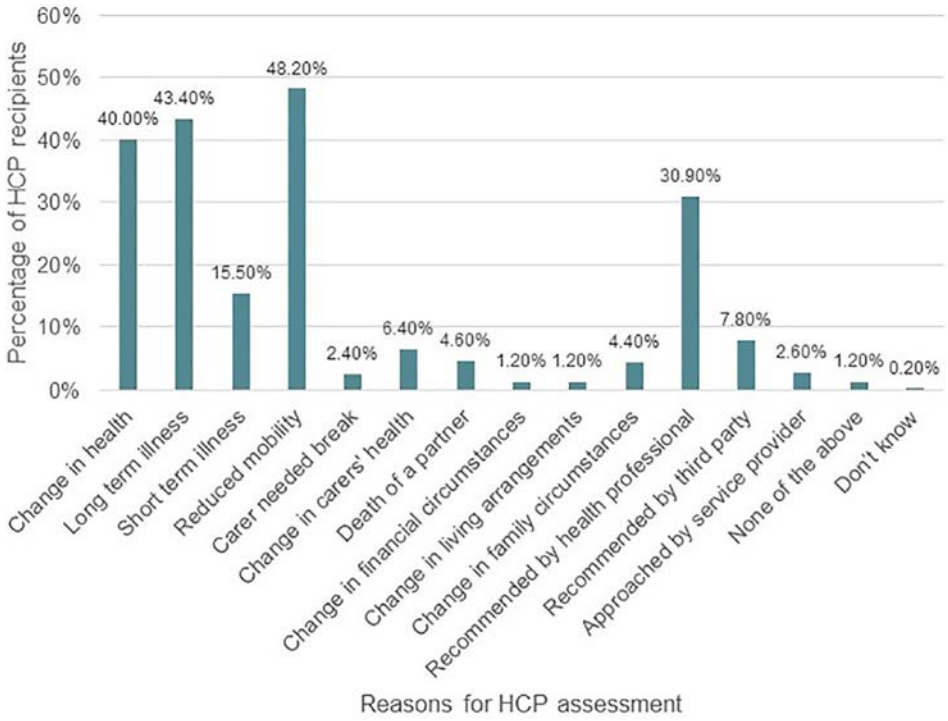

Figure 3: What prompted you to seek a HCP assessment?

Participants were also asked about their primary needs in accessing a HCP and given 12 options (see Fig.4). In order of ranking (across all HCP recipients) primary needs identified were: cleaning (84%); gardening (40%); transport for shopping or appointment (24%); home modifications (24%); mobility equipment (23%); allied health needs (21%); and personal care (19%).Very few recipients indicated that their primary needs included continence management, assistance with bandages, attending social activities, assistance with meals, translation services and carer respite (these categories were identified as primary needs by less than 5% of recipients).

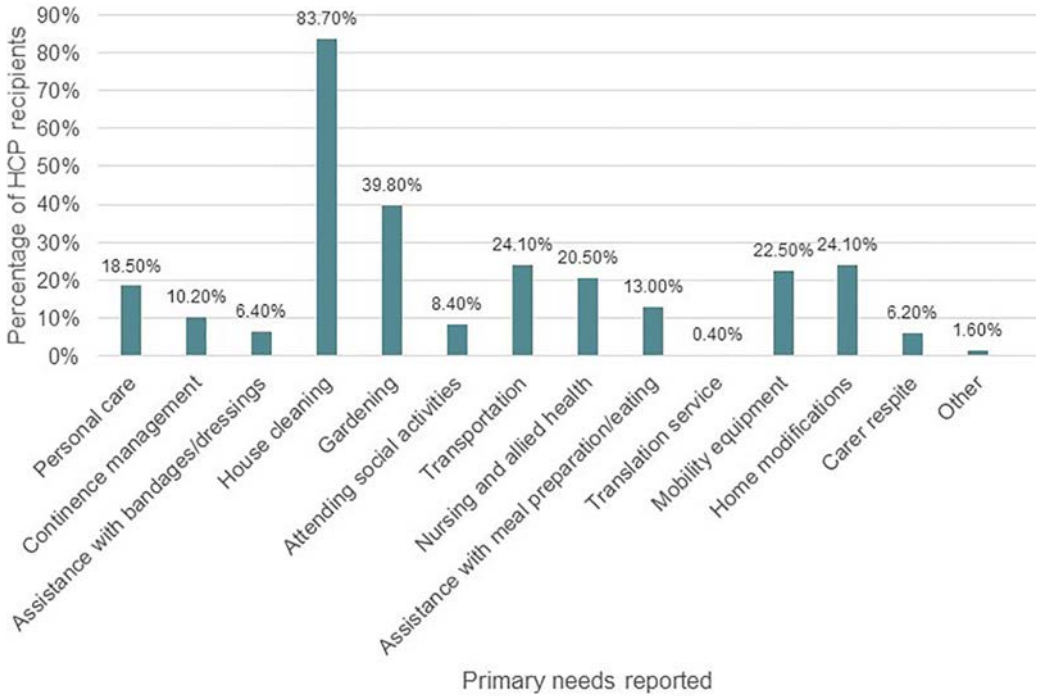

Figure 4: What are your primary needs?

Though HCP recipients primarily sought an assessment for a HCP on account of health-related issues, cleaning and gardening were identified as primary needs across our entire sample. However, those with a HCP level 3 or 4 indicated a wider variety of primary needs, including: personal care care (58.8%), house cleaning (77.7%), gardening (51.8%), transport for shopping or appointments (51.8%), nursing and allied health (50.6%), mobility equipment (50.6%), home modification (41.2%), assistance with preparing and eating meals (36.8%) and continence management (35.3%).

Our analysis also identified that the older cohort (80 years and older) were more likely to need personal care, meals and carer respite. When split by gender, our findings revealed that female HCP recipients were more likely to report that they needed help with house cleaning, whereas male HCP recipients were more likely to seek assistance with bandages and dressings. Again, this may reflect the relatively larger proportion of men on higher level packages.

Precondition 1 - Barriers to access

Key findings:

- Recipients seek assistance from trusted individuals when choosing providers, especially those who self-reported sensory or cognitive limitations
- Recipients have difficulty understanding and accessing key information about both providers and their HCP
- Existing information and comparison tools are used far less than direct advice from health care professionals, family or friends

HCP recipients may encounter a range of barriers when navigating a market and accessing a product or service. In the context of in-home care, HCP recipients necessarily require some form of support or care to remain living at home. Significant health or mobility related reasons may in themselves provide a barrier to accessing an assessment, key HCP information or navigating the marketplace if the tools and support are not in place. Existing qualitative research suggests there are occasions where HCP recipients 'essentially had their provider chosen for them' when incapacitated to some degree.[38] In one example, an individual was hospitalised after a stroke and was not discharged until they had been assigned a HCP service provider, chosen by the health service.[39]

Though the individual reported their service provider was good, and this process likely provided a better health outcome, it does indicate there are instances where HCP recipients do not make an informed choice about their provider. Consequently, this marketised delivery of a health care and support service may be inherently complicated by the various barriers HCP recipients' encounter.

Whether an individual sought assistance to decide on a provider and relevant services (or not as the case may be) helps to understand the complexity of this market, and the needs of its constituents. HCP recipients might have sought assistance for a variety of reasons: the complexity of the product or service, a lack of awareness about how to navigate the system, difficulties understanding key information and comparing providers or services, or the consumer's own limitations (including socio-economic, linguistic, cognitive or physical limitations).

Generally, those receiving a higher funding package, who are most likely to have more complex care needs, needed more help to choose a provider. We asked participants who, if anyone, was involved in selecting their service provider. Only slightly more than a third of HCP recipients (36.2%) indicated they had made a choice unassisted. This demonstrates the importance of assistance in decision-making, given almost two thirds of HCP recipients (60.9%) relied on another individual to help them choose.[40] In general, those who self-selected tended to be on a lower level packages, were younger and female.

38. Lowies et al, *The financial capability of older people*, 17.
39. Ibid.
40. The remainder of the sample minus those who indicated "no choice" (2.2%) and "don't know" (0.6%).

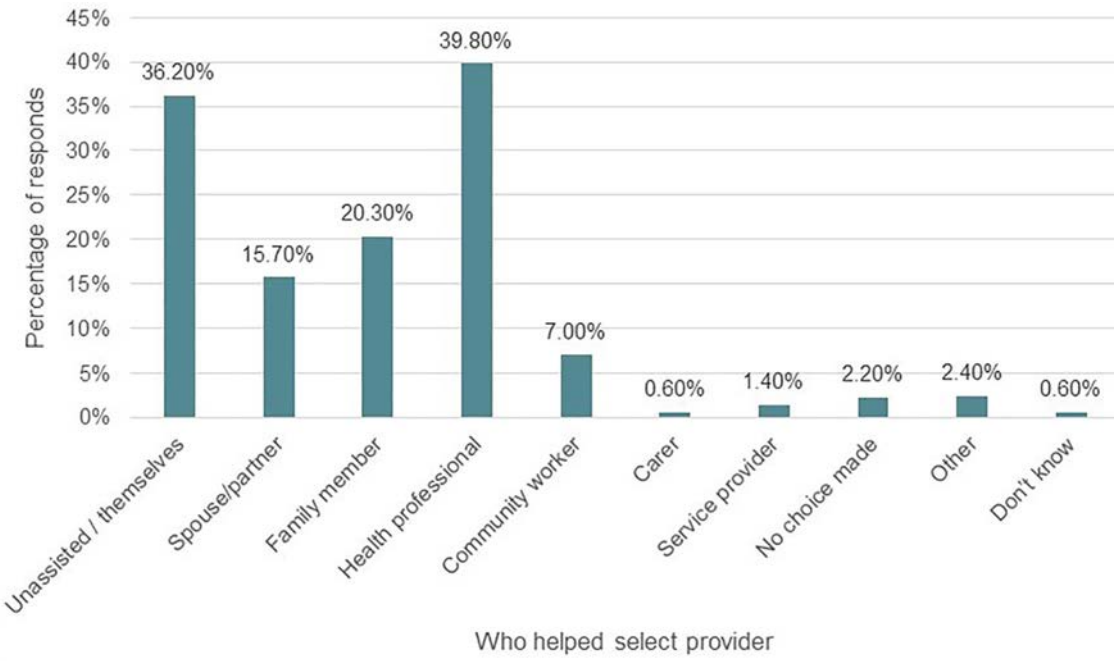

Figure 5: Who was involved in selecting your service provider?

When selecting a HCP provider, a significant number of HCP recipients sought assistance from a health professional (39.8%) which would be consistent with the reasons that prompted a HCP assessment. The third and fourth most common sources of assistance when choosing a provider were family members (20%) and a spouse/partner (15.7%). HCP recipients receiving a higher level of funding were more likely to rely on spouses and family. 30.6% of those with a level 3 or 4 package relied on spouses and family members when selecting service providers, compared to just 12.4% of level 1 or 2 package recipients and 13.2% of those unsure about their package level. Male HCP recipients were more likely (27.9%) to rely on their spouses when choosing a service provider than females (9.4%), though this may be explained by the higher proportion of men on higher level packages with more complex care needs.

We also examined how sensory and cognitive problems might affect the seeking a HCP assessment or selecting a service provider. Within our sample, 26.9% reported at least some degree of difficulty with vision, 38.4% with hearing, 37.8% with concentrating, 22.1% with making decisions, and 13.1% with making themselves understood. Unsurprisingly, those receiving a higher level of care (level 3 or 4 packages), were far more likely to report hearing, visual or other sensory or cognitive limitations.

We examined whether there were differences between those with sensory or cognitive limitations and the remainder of the sample. In the subsequent inferential analysis, the various responses about sensory and cognitive limitations were recoded into two categories: “poor” and “good”.

We found those with self-reported limitations were generally more reliant on others when choosing a HCP provider:

- Recipients with “poor” concentration were less likely to make a selection “unassisted” (26.8%) compared with those with “good” concentration (42.1%). They were more likely to rely on their spouse (21.1% compared with 12.5%), family members (31.1% compared with 13.8%), or carers (1.6% compared with 0%).
- Recipients with “poor” decision-making were also less likely to make a selection “unassisted” (16.2%) compared with those who reported they were “good” at decision-making (41.9%). They were also more likely to rely on their spouse (27.0% compared with 12.5%), on family members (35.1% compared with 16.1%), or their carer (2.7% compared with 0%).
- Recipients who had more difficulty at making themselves understood (coded as “poor”) were less likely to make a selection “unassisted” (18.8%) compared with those who didn’t have difficulties (coded as “good”) at being understood (39.1%). This group were also more likely to rely on their spouse (29.0% compared with 13.7%) or family members (34.8% compared with 18.1%).

For those experiencing a range of sensory, physical or cognitive limitations, supporting assistance may be key to making informed decisions. In its review of the telecommunications industry, the 2019 University of Melbourne report, *Thanks a Bundle*, noted assumptions are often made about HCP recipients’ cognitive disabilities, in particular that these individuals are unable to make significant choices about their lives on account of their disability.[41] This analysis highlighted Article 12 of the United Nations Convention on the Rights of Persons with Disabilities (‘the Convention’), which obliges suppliers to recognise an individual’s legal capacity to make decisions, and to distinguish this from an individual’s capacity to make decisions. The Convention outlines that HCP recipients should be enabled to make these decisions by way of ‘supported decision-making’.[42] Under this arrangement, the individual chooses a key trusted person/s to support them in making decisions, and ensure their preferences are expressed and respected.

Our findings highlight those reporting various limitations were more likely to involve another individual in that decision. Though a smaller group indicate they made their decision unassisted, adopting “supported decision making” both at the My Aged Care call centre and/or through other mediums of advice may provide significant benefit, particularly where an individual lacks an effective support network, access to a carer, or even where carers need support to navigate services.[43]

41. Yvette Maker et al., *Thanks a Bundle: Improving Support and Access to Online Telecommunications Products for Consumers with Cognitive Disabilities,* Australian Communications Consumer Action Network, Sydney and Melbourne Social Equity Institute, University of Melbourne (2018), p 27.
42. Ibid.
43. Department of Health and Human Services, *Recognising and supporting Victoria’s carers, Victorian carer strategy 2018–22,* 2018, p. 16.

Precondition 2 - Product or service information is disclosed in a relevant, clear and comprehensible manner

Key findings:

- Recipients have difficulty understanding and accessing key information about both providers and their HCP
- Existing online information and comparison tools are used far less than direct advice from health care professionals, family or friends
- Nearly 40% reported they didn't have a Care Plan to manage their services

The ability to effectively choose in a marketplace relies on a HCP recipients' ability to access clear and comprehensible information about aspects such as fees and charges, desired services, quality of services and access to them. The progressive implementation of the 2013 *Living Longer, Living Better* reforms means the delivery of home care is still transitioning to a CDC model. Before these reforms, there was no single point of access or information for aged care. These reforms, and the introduction of the My Aged Care portal and contact centre are intended to ensure key information is easily accessible and comprehensible. This is essential for HCP recipients to be able to make informed choices on their own behalf as HCP recipients.

Our research sought to understand what information HCP recipients sought out when choosing HCP providers, as well as the channels through which HCP recipients accessed information. We asked HCP recipients what aspects were important to them when selecting a provider (Fig. 6). Surprisingly, the most important factor (34%) was a recommendation by a health professional, while a recommendation by a friend and family was also important for some (19%). This finding also helps to validate the previous insight that many HCP recipients rely on trusted individuals to help them make decisions, in particular, health professionals or friends and family.

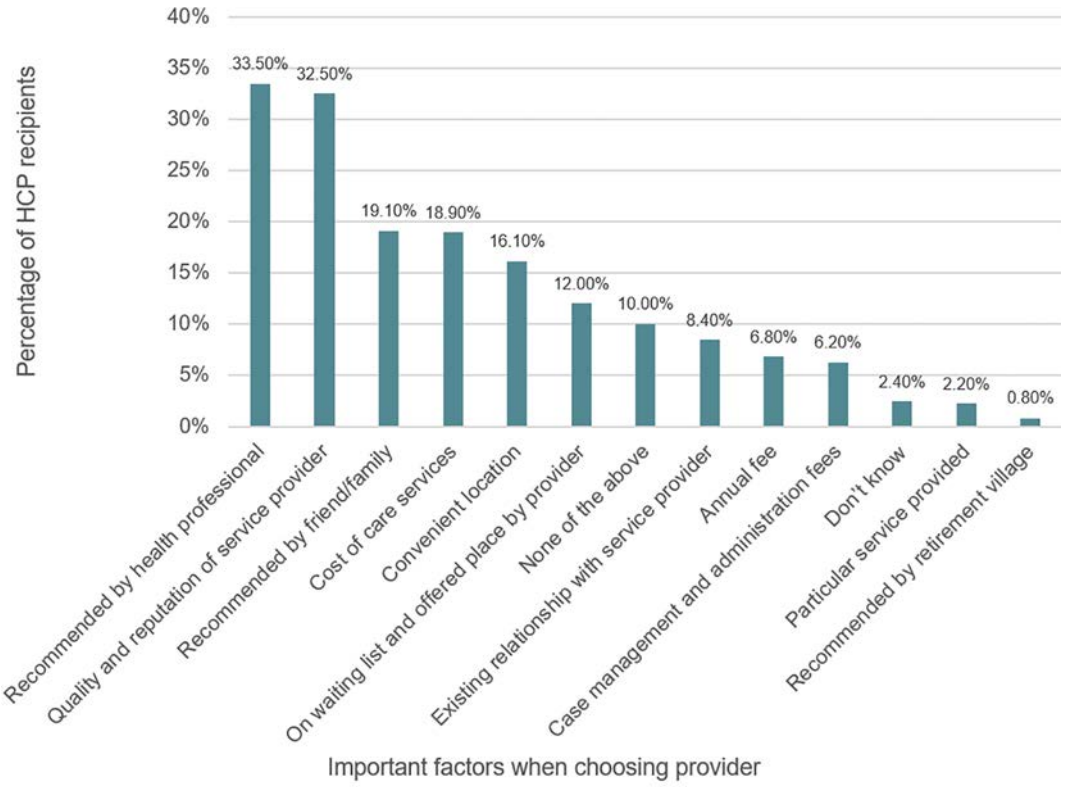

Figure 6: Which of the following were important when you chose the package provider?

With regards to the characteristics of providers themselves, the most important aspect identified by HCP recipients was the quality and reputation of the service provider (32%). Elsewhere research suggests HCP recipients have difficulty determining the quality of HCP providers pre-purchase and comparing 'apples with apples'.[44] While services are often categorised as 'experience goods' (whereby consumers only fully understand the quality after experience of the service), the inability of HCP recipients to differentiate higher from lower quality has implications for the efficacy of competitive markets.[45]

As noted in CPRC's own *"But are they any good?"* report, there are a range of examples from other jurisdictions and markets where quality measures have been effective in improving transparency and comparability of complex products and services.[46] We note the recently updated My Aged Care website enables an individual to compare "Current and/or past Notices of Non-Compliance or Sanctions". This offers some ability to compare providers based on quality, but only enables HCP recipients to identify which providers have failed to meet minimum requirements, rather than effectively differentiate high from low quality providers. If the intent of CDC is to enable HCP recipients to make informed choices, the information is essential to facilitate competition among supply side providers.

44. Russell, *Older People living well with in home support*, 2019, p. 31.
45. George A. Akerlof, 'The Market for "Lemons": Quality Uncertainty and the Market Mechanism', *Quarterly Journal of Economics* 84, no. 3 (August 1970): 488–500.
46. CPRC, *"But are they any good?"*, November 2018.

When choosing a package provider, cost was also considered important by HCP recipients, in particular the cost of care services (19%), compared with the annual fee (7%) or case management/administration fees (6%). A convenient location was also identified as a significant factor by some (16%), though again we would note that our population sample was limited to metro locations so choice of convenient providers is likely to be less limited in metro than in more rural locations. Within our sample, 12% of HCP recipients said they chose a provider because they were offered a place by that provider while on a waiting list. This indicates more than one in ten HCP recipients faced a significantly constrained choice due to restricted supply of HCP places, if this constituted a genuine choice at all. A further 10% indicated “other” reasons were important in choosing a provider.

Very few (2%) HCP recipients reported choosing a HCP provider based on a particular service (e.g. rainbow tick, particular language facilities, cultural awareness training), which likely reflects the small number of HCP recipients with these particular needs in our sample.

Fees and charges

In choosing between providers and services, HCP recipients are expected to understand and manage (with some assistance) their HCP budget and to allocate funding to services they see as most important. Almost half of the HCP recipients reported that they understood their package fees and charges “completely” (49%) and another 15% reported they “mostly” understood their fees. However, this means just over one-third of HCP recipients (34%) reported difficulty understanding the fees and charges associated with their package (see fig.7).

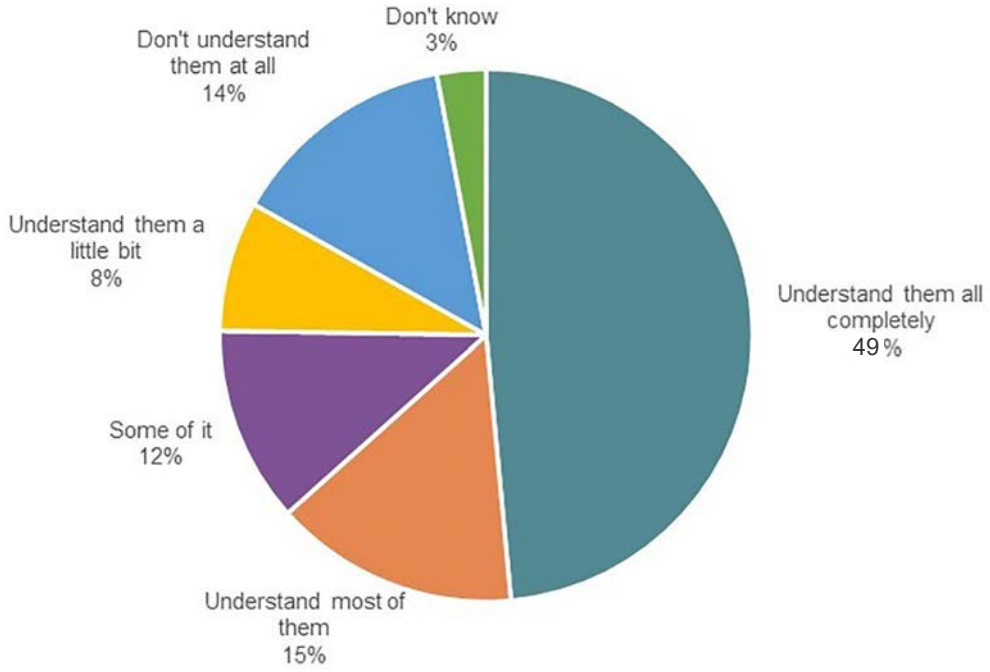

Figure 7: Understanding of Home Care Package fees and charges

The complexity of services required by a HCP recipient appears to have a direct bearing on understanding of the fees and charges of a package. When comparing understanding of fees and charges by HCP level, our research identified understanding was lower in recipients on level 3 or 4 packages (mean = 3.1) compared to those on level 1 or 2 packages (mean = 4.0) and those who didn't know the level of their package (mean = 3.9).[47] This suggests that the costs related to higher care and support may be more complex to understand and manage. That HCP recipients who didn't know their package level reported higher average confidence in understanding their fees (on average) than those who identified they received a level 3 or 4 package, raises the possibility that this confidence is overstated. Reported confidence in understanding fees was also lower among those who answered via a carer (mean = 3.1) compared to recipients who responded themselves (mean = 4.0).

To try to validate the level of professed understanding, our study asked HCP recipients where to find information about daily fees . Almost half of all HCP recipients struggled to indicate where information about any daily fee was located, 38.6% affirmed they did not know where to find information about any daily fees they are paying (answered "no"), while a further 5% were unsure where to find this information (answered "don't know"). This may indicate HCP recipients' actual understanding of their fees may be lower than initially stated, which is concerning, especially for those on a limited income. Previous qualitative research regarding HCP fees found:

> "Many sole pensioners paid $1 per day as their contribution, but some were paying much more, up to $100 per month. Sometimes the pensioner was able to negotiate the contribution down to $1 from some higher amount. At other times, the older person was offered $1 per day contribution immediately."[48]

Our survey did not examine how much HCP recipients contributed in fees or whether they had negotiated this cost.[49] But evidence that some pensioners may be required to negotiate their contribution payment due to their capacity to pay, considered in light of our findings of the low awareness of daily fees, suggests some HCP recipients may be at risk of paying excessive fee contributions towards their HCP.

The Care Plan

The CDC model is intended to enable HCP recipients to manage their own services. One of the key tools assisting HCP recipients to manage the services delivered by a provider is the Care Plan (or 'support plan'). Providers are obligated to supply the Home Care recipient with a written Care Plan...

> "…designed to meet your goals and assessed care needs as determined by an Aged Care Assessment Team. The care plan will set out the day to day services you will receive, who will provide the service and when. You must be issued with this care plan within 14 days of entering into your Home Care Agreement."[50]

While most participants indicated that they had a Care Plan (61%), almost a third reported not having one (29%) and a further 10% were unsure. This tool is essential for a consumer to hold a provider to account for services and hours of care contracted via their HCP, yet our research suggests many providers are either failing to meet this obligation or failing to ensure HCP recipients are aware of and assisted to use their Care Plan.

47. "Understanding of fees and services" was scored on a 5-point scale (1 = I don't understand them at all to 5 = I understand them completely).
48. Lowies et al., *The financial capability of older people*, 17.
49. See Bulamu et al., "An early investigation of individual budget expenditures in the era of consumer□directed care". *Australasian Journal on Ageing,* (2019).
50. Department of Health, *Home Care Packages Program,* https://agedcare.health.gov.au/programs/home-care/home-care-packages-program

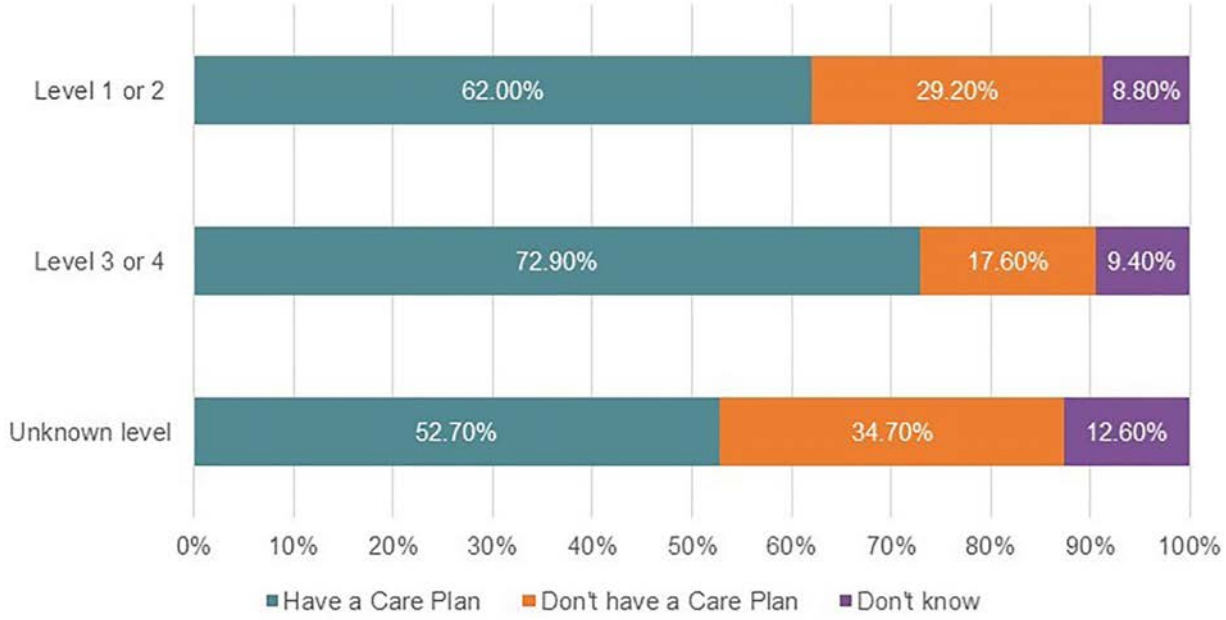

Figure 8: Do you have a care plan that details your care needs?

Further analysis revealed clear differences between HCP recipients depending on the level of HCP funding (see Fig. 8). Recipients with a level 3 or 4 package were more likely to report they had a Care Plan (72.9%) than those on a level 1 or 2 package (62.0%), and significantly more likely than those who didn't know what level they received (52.7%). More than a third of those who didn't know their level (34.7%) indicated they hadn't received a Care Plan, slightly more than those on a level 1 or 2 package (29.2%) and notably more than those with a level 3 or 4 package (17.6%). Moreover, 12.6% of those unsure about their package funding indicated they didn't know if they'd received a Care Plan, more than both those on level a 3 or 4 package (9.4%) or a level 1 or 2 package (8.8%). These findings suggest that those with higher level needs might be more conscious of the different services they need to coordinate. Our findings indicate that occasional care and support service provision may not prompt providers to issue a Care Plan. Only 40% of HCP recipients who received occasional assistance reported they had a care plan, compared with 60% of HCP recipients who received more than one hour of care per week.

There may also be a relationship between HCP recipients' awareness about their level of HCP funding and receipt of a Care Plan, with flow on effects for managing cost, managing services and making informed choices. Ensuring HCP recipients are both provided with this essential tool, and that those providing advice and assistance to HCP recipients use this Care Plan, is essential to improve the transparency, accountability and efficacy of the CDC mechanism for in-home care.

Precondition 3 - Comparison is simple, accurate and effective

Key findings:

- Recipients seek assistance from trusted individuals when choosing providers
- Online information and comparison tools are used far less than direct advice from health care professionals, family or friends
- Those on a higher level of HCP rely on a wider variety of sources of information to make their decisions, which may reflect more complex needs and services required

In this section we examine the findings about what channels older Australians used to access information about HCP and service providers. In other markets, comparison occurs during the initial choice of product/service and again at repurchase, or if a consumer decides that their current provider doesn't meet their preferences and decides to switch. Both the initial choice of HCP and subsequent attempts to switch providers involve comparison, necessitating some overlap of the data presented here and the subsequent section on switching.

Our research identified that advice from trusted individuals played a key part throughout the consumer journey. When asked about how HCP recipients accessed information about providers and their understanding of their HCP, almost half of HCP recipients (47%) said they relied on a health care professional to help them choose a provider (see Fig. 9), a finding consistent across all demographics. This reinforces the importance of health professionals as a trusted independent advisor to inform HCP recipients about their options. It may also be the case that many HCP recipients have fewer social or familial connections that can provide this advice, or that familial connections are unaware that HCP support exists. Interestingly, slightly more than a third (34%) of HCP recipients indicated they spoke to or visited a service provider directly to find out information. The My Aged Care Contact Centre was used by a quarter of HCP recipients (25%), consulted to a similar extent across all demographics. Family and friends were also relied on, though to a lesser extent (24% and 15% respectively).

A significant proportion of HCP recipients relied on printed materials (20%), while the use of online sources of information including My Aged Care Portal (7%) and service providers' webpages (6%) was much smaller. Given the range of sources consulted, our findings also demonstrate the importance of consistent information across different mediums. In their submission to the Royal Commission, we note the Australian Medical Assocation (AMA) raised the issue of accessing information through online tools to help manage HCP recipients care, in particular the AMA notes the administrative burden health professionals encounter when following up on their own referrals for treatments or immediate care for their patients.[51]

Whether comparing information supplied by service providers or information received through other channels such as health care professionals, HCP recipients who use dedicated comparison tools (e.g. My Aged Care website) must be able to understand and compare key aspects (e.g. quality, cost, location). Ensuring disclosure requirements are consistent across different sources will help to avoid consumer confusion and enable effective comparison.

51. Australian Medical Association, *Submission to the Royal Commission into Aged Care Quality and Safety*, September 2019, p. 41.

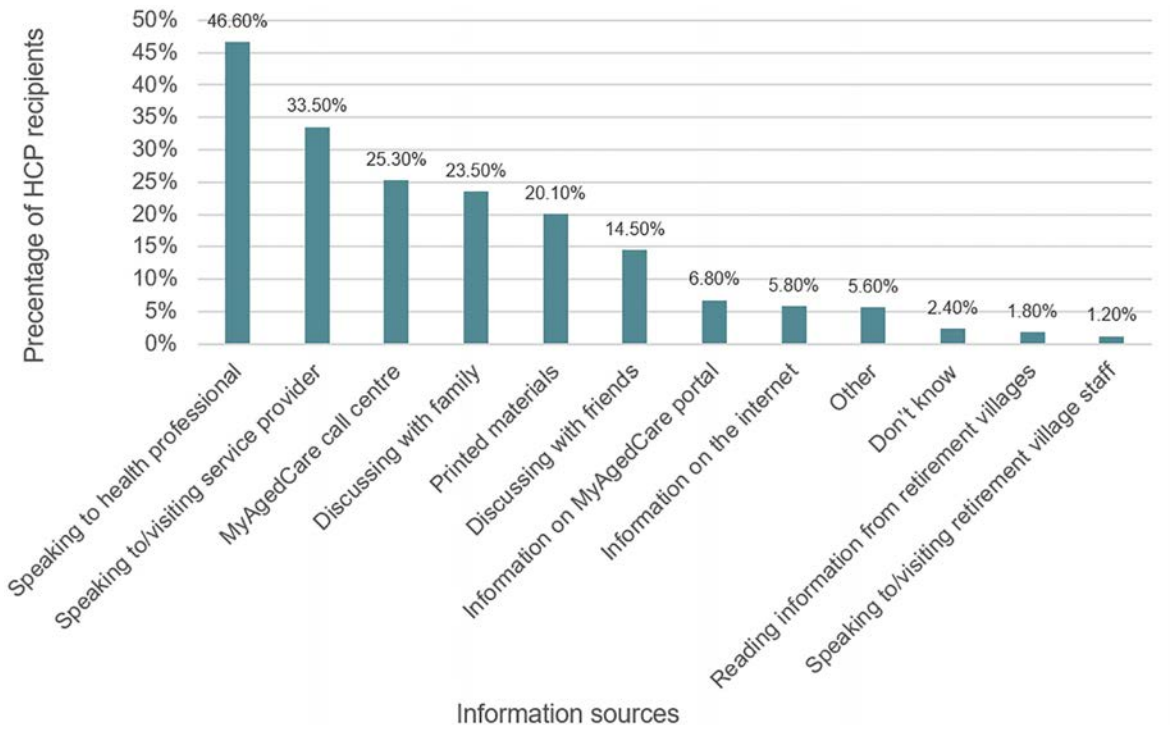

Figure 9: When choosing a service provider, which of the following information sources did you rely on?

This research shows the importance of health professionals in helping HCP recipients gain access to and navigate the HCP system. It follows that those who initially sought an assessment for HCP due to a major health change or on the initial recommendation of a health care professional were more likely to rely on a health professional for information about providers. The importance of health professionals is clear not only in the search phase of the process but also in providing more direct support when selecting a HCP provider.

Increasingly, online webpages and comparators provide one of the primary marketplaces for complex services. These tools can reduce search costs and create the potential for quick and easy comparison, as well as management of services. In the case of HCPs, both the online My Aged Care website and My Aged Care portal are intended to help fulfil this function, with support from the My Aged Care Contact Centre.[52] However, questions have been raised about how appropriate the online medium may be as the primary source of information for the current generation of HCP recipients.[53] Our research found that almost half of HCP recipients (44%) reported they are either “not at all confident” or “not very confident” using the internet. Further analysis revealed that those receiving a level 3 or 4 package were less confident using the internet when compared with the total sample. Where recipients answered via a carer, the HCP recipient was much less likely to be confident using the internet.

While an online marketplace or comparison tool may not be the preferred channel for navigating the HCP system among our sample, we note that those who were confident using the internet were more likely to have selected the service provider themselves rather than seeking assistance when making decisions.

52. Our analysis is necessarily limited to HCP recipients’ experience with the existing My Aged Care portal – we note there are planned improvements forthcoming.
53. Royal Commission into Aged Care Quality and Safety, *Hearing transcript*, 22 March 2019, pp. 1094-5.

This reflects the difference between HCP recipient segments. It is key to recognise there is no "one-size-fits all" solution, and that different HCP recipients prefer different solutions. The *Thanks a Bundle* report has outlined a number of recommendations to improve information disclosure online to ensure enhanced accessibility for individuals with cognitive disabilities. These recommendations may provide guidance in developing requirements for providers, comparators and the My Aged Care website and portal alike.[54]

The growth of online marketplaces, particularly commercial comparison websites that compete with government funded websites, has been found to create additional complexity for consumers in other markets. In the retail energy sector, the ACCC has taken action against a number of comparison websites since deregulation and recommended a mandatory code in its 2018 *Restoring electricity affordability and Australia's competitive advantage* report – which would apply to all third-party intermediaries to ensure that consumers can have confidence that information is reliable.[55] As observed more recently in the report *Disclosure: Why it shouldn't be the default*, a joint publication between Australian Securities and Investments Commission (ASIC) and the Dutch Authority for Financial Markets (AFM), online comparison tools are open to manipulation because people are sensitive to small design details, and preferences vary considerably.[56]

Our research found differences between demographic groups in the kinds of information sources they consulted and the degree to which they relied on others when choosing a provider. Those aged over 80 years were almost twice as likely to consult family and friends compared to those under 80. Those answering via a carer indicated they were more likely to consult family and friends and reported they used printed materials about twice as much as those who answered the survey themselves.

Within our sample, those with a higher HCP level relied on a wider variety of sources of information to make their decisions. HCP recipients with level 3 or 4 were more likely to rely on family (36.5%) and friends (23.5%) compared with those on a level 1 or 2 package (22% and 11.2% respectively) when choosing providers. HCP recipients with level 3 or 4 were more likely to rely on printed materials (36.5%) compared to those with level 1 or 2 (17.5%). And despite lower confidence using the internet, HCP recipients on level 3 or 4 reported higher use of the internet (11.8%) and the My Aged Care portal (11.8%) when choosing a provider than HCP recipients on level 1 or 2 (6.0% for both the internet and the My Aged Care portal). By comparison, recipients who didn't know their package level were less likely to rely on the internet (2.8%) and the My Aged Care portal (5.4%). That HCP recipients on higher HCP levels use a wider variety information and are more reliant on other individuals may reflect the complexity of managing a range of services to address complex needs through the CDC model.

54. Maker et al., *Thanks a Bundle*, pp. 72 -78.
55. ACCC, *Restoring electricity affordability and Australia's competitive advantage - Retail Electricity Pricing Inquiry-Final Report*, June 2018, 275, 279.
56. ASIC and AFM, *REP 632 Disclosure: Why it shouldn't be the default*, p. 30.

Precondition 4 - Financial and non-financial switching costs are low

Key findings:

- Recipients may be generally uninterested in switching providers; many of those who sought to switch encountered *thinking costs*
- Recipients have difficulty understanding and accessing key information about both providers and their HCP
- Some of those who encountered switching barriers tended to rely on trusted advisors when choosing

Efficient markets are premised on the assumption that HCP recipients can quickly and easily switch suppliers where another supplier can provide a product or service that better meets the preferences of the individual. While switching rates have often been pointed to as a good proxy for an effective market, there is a growing literature to suggest that switching in complex service markets such as energy, telecommunications, or financial services (such as banking and insurance) is often muted due to a range of behavioural factors and the complexity involved.[57] When making decisions about switching, HCP recipients may encounter financial costs (such as exit fees) and/or non-financial costs (i.e. *thinking and time* costs) which may create barriers. Barriers, whether actual or perceived can result in an *intent – behaviour gap*, whereby individuals fail to translate their intents into action.[58] But moreover, evidence from other complex markets has found that even where consumers do exercise choice and switch providers, this does not guarantee they will choose *effectively* and end up better off.[59]

The behavioural economics literature has identified cognitive biases such as *loss aversion,* where consumers prefer to avoid a relatively small loss than larger gain, and may therefore choose to remain with their current choice (known as *status quo bias)*.[60] There is evidence suggesting that uncertainty and ambiguity about how to switch or the unknown costs of switching can result in an individual not choosing (referred to as *inertia)*.[61] In this section, we explore the extent to which HCP recipients switch between providers, and the reasons why they do or do not switch, to identify whether barriers exist.

In examining the cost and frequency of older Australians switching providers, almost all HCP recipients (96%) reported that they *had not* switched provider in the last 12 months. While our study relies primarily on quantitative survey findings, evidence from other submissions found some HCP recipients reported they "couldn't be fagged" shopping around, which suggests HCP recipients may be inclined to "make do" with the services that are provided and *satisfice*.[62]

57. CPRC, *Five Preconditions of Effective Consumer Engagement*, pp. 40-46.
58. Paschal Sheeran, "Intention—behavior relations: a conceptual and empirical review." *European review of social psychology* 12, no. 1 (2002): 1-36.
59. Chris M. Wilson and Catherine Waddams Price, 'Do Consumers Switch to the Best Supplier?', *Oxford Economic Papers* 62, no. 4 (October 2010): 648; Justin Malbon and Harmen Oppewal, (*In)Effective Disclosure: An Experimental study of consumers purchasing home contents insurance* (Financial Rights Legal Centre, September 2018).
60. Daniel Kahneman Amos Tversky, "Advances in prospect theory: Cumulative representation of uncertainty". *Journal of Risk and Uncertainty,* 5, 4 (1992): 297–323
61. Amos Tversky and Daniel Kahneman, 'Judgment under Uncertainty: Heuristics and Biases', *Science* 185, no. 4157 (27 September 1974): 1124–31.
62. Russell, *Older people living well with in-home support*, p1.

Of the 4% of HCP recipients who did switch provider in the past 12 months the following reasons were more commonly selected:

- poor quality of care/support worker (26%)
- their support worker kept changing (22%)
- expensive case management fees (17%)
- poor case management (13%)
- expensive cost of support per hour (13%)

Nearly half (44%) of these HCP recipients indicated other reasons for switching:

> "Because my previous homecare provider stopped providing homecare to people. They just stopped coming."
>
> "I changed because the people we were using were not associated with My Aged Care."

Others sought to simplify the logistics and various arrangements involved to deliver their care:

> "I changed so I would have all the services from the same provider."

Or because they disliked the way that staff were treated by service providers:

> "The lady that I originally had to clean was let go by the company. I think she was fired for no reason so I changed providers."

HCP recipients were also asked whether they had considered switching providers, and if so, what prompted this. Again, the majority of HCP recipients (90%) reported they had not considered switching service providers. This may suggest HCP recipients are satisfied with current services, that there are fundamental misunderstandings about switching, or that this cohort is simply uninterested in shopping around. This has implications for the efficacy of a market-based system for the delivery of in-home care.

Of the 10% who *had* considered switching, the main barriers for not doing so included:

- uncertainty towards the services delivered by other providers (28%)
- too hard to switch provider (23%)
- don't want to lose a particular service (16%)
- too hard to compare providers (14%)
- no other providers available (9%)
- don't want to lose access to a particular support worker (9%)
- unsure how to compare the pricing of providers (7%)

Notably, exit fees and lock-in periods (creating financial or contractual barriers) were *not* raised as key barriers to switching. Instead, a range of non-financial switching costs were identified as barriers which can be grouped into three key reasons for not switching: difficulty comparing providers (i.e. *thinking* costs), reluctance to lose a particular aspect (known as *loss aversion)* and an absence of alternatives.[63] Difficulty comparing providers might be addressed through enhanced information that is clear and comprehensible, effective tools to enable comparison and raising awareness of the ability of HCP recipients to change provider if they are not happy with the services they receive.

Subsequent analysis identified that many of those who didn't switch for various reasons, had relied on advice at another stage of the consumer journey, or encountered other barriers. The 28% of recipients who did not switch on account of uncertainty about the services delivered by other providers were more likely to rely on the information supplied by a health professional when initially choosing their service provider. Likewise, among those HCP recipients who considered switching service providers but did not want to lose a particular service (16%) a higher proportion also relied on a health professional when selecting their service provider. Among those who reported switching providers was too hard (23%), there was a higher proportion of HCP recipients who reported difficulty making decisions and a higher proportion with hearing problems. Again, this suggests that advice and guidance from an independent advisor through supported decision making might help HCP recipients more effectively compare providers and address any uncertainty around switching providers.

We would recommend caution in relying on comparison and disclosure interventions alone given the low use of comparison tools. As observed in ASIC and AFM's report *Disclosure: Why it shouldn't be the default*, there are clear limits to disclosure as an effective intervention to ensure consumer protection.[64] Focusing on financial services, the report highlighted a number of case studies to demonstrate the limits of disclosure, finding that consumers often do not read lengthy disclosure documents,[65] and the simplification of complex information does not reduce the underlying complexity.[66] Key to identifying the efficacy of disclosure is comprehension testing with relevant consumer cohorts.

63. Daniel Kahneman, Amos Tversky, "Advances in prospect theory: Cumulative representation of uncertainty". *Journal of Risk and Uncertainty*, 5, 4 (1992): 297–323; Daniel Kahneman, Jack L. Knetsch & Richard Thaler, "Anomalies: The endowment effect, loss aversion, and status quo bias". *Journal of Economic Perspectives,* 5(1) (1991): 193-206.
64. ASIC and AFM, *Disclosure: Why it shouldn't be the default*, p. 35.
65. Ibid., p. 20.
66. Ibid., p. 5.

Precondition 5 - Awareness of how to access and act on information about Home Care Packages

Key findings:

- Existing information and comparison tools are used far less than direct advice from health care professionals, family or friends
- Recipients seek assistance from trusted individuals when choosing providers
- Recipients have difficulty understanding and accessing key information about both providers and their HCP - particularly pricing information and their Care Plan
- Recipients may be uninterested in switching and when they do, it's difficult
- A third of recipients were not sure what level of HCP funding they received

For a market to work effectively, HCP recipients need to be aware of the different opportunities they have to engage in a market and acquire a product that suits their needs, such as:

- where to seek assistance
- where to find relevant and comprehensible product information
- how to compare products and services
- how to switch providers.

Absent of this awareness, HCP recipients cannot be expected to successfully navigate a market and make informed choices. For many HCP recipients, there are significant gaps in their awareness about the HCP system, information and decision-making supports. In various reviews and papers, low levels of community awareness about aged care more generally has been noted as an ongoing issue, with recommendations for regular information campaigns to build community awareness of the support available.[67]

Given the reasonably stringent screening of our sample, it was particularly notable that almost a third (33.2%) did not know what level of care package they received. This has significant implications for an individual's understanding of what services are available, what services are affordable within their home care budget and more generally for informed consumer choice. Subsequent analysis suggested HCP recipients unable to identify their level of HCP funding were more likely to be on a level 1 or 2 package. It may be this cohort are disinterested in the administrative details about their care, they may be confused due to receiving an assessment for a higher level of package and are provided a lower level package while they wait, it is difficult to determine this information or for some other reason.

67. Karen Rees, Jannet Maccora and John McCallum, *You don't know what you don't know: the current state of Australian aged care service literacy,* (National Seniors Australia; 2018), p. 65 ; David Tune, *Legislated Review of Aged Care 2017*, 2017, p. 11.

Recipients' lack of knowledge about their HCP funding might stem from the lack of a Care Plan, or lack of awareness about this key tool. A large segment (39.2%) of our sample were either not provided with or unaware of the Care Plan that service providers are legally obligated to provide. A larger proportion of HCP recipients who were unable to identify their level of HCP funding also reported not receiving a Care Plan (34.7%) compared with those with a level 1 or 2 package (29.2%) and those with a level 3 or 4 package (17.6%). The absence of this tool may severely hamper the ability of recipients to ensure their care aligns with their assessed needs and hold service providers accountable.

Of our total respondent sample, more than a third (36.7%) reported a limited understanding or uncertainty about their HCP fees and charges and when asked further, just under half (43.6%) were unsure about the location of their daily fee information on materials. This lack of understanding or awareness around pricing raises further questions about the ability of HCP recipients to make genuinely informed choices, particularly if they are unaware what their own contribution might be.

Within our sample, few HCP recipients (4%) had switched providers, while only a further 10% had considered switching. This may reflect satisfaction with current providers, but equally it may reflect a low awareness about the mechanics of switching providers, or a subdued interest in switching providers. For those that did seek to switch our evidence suggests there are a range of thinking costs which create barriers to action. These are primarily created by uncertainty about a range of aspects, including comparison, the switching process, and concerns about losing aspects of their existing service.

Though some of our sample reported they made decisions about their HCP provider unassisted, our research continued to identify the role of health professionals in many aspects of an older person's decisions surrounding HCPs. They played a key role in prompting HCP recipients to seek assessment, were relied on as a key source of information and were instrumental in providing recommendations. This reliance on trusted individuals may suggest a general lack of awareness about the support offered through a HCP in the first place, as well as limited awareness around how to compare providers and the services they offer.

Additional key findings

- One third of HCP recipients had trouble accessing various services
- Approximately a third of HCP recipients either deliberately saved and underspent their HCP funding or were unsure whether they had
- A small number of HCP recipients on higher levels of package funding received less than 2 hours of care per week
- The majority of HCP recipients indicated support workers were well trained, however just less than a quarter were less satisfied with level of training

Accessing services

We also asked about HCP recipients' current experiences with their HCPs. Here, we explored whether there were services they had not been able to access, how many hours of care they received, if they had underspent any of their package funding and, if so, why. We also asked about HCP recipients' views about the quality of training of care and support workers.

Just over one-third of HCP recipients (34%) reported having trouble accessing services. The primary service HCP recipients had difficulty accessing was gardening (15%), especially for those on lower level packages. Recipients reported little trouble accessing remaining services (personal care, continence management, assistance with dressings, house cleaning, social activities, transport, nursing and allied health care, translation services, mobility equipment, home modifications and carer respite). Those answering via a carer reported greater difficulty accessing carer respite. Recipients on lower level packages reported greater trouble accessing home modifications. Those aged 80 years and older had just over twice as much trouble accessing transport and five times as much trouble accessing assistance with meals.

We asked HCP recipients why they were unable to access certain services - from a multiple choice list:

- did not raise the issue with their provider (22%)
- the service is not offered by the provider (17%)
- the funds were not available to afford the service (14%)
- high cost of the service (14%)
- did not know the service was available (11%)
- the service was not suggested by the case manager (6%)
- other reasons (16%)
- do not know why they cannot access the service (8%)

"Other reasons" raised by HCP recipients included issues around the cost of services or the availability in particular areas:

> "Costs less to have the garden done directly rather than through the provider."
>
> "Service provider does not provide [respite]".

The way providers deliver services and require HCP recipients to manage their own appointments can create barriers. Some qualitative comments suggest that transport was particularly difficult to manage, and providers were unresponsive to an unexpected health related need:

> "The provider expects the clients to book transport prior to going to see a doctor for a medical emergency – respondent doesn't think this is fair because they can't anticipate when they will feel unwell."

> "Had no idea had to book in advance, one-week notice isn't enough in most cases."

There are key structural barriers, which relate to the kinds of housing HCP recipients live in:

> "Department of Housing will not modify the doors so they cannot put a ramp in."

Others indicated they were waiting to get access to other services:

> "I am on a waiting list to get extra services."

> "Long wait list."

> "Waiting for an OT to do assessment for home modification."

Underspending funds

According to the StewartBrown survey published in June 2018, homecare providers reported they held $539 million in unspent funds, with total underspend expected to reach over $700 million by the FY19 year-end.[68] Our study explored recipients' awareness of underspent funds to better understand to what extent HCP recipients are able to effectively manage their services and budget.

Nearly one-third (32.5%) of HCP recipients either saved some of their package funding or were unsure whether they had saved funding, or may not have understood the question. Moreover, an even higher proportion (39.6%) of those receiving level 3 and 4 packages indicated they saved package funding. This is concerning given this group has also been allocated higher funding to meet their higher care needs, especially if they are unable to have those needs met. Of the total sample, 13% indicated they were "saving for a rainy day", which was consistent across all demographics. Some HCP recipients also indicated that package funding was being saved for a significant home modification (5%) or equipment purchase (5%). Interestingly, 7% of HCP recipients did not know whether any of their package funds had been saved or not. Some qualitative responses indicate there may be a lack of understanding among some recipients about the amount received and spent;

> "I have been told that I am paying too much for the services that I receive, and I am unable to find out the allocation of funds."

Or even about the what saved funds could be used for:

> "For home insurance."

Those on level 1 or 2 packages were twice as likely (9.4%) to save package funds for purchasing equipment than those on level 3 or 4 packages (3.2%). This may reflect a number of HCP recipients trying to manage higher level needs while they wait for higher level packages.

A handful of open responses shed light on the reasons why package funds had been deliberately saved:

> "For future needs i.e. transport needs for example"

68. StewartBrown, *Aged Care Financial Performance Survey – Sector Report,* June 2019, p. 50.

> “I lose 60% of my package to admin and case manager fees so I have said I do not want a case manager; I am still charged but not as much. So, I have saved money on the package for new equipment and for home modifications but only because I chose to cut out case manager so I can get the things I need.”

Others provided reasons why saving package funding had been incidental:

> “[Recipient] is waiting for somebody to come and assist her with taking of medication and some general tidying up, but there is not any staff available to do the job.”

> “I had to cancel because I was in hospital.”

> “If I go away to my family I had to cancel [support staff] so that money is saved to [my] package.”

Hours of care and support workers

Almost half of HCP recipients (45%) received less than one hour of care or support a week and 28% received one to two hours a week (see Fig. 10). A smaller proportion received a higher number of hours, 15.3% received three to five hours per week, 4.8% received six to eight hours per week, and 3.6% received nine to 12 hours per week. Few received the highest number of care hours: 1% reported receiving 15-16 hours and 1.4% reported receiving more than 16 hours. This may be explained to some extent by the overrepresentation of level 1 HCP recipients, and underrepresentation of recipients receiving higher levels of funding.

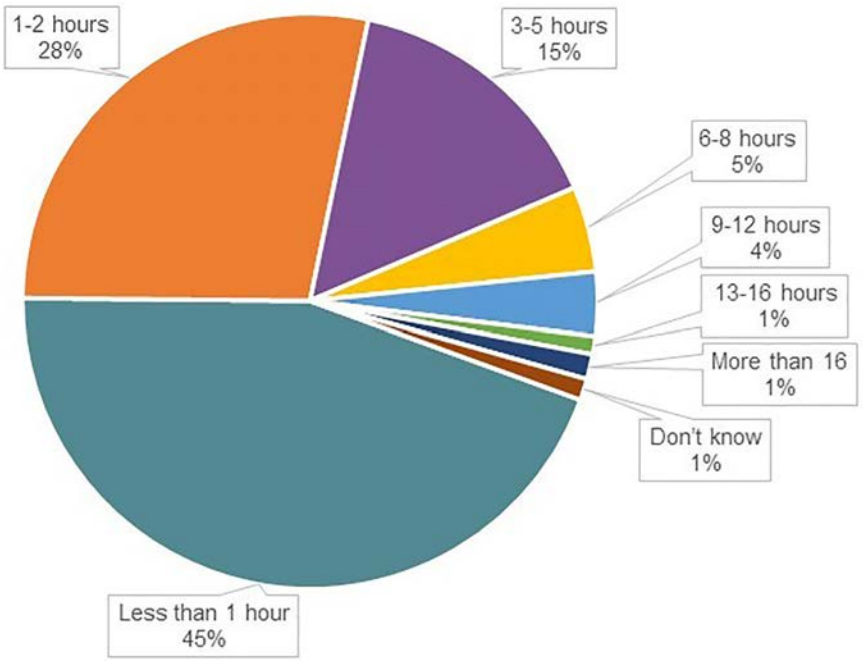

Figure 10: Hours of care received per week

The number of hours of support received each week varied considerably across different demographics. Those HCP recipients who answered via a carer reported they received more hours. When comparing the two age cohorts, older HCP recipients were more likely to receive more hours of care. 60.1% of those aged 80 years or older received more than one hour per week compared to 50.2% of HCP recipients aged 65-79. HCP recipients who received more hours of care tended to be those whose primary needs were respite or assistance with bandages or cleaning. They also tended to be those who sought an aged care assessment due to the onset of a health issue or a change in financial circumstances.

There were also clear differences among recipients of various funding levels. Almost half of those on a level 1 or 2 package (48.4%) received less than one hour a week. As expected, those on higher level packages also reported receiving more hours of care. Close to half of those with a level 3 or 4 package (49.4%) received around three to eight hours service a week. However, a small number of HCP recipients on a level 3 or 4 package reported they received a lower number of care hours. 11 of the 33 recipients on a level 3 HCP (33.3%) and four of the 52 recipients receiving a level 4 HCP (7.6%) received two hours or fewer of care per week.

Although level 3 and 4 packages were underrepresented in our sample, and these subpopulations are may be too small to be statistically significant, it is concerning that high levels of HCP funding provided so few hours of care for these individuals. Research from the Australian Institute of Health Innovation at Macquarie University has found each additional hour of service received per week was associated with a 6% lower risk of entry into permanent care.[69] The scope of our study does not enable further analysis of the different cost components of individuals' packages. However elsewhere, preliminary academic research into actual costs of homecare suggests administration fees and case management can account for approximately 40% of packages.[70] While there may a range of reasons why these particular HCP recipients in our study received so few hours of care given higher HCP funding, this may also suggest poor value for money for some recipients, and even raises questions around the exploitation of particularly vulnerable Australians if they are unable to acquire the care they need.

Support workers

HCP recipients indicated a clear preference for continuity between support workers. Three quarters (75.5%) reported that it was "very important" to have the same support worker visit their home, while 14.5% said it was "somewhat" important, which was consistent across the different HCP levels including those unsure about their level. Overall, HCP recipients reported that care and support workers were well trained, with a third (33.5%) reporting they are "reasonably" well trained and a further 42.8% reporting care workers were "very well" trained. Again, there was little difference in views between HCP recipients with different HCP funding, including those unsure about their level. HCP recipients who had sought a HCP assessment because of long-term health issues were more likely to report that support workers were well trained. However, almost a quarter (23.7%) were less satisfied with care workers' training which suggests there is scope for improvement. This finding may provide further evidence that HCP recipients are willing to *satisfice* by staying with the same provider, rather than switch providers.

Key subgroups – differences by tenure

Our research found some differences among responses according to the tenure of HCP recipients. Though the tenure itself is unlikely to directly affect HCP recipients, tenure may relate to wealth and provide an indicator of more vulnerable individuals. Analysis of demographics of our sample found that 96% of those renting relied on a government pension, compared with 59% of homeowners and 52% of retirement village residents.

69. Mikaela Jorgensen et al., "Modeling the Association Between Home Care Service Use and Entry Into Residential Aged Care: A Cohort Study Using Routinely Collected Data." *Journal of the American Medical Directors Association*, 19, (2018): 117-21
70. Norma B. Bulamu et al., "An early investigation of individual budget expenditures in the era of consumer‐directed care". *Australasian Journal on Ageing,* (2019).

For renters, the onset of a long-term illness was more likely to prompt assessment for a HCP compared with non-renters. Inferential analysis identified renters were generally more reliant on health care professionals for advice, information and recommendations than other HCP recipients. Renters were also less concerned about the reputation and quality of a provider when making an initial choice than other HCP recipients.

Renters did not identify cost as a particularly important factor when selecting a service provider. However, renters indicated a lack of funds as a major reason for being unable to access a particular service. Given a larger proportion of renters reported they relied on assistance to choose a provider, this discrepancy may reflect the extent to which HCP recipients can make informed decisions about the costs of services when choosing providers, or it may simply reflect limited package funding and costly services.

Renters reported that they received three to five hours of care/support per week on average. By comparison, homeowners and those living in retirement villages reported they received one to two hours per week of support on average. Among our sample, a higher proportion of renters (26.5%) received a level 3 or 4 package compared with homeowners (15.6%) or those living in retirement villages (3.6%). These findings may reflect a general wealth effect whereby those without access to enough capital (such as renters) are less able afford to move into a facility that provides higher levels of care, and therefore are more likely to receive a higher level of care in home.

Our research also identified key differences in the consumer journey among HCP recipients living in retirement villages. As noted above, far fewer retirement village residents received a level 3 or 4 package (3.6%) than groups in other kinds of tenure. Moreover, a larger proportion of retirement village residents did not know what level of package they received (39.2%) compared with homeowners (33.9%) and renters (26.5%). HCP recipients residing in retirement villages were much less likely (25%) to rely on a health professional when selecting a provider than homeowners (41%) and renters (41%). Instead, HCP recipients living in retirement villages were more likely to rely on information from retirement villages and speak to retirement village staff or visit a village when making a choice about their HCP. Within our total sample, four HCP recipients (all of whom who were retirement village residents) indicated that a “recommendation from a retirement village” was an important factor when choosing their package provider. Five of the 28 HCP recipients who reside in a retirement village indicated that an “existing relationship with a service provider” was an important factor in their choice. Of these five, three indicated both an existing relationship with a service provider and a recommendation from a retirement village were important in choosing a service provider. While these findings are not necessarily generalisable, they provide useful insights that may warrant further exploration. Some retirement villages provide HCP services themselves, and this may create the potential for a conflict of interest.

Across a range of other markets, it has been identified that intermediaries without enough independence may not act in the best interests of consumers.[71] As a principle, separating case management advice from service delivery may be prudent to ensure recipients receive the best value from their HCP.

71. Australian Securities & Investments Commission, REP 628 Looking for a mortgage: Consumer experiences and expectations in getting a home loan, August 2019; Australian Competition and Consumer Commission, Retail Electricity Pricing Inquiry—Final Report, July 2018, p. 231-2.

Improvements to the Home Care Package system as identified by recipients

Our research explored HCP recipients' views about a range of potential improvements to information provided and key characteristics of home care.

Accessing key information

HCP recipients consider key information about both services and providers (such as quality, cost and location) important when choosing between providers. Of the minority who had considered switching but did not, many of the barriers related to difficulties comparing key aspects of providers.

Key recommendations to improve the system included:

- HCP recipients most strongly endorsed (88%) the proposal to ensure information about the support delivered by providers is presented in a simple, clear way. 76% considered this as "very important" while a further 12% viewed this as "somewhat important", consistent across demographics. This indicates improving communication about providers' offerings and the services available should be a key priority.
- HCP recipients also strongly endorsed (80%) the proposal to provide more information about provider quality, considered "very important" by 65% of HCP recipients and "somewhat important" by another 15%, consistent across demographics.
- Ensuring fees and charges are presented simply and consistently across all providers was strongly endorsed (82%) by HCP recipients, 69% indicated this was "very important" and a further 13% indicated this was "somewhat important". While females were slightly more supportive for this improvement than males, there were no differences among other demographics.
- 42% of HCP recipients regarded the ability to differentiate between providers based on an older person's sexual and cultural needs as "very important" and 16% regarded this as "somewhat important".
- Free translation service was another proposed improvement that saw more muted support with only 21% regarding that as "very important" compared to 37% who regarded it as "not important at all". However, among those who reported difficulty understanding English, 54.5% responded this was "somewhat" or "very" important (12 of 22 HCP recipients). Given the small sample size of this group, we would recommend further research be completed to better understand the particular needs of subpopulations.

Improving key tools for information and comparison

HCP recipients indicated clear preferences for more phone-based information, half of HCP recipients (50%) thought it was “very important” to improve the My Aged Care Contact Centre, and a further 16% reported this was “somewhat important”. Given the low use of the My Aged Care portal and low confidence in using the internet, it is perhaps surprising that a third (33%) thought improvements to the portal were “very important” while a further 14% thought this was “somewhat important”. A higher percentage of HCP recipients were “neutral” with respect to improving both the Contact Centre (21%) and the My Aged Care portal (24%). Nonetheless, improvements in the Contact Centre and portal were supported among a reasonably large contingent of HCP recipients.

Improving advice and direct assistance

The proposal for independent advice and guidance was strongly supported by the majority of HCP recipients (75%). 55% regarded this as improvement as “very important” while a further 20% regarded this improvement as “somewhat important”. The only notable difference in demographics was that female HCP recipients had a slightly higher preference for this solution compared with male HCP recipients. Similarly, having the ability for carers to seek information about the package on the HCP recipient’s behalf was regarded as “very important” by 52% of HCP recipients and considered “somewhat important” by another 15%. There was only a slight preference for this solution among HCP recipients answering via a carer.

The future structure of home care

In addition to views about improvements to information and characteristics of home care, HCP recipients were asked about how they would prefer to make choices about their home care package, or whether they preferred to delegate control to someone else (Fig. 11).

The most preferred option reflects the need for greater support and guidance to understand and make decisions about package funding (42%), followed by greater control to hire care support workers directly (26.3%) and the deferral of choice to an independent trusted adviser (18%); while a smaller proportion (14.5%) were ambivalent. These findings again indicate different consumer segments and demonstrate the need for flexibility in the structure of consumer directed care to facilitate those HCP recipients who prefer not to choose as well as those who would prefer more control in their choices. Market stewards cannot simply assume that all HCP recipients prefer to make active choices, or that they'd prefer not to choose at all. These findings point to the need for a more nuanced view of consumer behaviour and to develop appropriate structures to deliver home care accordingly.

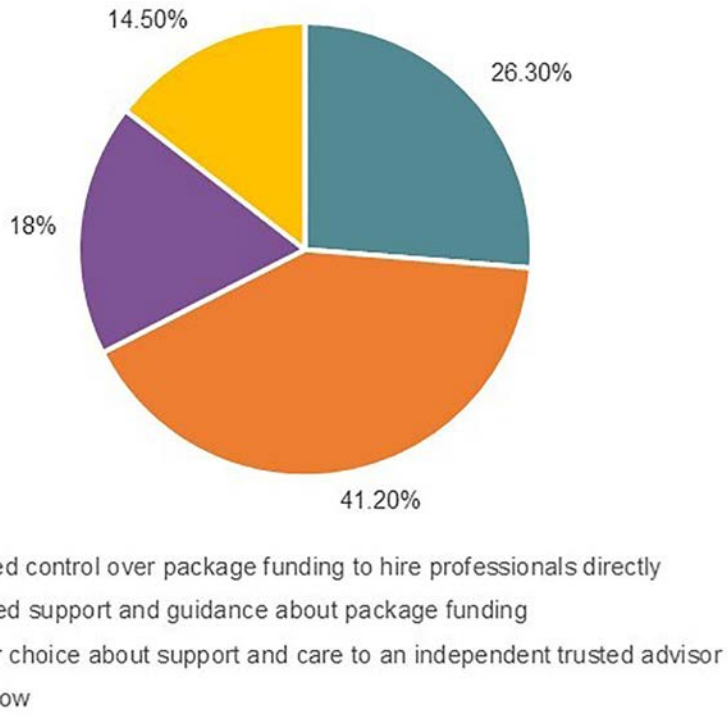

Figure 11: Thinking about what the future of home care might look like, which of the following options would you prefer?

Our research sought to identify whether there might be key differences among HCP recipients managing different levels of complexity in cohorts within our sample. Differences of opinion were most evident when comparing HCP recipients by level of package funding (Fig 12).

- HCP recipients on a level 3 or 4 package were most likely to endorse increased control (36.5%) compared to those with a level 1 or 2 package (24.8%), or those who didn't know their level (23.4%). This preference for increased control may be a consequence of higher budgetary constraints to manage a range of more complex needs, particularly with managing more intimate care, such as bandage replacement or showering.

- Those on a level 1 or 2 package were most likely to endorse enhanced support (45.6%) compared with those on a level 3 or 4 package (36.5%) and those who didn't know their level (37.1%).
- Those who didn't know their level of HCP were marginally more likely to endorse the option to defer choice to an independent trusted advisor (19.2%) than those on a level 1 or 2 package (17.6%) or those on a level 3 or 4 package (16.5%).
- Those who didn't know their level were also most likely (20.4%) to indicate no preference compared with those on a level 1 or 2 package (12.0%) and a level 3 or 4 package (10.6%), which may reflect a general ambivalence or a lack of understanding of HCP.

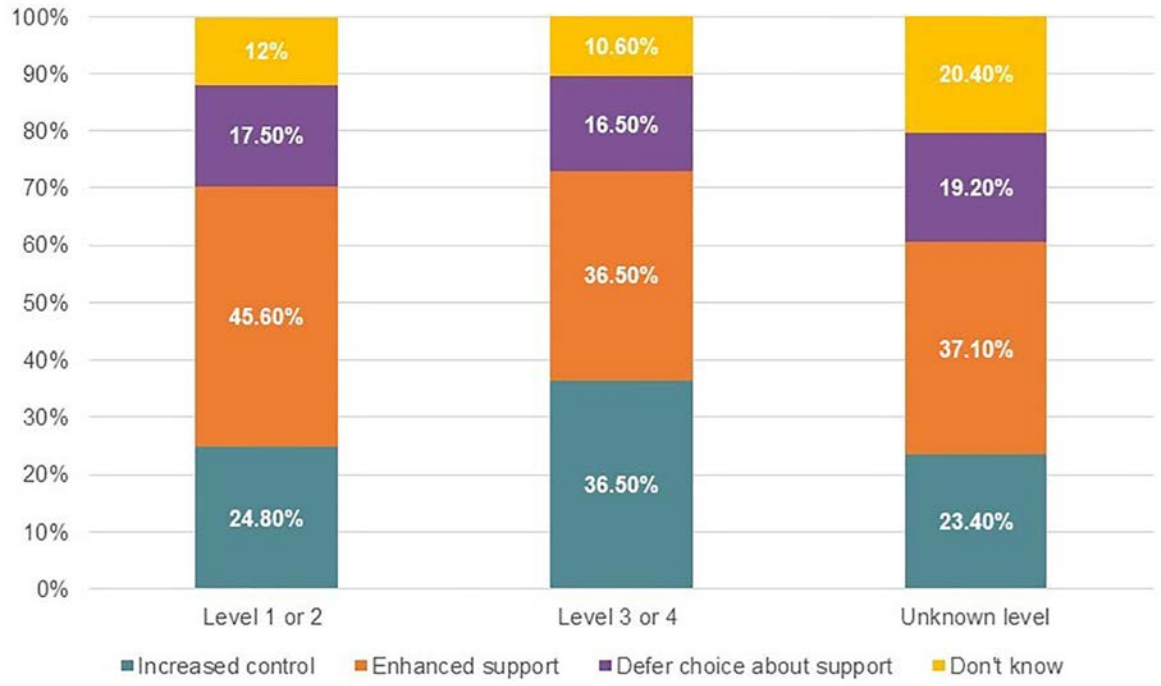

Figure 12: Future state of HCP delivery - by HCP package funding

There were a few differences between male and female HCP recipients about preferences of HCP structure, though these differences were less pronounced (see Fig. 13). There was similar support for enhanced support and guidance between males (41.9%) and females (40.9%). There was slightly higher support for increased control over package funding among female HCP recipients (27.9%) than male HCP recipients (23.3%), while male HCP recipients slightly preferred the option to defer the choice of support to an independent trusted adviser (20.9%) compared with female HCP recipients (16.4%). Within our sample, male HCP recipients were more likely to have a carer and were more likely to receive a higher level of package funding than female HCP recipients, which may explain preference for increased assistance.

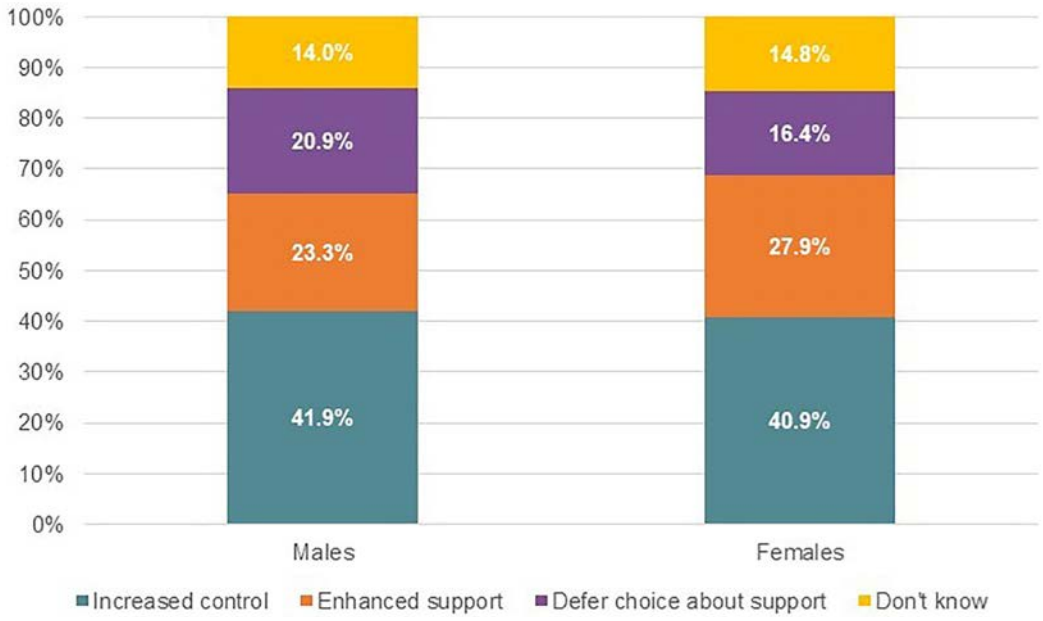

Figure 13: Future state of HCP delivery - by gender

Some demographic characteristics did not affect HCP recipients' preferences. For instance, there was little difference in preference about the future state of HCP when comparing HCP recipients aged 65-80 compared to those aged 80 years and above. The only clear difference was those 80 years and older were slightly more inclined to indicate no preference (18%) than those aged 65-79 (12.1%). Likewise, a respondent's level of impairment (problems with vision, hearing, remembering and making decisions) had no impact on their views about the structure of choice for home care.

Among those HCP recipients that initially chose their HCP provider unassisted or answered the survey themselves, there was a slight preference for *more* enhanced support and guidance, and *less* support for increased control over choices (see Fig. 14). Conversely, among those who initially chose their provider with assistance or answered the survey via their carer, there was a slight preference for increased control over choices and *less* support for enhanced support and guidance.

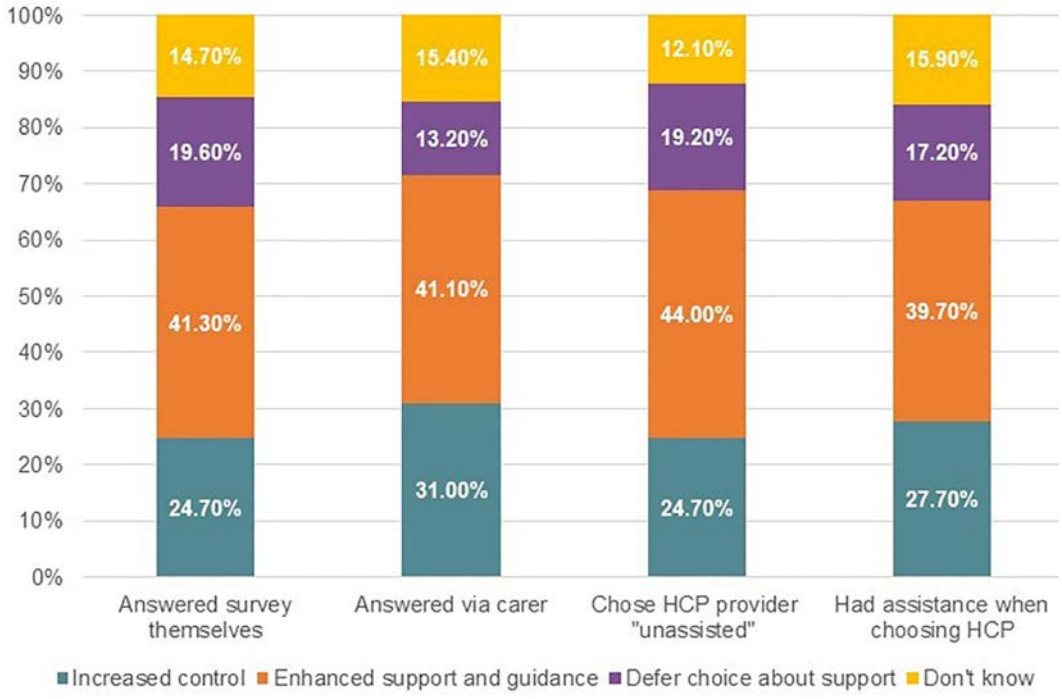

Figure 14: Future state of HCP - by assistance provided

This preference for more support among those who initially chose *without* some form of assistance may reflect the difficulty that HCP recipients encounter when making choices about home care alone. Policymakers might consider the provision for a navigator or independent advisor to help HCP recipients make effective choices where they lack a support network or carer. Noting this preference was slightly muted among those who chose assisted or with the help of a carer, this navigator or advisor might incorporate the carer or extended support network in the process wherever appropriate.

Policy recommendations

Initial referral pathways are important to reduce barriers to accessing the HCP system and improve awareness

Our findings demonstrated that reduced mobility, a long-term illness, a significant change in health, or a recommendation from a health professional was the primary impetus to prompt older Australians to seek an assessment for a HCP.

To improve access and engagement for HCPs, outreach and awareness programs could encourage more Australians to seek a HCP before minor illness, declining health or immobility becomes more significant. By co-locating with other key services (such as community health services, Centrelink and NDIS outreach) workers could provide face-to-face advice. Any outreach program should also recognise the important role that health professionals currently play in influencing and advising on HCPs.

Ensuring that effective communications reach those with health or other barriers to engagement should be considered essential to the delivery of a fair and inclusive HCP program. We note efforts in Victoria, for example, to collaborate with community organisations supporting consumers experiencing vulnerability in the communication of recent government energy reforms and consumer rights (see Energy Info Hub).[72]

> Recommendation 1 – That the Department of Health develop an outreach and education program to ensure all eligible recipients are aware of the HCP support available.

Given the prominence of health professionals as an advice and referral point, greater consideration should be given to how to better support health professionals with information and provide clear referral pathways to connect individuals with the services they need. We note the low satisfaction of hospital referrers and GPs in providing ratings for My Aged Care in previous research.[73] Improved support, information and referral pathways may also include independent intermediaries acting in the interests of HCP applicants and recipients (see Recommendations 12 and 13).

> Recommendation 2 – That the Department of Health produce improved, comprehensive and understandable information and resources, along with clear and effective referral pathways – to aid health professionals when advising their patients, who are heavily relied on as a source of information in choosing providers.

Information disclosure about providers and services needs to be easily accessible, clear and comprehensible

The findings of our study clearly indicate HCP recipients value a range of information about providers and the services they deliver, but many indicate they do not fully understand fees and charges. For the small proportion who sought to switch providers, difficulty comparing costs was raised as an issue. Moreover, HCP recipients demonstrated a limited understanding of key aspects about their package funding – notably the daily fee.

We note the Department of Health has a new standardised home care pricing schedule. While our findings reflect consumers' experiences before the introduction of these reforms, we would encourage the Department to consider ongoing comprehension testing to evaluate whether this information improves knowledge and awareness among HCP recipients.

72. See https://energyinfohub.org.au/about-us/
73. *Mikaela Jorgensen and Rebecca Haddock, "The impact of the home care reforms on the older person, the aged care workforce and the wider Health System", Deeble Institute for Health Policy Research – Issues Brief, 09 August 2018.*

> Recommendation 3 – Simplify and standardise price and fee information through consumer comprehension testing to enable recipients and carers to understand the information and compare prices and services effectively.

Our survey also revealed some evidence that HCP recipients do not know whether they have underspent their package funding. Understanding the levels of unspent funds and whether it is in the best interests of HCP recipients to spend that money and access services, or save for potential future needs, is a critical part of ensuring funds are being dedicated to improve the health and welfare of older Australians.

We therefore recommend more comprehensible disclosure of funds available and services that meet HCP recipients' needs.

> Recommendation 4 – Ensure comprehensible disclosure of the HCP funds available in the package to enable recipients to effectively manage their services. This may require further comprehension testing.

Quality of service was raised as a key factor when making a choice about providers, but it is unclear how HCP recipients made this choice on the basis of the information that is currently available.

Other research indicates that HCP recipients were only able to identify good or poor quality providers *after* they experienced the service.[74] Comparable information about the quality of providers and services needs to be comprehensible and easily accessible for HCP recipients to help inform decisions *before* they choose providers.[75] Making this information available through key tools such as the My Aged Care Contact Centre, My Aged Care online resources, but also via the proposed navigator/intermediary service (Recommendation 12 and 13) will enable informed decisions and drive suppliers to compete on this basis.

We also note the alignment with other Australian Government goals of making public service data more useful and to improve service delivery via the Data Sharing and Release Legislation and associated reforms. We support initiatives by all governments to more make more data and information transparent to HCP recipients about the quality service of providers across all markets.

> Recommendation 5 – Introduce and publish quality measures of service providers to inform consumer choice that are consistent across all mediums to enable effective comparison.

Few HCP recipients chose a provider based on the services they provided – which seems at odds with the intent of CDC. Over a third of HCP recipients indicated there were services they wanted but had not accessed. HCP recipients most strongly endorsed a proposal for improved information about support delivered by providers.

We note a series of information and resource remedies may be of some assistance. However, we also highlight the need to closely consider the complexity of the services being presented themselves, along with the management of the HCP. Simplification may also be required to enable greater comprehension and comparison.

> Recommendation 6 – Information on provider support services must be disclosed in a consistent and understandable manner to better inform consumer choice. A review may be undertaken into the complexity of the differing services and management of the package itself, with opportunities identified to simplify the services or the management of the package.

74. See Russell. *Older people living well with in-home support* (2019)
75. See for example the interRAI measures of Home Care quality currently in use in the US and Canada. https://www.interrai.org/home-care.html

For many, the My Aged Care Contact Centre is an important source of information – and may well be the first point of contact. We suggest the ACRC consider the recommendations in the Maker et al. report, *Thanks a Bundle*, which seeks to provide guidance for call centre staff when communicating with HCP recipients with reduced cognitive capacities about complex information.[76]

> Recommendation 7 – Undertake capacity building and training of employees in the My Aged Care Contact Centre to ensure applicants and recipients with reduced cognitive capacities can access meaningful information and make effective informed decisions.

Comparisons and choices need to be made easier through accessible tools and access to genuinely independent advice

Our findings demonstrate that HCP recipients used a wide range of sources of information to choose providers, seeking advice from trusted individuals, referring to printed materials, contacting the My Aged Care Contact Centre or speaking to service providers themselves. For those wanting to switch providers but who ultimately didn't, many had encountered problems in trying to compare various aspects of providers.

Once information about providers and services is better standardised (Recommendations 3 to 6), ensuring this is consistently made available across multiple channels will be essential to ensure both recipients and carers alike are appropriately informed.

> Recommendation 8 – Disclose simple standardised pricing (Recommendation 3) across all contact points – on providers' websites, on the My Aged Care website, any other comparator websites, and materials sent out to potential clients. Service providers could also be required to refer to these resources when speaking to applicants comparing and receiving HCPs.

A significant number of carers responded on behalf of a HCP recipient in our survey. Our findings show the importance of trusted advisors to help navigate the system and access information, and to make decisions about providers. Most HCP recipients indicated strong support to enable carers to be more involved in seeking information on their behalf.

> Recommendation 9 – Make it easier for carers (including family members) to seek information on behalf of HCP recipients to provide input into assessment of needs and value for money decisions.

HCP recipients indicated they largely do not use the My Aged Care portal, and many reported low confidence using the internet. Yet, there was still reasonably strong support among many of those we surveyed for improvements of the portal. It may also be the case that key trusted advisors have difficulty accessing the portal to assist HCP recipients. While we are aware there is a new version of the portal currently being rolled out, there may still be benefit in considering what information will and won't be provided, given the findings about HCP recipients' preferences presented here. Comprehension testing of the portal also needs to be undertaken, inclusive of a diverse range of users attempting to navigate the website, to identify whether HCP recipients can effectively use this tool.[77]

> Recommendation 10 – Enhance the My Aged Care online services to improve comparison and choice.

76. Maker et al., *Thanks a Bundle.*

In markets which have been deregulated longer than home care, such as residential energy markets, the growth of comparison websites and services has often resulted in preferential ordering of suppliers in search results. This has resulted in additional cost to industry and consumers and creating confusion about the most appropriate supplier and products.[78] Monitoring of intermediary services, advice being provided to recipients and carers, along with any sponsorships or partnerships between services should be increased, and may require further regulation, such as a mandatory code.

> Recommendation 11 – Conduct a review of current comparison websites, and an assessment of consumer outcomes when compared to use of the government funded comparison service.

As has already been raised in previous ACRC hearings, the importance of navigation support was recognised within the original My Aged Care design, but this component wasn't initially included as a key part of the current CDC design. We note the Department of Health is undertaking a trial of a navigator service. At this stage it is unclear to what extent this navigator service delivers the recommendation outlined below.

Among many HCP recipients there is a preference for independent advice and guidance about how to choose providers. HCP recipients currently rely heavily on trusted individuals (health care professionals in particular) to prompt an assessment for a HCP, provide information about services and HCP providers, and even to help select their HCP provider. This suggests trusted independent advice is crucial and that many HCP recipients may not have been assessed nor sought care without this assistance.

We hypothesise that where individuals lack an effective support network (family and friends), or where health professionals do not refer them to seek a HCP assessment, more isolated individuals may fall through the cracks. The Commissioner for Senior Victorians has also noted that without "navigation support" many older people are at risk of being locked out of key information and services.[79]

Moreover, as highlighted above in Recommendation 11, a growing range of intermediary parties do not appear to have any specific obligation to meet certain minimum requirements about the kinds of information and advice being provided.

Given the complexity of this market, and the heavy reliance on trusted individuals, HCP recipients need access to trusted, independent advice from people or an organisation that acts solely in their interests. The current system (where case managers providing advice are housed within service providers) raises questions about the independence of the advice provided. This sort of conflict of interest is not unique and has plagued other industries, with finance being no exception. Given our collective learned experience about the problems associated with such inherant conflicts, we recommend the funding of services for HCP recipients to obtain independent advice in the initial application and assessment phase, navigation and comparison phase and ongoing plan management.

The ongoing management and access to services appears problematic, with more than a third of HCP recipients indicating they hadn't accessed services they would like. While some were inhibited by waiting lists, other reasons indicate a lack of awareness about the system, or because HCP recipients hadn't asked their provider whether services were available. This burden on the individual to identify the services they would like (that may or may not exist, may or may not be offered by a provider, or that may or may not be available within their level of package funding) is problematic and indicative of a significant information asymmetry. It suggests HCP recipients need to spend considerable time and energy researching available services based on their changing needs and negotiating with providers.

77. Again, we note that previous research has identified CALD consumers and Aboriginal and Torres Strait Islander backgrounds reported lower satisfaction with the My Aged Care contact centre and website – see Jorgensen and Haddock, "The impact of the home care reforms on the older person, the aged care workforce and the wider Health System", 11.
78. Australian Competition and Consumer Commission, *Retail Electricity Pricing Inquiry—Final Report*, July 2018, p. 231-2.
79. Commissioner for Senior Victorians, *Ageing is everyone's business,* 2016 p. 66.

Lastly, nearly a third of HCP recipients indicated they had underspent their package funding, many of whom reported this was for "a rainy day". Other HCP recipients who sought to switch providers, but who ultimately didn't, encountered a range of non-financial switching barriers. Few HCP recipients had switched or even considered switching service providers, which may reflect preference *satisficing*.

A trusted, independent advisor offering guidance without links to service delivery might help recipients to:

- reduce underspend and ensure they more effectively understand and manage their budgets, or earmark underspend for a tangible future spend (e.g. mobility equipment)
- easily address many of the barriers identified by HCP recipients
- seek out better quality services where relevant
- manage a range of services
- incorporate a reablement approach to care where applicable.[80]

> Recommendation 12 – Fund the provision of independent advice, navigation and support services potentially linked to health professionals (Recommendations 1 and 2) that can:

- clearly establish and understand the needs of applicant's seeking care in the initial application process
- help these applicants get access to, and navigate, the HCP system particularly during their initial decision
- assist HCP recipients navigate the HCP system on an ongoing basis, with the capacity to conduct regular reassessments for those on packages and make recommendations/help recipients change service providers.

Improve the ongoing accountability of providers to ensure they provide value to HCP recipients

A large number (39%) of HCP recipients reported that they either hadn't been provided with a Care Plan or were unaware whether they had been provided one. The Care Plan is essential to ensure that recipients can hold providers to account for the delivery of services that meets their needs and rights to access services. This tool remains a key part of an individual's ability to manage their HCP, both in the immediate and longer term.

Stronger requirements, auditing and enforcement may be required to ensure that service providers deliver Care Plans and continue to use it when assisting recipients. The introduction of an independent navigator/advisor (Recommendations 12 and 13) might help to centre care around the Care Plans as a management tool, to ensure the individual's needs are met, and that these needs are reassessed when required.

> Recommendation 13 – Audit service providers' delivery and ongoing use of Care Plans and deliver penalties for non-compliance.

80. The reablement approach to service delivery aims to assist people to maximise their independence and autonomy. These supports target specific goals/outcomes and seek to adapt to some functional loss or regain confidence and capacity to resume activities. See: Australian Association of Gerontologists, *Australian Approaches to Reablement in the Home Support and Care Program*, July 2019. We note the reablement trial currently underway – Department of Health, *Better Ageing – promoting independent living*, Budget 2018-19.

When choosing a provider, HCP recipients indicated that cost of services was far more important than annual fees or case management fees. Some qualitative responses suggest that case management/ transport is expensive, leading HCP recipients to either reduce their case management or underspend their package to save for transport. For those that need more dedicated case management, this reduces the quantum of funding available for services.

It may be more equitable to separate the cost of case management/transport from the services themselves, so that those who require more advice/assistance with transport do not have the value of their package reduced by higher fees for these aspects.

It is also unclear to what extent case management refers to administration or genuine clinical case assessment by a trained health professional, and whether service providers have the necessary capacity in house to provide this service.

> Recommendation 14 – Provide funding for service delivery separately from case management/ intermediary advice to ensure that services can meet the assessed needs of HCP recipients.

Avenues for future research

Our research, while providing quantitative insights into the experience of metropolitan HCP recipients, ultimately was constrained by budget, form and time, and our findings unearthed a range of other issues that we believe would warrant further investigation to inform the ACRC or future policy reform, if additional research was able to be conducted.

> Recommendation 15 – Further research is needed in the areas of:

- better understanding the home care experiences among those unsure whether they have a HCP or CHSP, and those unable to access a HCP, to shed light on the particular barriers that prevent access
- experiences of smaller demographic groups who might be more vulnerable and disadvantaged, for example HCP recipients located in rural parts of Australia and the experiences of Aboriginal and Torres Strait Island Australians
- the drivers of home care support worker churn, and opportunities to reduce churn given the overwhelming preference from recipients to have the same workers entering their homes
- opportunities to build financial capability to assist HCP recipients to manage package funding with confidence.

Conclusion

Delivering in-home care via the model of CDC requires that HCP recipients are experts about their own needs and can make effective, fully informed choices about the services required to meet these needs within the budget available. Our research indicates that to some extent, some HCP recipients do make choices about the care they receive through their HCP. However, our findings also suggest that there are significant questions about the extent to which all choices could be considered informed and, in some cases, whether some HCP recipients make choices at all.

Home care remains a particularly complex market. There are significant issues for many HCP recipients accessing comprehensible information about cost of services, quality of services and the support that providers offer. Almost 40% of HCP recipients reported that they were not provided the obligatory Care Plan, designed to enable individuals to manage a range of services to meet their potentially complex needs within the constrained budget provided. Moreover, a third of our sample could not identify which level of funding they received. The key online tools developed by the Department of Health, which provide the primary avenue for information disclosure and comparison are not well used by the people who the market is intended to serve. Providers cannot be relied on to present this information themselves, unregulated. These findings demonstrate a clear need for stronger market stewardship from policymakers and regulators to empower HCP recipients and ensure the system is ultimately improving welfare.[81]

Our findings also raise questions about the nature of choice, and whether HCP recipients want in-home care delivered through a fully marketised system. This is particularly the case when the ultimate policy aim needs to be centred around the quantity and quality of the care the recipients receive. An ever-rotating number of aged care support workers turning up in the homes of our ageing population does not work to build trust or confidence among HCP recipients.

Markets also require dynamic demand-side pressure to improve the quality and price of suppliers. However, our findings indicate negligible switching rates and a range of complex non-financial barriers relating to uncertainty and a lack of comparability between providers prevent those who had considered switching providers from doing so. A strong preference among HCP recipients for more independent guidance and support in making decisions suggests there may be a case for redesigning CDC to genuinely empower HCP recipients of in-home care to make choices where choice can be meaningful, rather than superficial.

Moreover, and perhaps most importantly, our findings indicate that a large portion of this cohort rely on other trusted individuals to assist them to make choices about providers. For many, the system appears to hinge on a knowledgeable health professional, who refers the individual for a HCP assessment, often after a health-related incident or long term change to their health. Others rely on friends and family. It may well be the case that those who do not seek medical help, or aren't referred by a health professional slip, through the gaps.

This suggests a need for a strong navigation support system, able to refer HCP recipients to providers that best suit their preferences and needs. But it also suggests an ongoing role for this navigation support system to ensure that HCP recipients access the services required to meet their assessed needs, to help offer independent advice about managing the HCP budget to help reduce underspent and potentially help switch service providers where this is necessary. For some, this assistance might be light touch, but for others, there is a clear desire for more direct, independent assistance choosing and navigating the home care system.

In-home care offers an enormous potential to enable Australia's ageing population to live in their own homes for as long as possible. But this will only be possible where older HCP recipients can access help where it is needed. After all markets are not ends in themselves, but means to an end.

81. Moon, K., Marsh, D., Dickinson, H. and Carey, G. 2017. "Is All Stewardship Equal? Developing a Typology of Stewardship Approaches". *Public Service Research Group Issues Paper Series: Issues Paper* No. 2. University of New South Wales, Canberra.

References

Akerlof, George A., 'The Market for "Lemons": Quality Uncertainty and the Market Mechanism', *Quarterly Journal of Economics* 84, no. 3 (August 1970): 488–500. https://doi.org/10.1016/B978-0-12-214850-7.50022-X

Alderslade, Liz, "Peak bodies say Home Care Package waitlist is still in crisis", *Aged Care Guide*, https://www.agedcareguide.com.au/talking-aged-care/peak-bodies-say-home-care-package-waitlist-is-still-in-crisis

Anderberg, Rozita H., Caroline Hansson, Maya Fenander, Jennifer E. Richard, Suzanne L. Dickson, Hans Nissbrandt, Filip Bergquist, and Karolina P. Skibicka. "The stomach-derived hormone ghrelin increases impulsive behavior." *Neuropsychopharmacology* 41, no. 5 (2016) https://www.nature.com/articles/npp2015297

Australian Association of Gerontologists, *Australian Approaches to Reablement in the Home Support and Care Program*, July 2019. https://www.aag.asn.au/documents/item/2903

Australian Bureau of Statistics, *Census of Population and Housing, 2016 (Usual residence data),* 28 June 2017. https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2071.0~2016~Main%20Features~Snapshot%20of%20Australia,%202016~2

Australian Competition and Consumer Commission, *Media Release – ACCC commences pricing transparency inquiry for home loans*, 14 October 2019. Available online at https://www.accc.gov.au/media-release/accc-commences-pricing-transparency-inquiry-for-home-loans

Australian Competition and Consumer Commission, *Restoring electricity affordability and Australia's competitive advantage: Retail Electricity Pricing Inquiry—Final Report*, June 2018. https://www.accc.gov.au/publications/restoring-electricity-affordability-australias-competitive-advantage

Australian Medical Association, *Submission to the Royal Commission into Aged Care Quality and Safety*, September 2019. https://ama.com.au/submission/ama-submission-royal-commission-aged-care-quality-and-safety

Australian Securities and Investments Commission, *REP 628 Looking for a mortgage: Consumer experiences and expectations in getting a home loan*, August 2019. https://asic.gov.au/regulatory-resources/find-a-document/reports/rep-628-looking-for-a-mortgage-consumer-experiences-and-expectations-in-getting-a-home-loan/

Australian Securities and Investment Security, *Media release - 19-279MR ASIC 'calls time' on disclosure reliance*, October 14th 2019. Available online https://asic.gov.au/about-asic/news-centre/find-a-media-release/2019-releases/19-279mr-asic-calls-time-on-disclosure-reliance/

Australian Securities and Investments Commission (ASIC) and the Dutch Authority for Financial Markets (AFM), *REP 632 Disclosure: Why it shouldn't be the default*, October 2018. https://asic.gov.au/regulatory-resources/find-a-document/reports/rep-632-disclosure-why-it-shouldn-t-be-the-default/

Botti, Simona, and Sheena S. Iyengar. "The dark side of choice: When choice impairs social welfare." *Journal of Public Policy & Marketing* 25, no. 1 (2006): 24-38. https://doi.org/10.1509/jppm.25.1.24

Bulamu, Norma B., Billingsley Kaambwa, Liz Gill, Ian D. Cameron, and Julie Ratcliffe. "An early investigation of individual budget expenditures in the era of consumer-directed care." A*ustralasian Journal on Ageing* (2019). https://doi.org/10.1111/ajag.12715

Cahill, Suzanne, Virpi Timonen & Janet Convery, "Care revolutions in the making? A comparison of cash-for-care programmes in four European countries". *Ageing & Society*, 26(3), (2006): 455-474. https://doi.org/10.1017/S0144686X0600479X

Cash, Tracee, Wendy Moyle, & Siobhan O'Dwyer, "Relationships in consumer□directed care: An integrative literature review". *Australasian Journal on Ageing*, 36(3) (2017): 193-204. https://doi.org/10.1111/ajag.12444

Commissioner for Senior Victorians, *Ageing is everyone's business*, 2016. https://www.seniorsonline.vic.gov.au/-/media/seniors/files/commissioner-for-senior-victorians/ageing-is-everyones-businessweb.pdf

Commissioner for Senior Victorians, *Royal Commission into Aged Care Quality and Safety – Submission*, 2019.

Consumer Policy Research Centre, *"But are they any good?"*, November 2018. https://cprc.org.au/projects/but-are-they-any-good/

Consumer Policy Research Centre, *Five preconditions of effective consumer engagement – a conceptual framework,* March 2018. https://cprc.org.au/publication/cprcs-five-preconditions-of-effective-consumer-engagement-report/

Day, Jenny, Ann C. Thorington Taylor, Sharyn Hunter, Peter Summons, Pamela van der Riet, Margaret Harris, Jane Maguire et al. “Experiences of older people following the introduction of consumer-directed care to home care packages: A qualitative descriptive study.” *Australasian Journal on Ageing* 37, no. 4 (2018): 275-282. https://doi.org/10.1111/ajag.12553

Department of Health and Human Services, *Recognising and supporting Victoria’s carers, Victorian carer strategy 2018–22,* 2018. https://www2.health.vic.gov.au/about/publications/policiesandguidelines/victorian-carer-strategy-2018-2022

Department of Health, *Home Care Packages Program*, https://agedcare.health.gov.au/programs/home-care/home-care-packages-program

Edelman Trust Barometer 2019 – Australia. https://www.edelman.com.au/research/trust-barometer-2019

Fletcher, Amelia. “Disclosure as a tool for enhancing consumer engagement and competition.” *Behavioural Public Policy* (2019): 1-27. https://doi.org/10.1017/bpp.2019.28

GfK UK Social Research, *Consumer Engagement in the Energy Market 2017 – A report on a survey of energy HCP recipients,* (Ofgem, 2017). https://www.ofgem.gov.uk/publications-and-updates/consumer-engagement-survey-2017

Gray, Charles., Paul Harrison, and Laura Hill, *Confident, but Confounded: Consumer Comprehension of Telecommunications Agreements* (Sydney: Australian Communications Consumer Action Network, 2016). https://accan.org.au/our-work/research/1307-confident-but-confounded

Independent and Bipartisan Review of the Electricity and Gas Retail Markets in Victoria, August 2017. https://www.energy.vic.gov.au/about-energy/policy-and-strategy

Iyengar, Sheena., and Hanna Rosin, *Choice & authenticity - BX2019*, September 26th 2019. Available online https://www.bi.team/choice-authenticity-with-hanna-rosin-sheena-iyengar/

Jorgensen, Mikaela, Joyce Siette, Andrew Georgiou, Andrew Warland, and Johanna Westbrook. “Modeling the association between home care service use and entry into residential aged care: A cohort study using routinely collected data.” *Journal of the American Medical Directors Association* 19, no. 2 (2018): 117-121. https://doi.org/10.1016/j.jamda.2017.08.004

Jorgensen, Mikaela. and Rebecca Haddock, “The impact of the home care reforms on the older person, the aged care workforce and the wider Health System”, *Deeble Institute for Health Policy Research – Issues Brief,* 09 August 2018. https://ahha.asn.au/publication/health-policy-issue-briefs/deeble-issues-brief-no-27-impact-home-care-reforms-older

Kahneman, Daniel, and Amos Tversky, ‘Judgment under Uncertainty: Heuristics and Biases’, *Science* 185, no. 4157 (27 September 1974): 1124–31. https://doi.org/10.1126/science.185.4157.1124

Kahneman, Daniel., Jack L. Knetsch & Richard Thaler, “Anomalies: The endowment effect, loss aversion, and status quo bias”. *Journal of Economic Perspectives*, 5(1) (1991): 193-206. https://www.aeaweb.org/articles?id=10.1257/jep.5.1.193

Kahneman., Daniel, and Amos Tversky, “Advances in prospect theory: Cumulative representation of uncertainty”. *Journal of Risk and Uncertainty*, 5, 4 (1992): 297–323. https://doi.org/10.1007/BF00122574

Lowies, Braam., Christine Helliar, Kurt Lushington and Rob Whait, *The financial capability of older people: a report prepared for Financial Literacy Australia* (University of South Australia Business School, Australia, 2019). Available online: https://apo.org.au/node/223456 .

Maccora, Janet., John McCallum and Karen Rees, Y*ou don’t know what you don’t know: the current state of Australian aged care service literacy*, (National Seniors Australia, 2018). https://nationalseniors.com.au/research/health-and-aged-care/aged-care-service-literacy

Maker, Yvette, Jeannie Marie Paterson, Bernadette McSherry, Lisa Brophy, Anna Arstein-Kerslake, Alex Callahan and Eugene Teo, T*hanks a Bundle: Improving Support and Access to Online Telecommunications Products for HCP recipients with Cognitive Disabilities*, (Australian Communications Consumer Action Network, Sydney and Melbourne Social Equity Institute, University of Melbourne; 2018). https://socialequity.unimelb.edu.au/projects/support-for-consumer-transactions/thanks-a-bundle

Malbon, Justin., and Harmen Oppewal, *(In)Effective Disclosure: An Experimental study of consumers purchasing home contents insurance* (Financial Rights Legal Centre, September 2018). https://financialrights.org.au/disclosure-documents-dont-help-people-choose-better-insurance-ground-breaking-research-finds/

Mani, Anandi, Sendhil Mullainathan, Eldar Shafir, and Jiaying Zhao. “Poverty impedes cognitive function.” *Science* 341, no. 6149 (2013): 976-980. https://doi.org/10.1126/science.1238041

Moon, Katie., Dru Marsh, Helen Dickinson, and Gemma Carey, “Is All Stewardship Equal? Developing a Typology of Stewardship Approaches”. *Public Service Research Group Issues Paper Series: Issues Paper No. 2.* (University of New South Wales, Canberra; 2017) https://www.unsw.adfa.edu.au/public-service-research-group/sites/cpsr/files/uploads/Issues%202%20Stewardship.pdf

Office of Fair Trading, *What does Behavioural Economics Mean for Competition Policy?*, OFT1224, 2010. http://webarchive.nationalarchives.gov.uk/20140402182927/http:/www.oft.gov.uk/shared_oft/economic_researc h/oft1224.pdf

Productivity Commission, *Reform to human services – issues paper*, 2016. https://www.pc.gov.au/inquiries/completed/human-services/reforms#report

Productivity Commission, R*eport on Government Services – 2019 – Table 14A.9,* 2019 https://www.pc.gov.au/research/ongoing/report-on-government-services/2019/community-services/aged-care-services

Royal Commission into Aged Care Quality and Safety, *Hearing transcript – Aged care in the home*, 22 March 2019, 2019. https://agedcare.royalcommission.gov.au/hearings/Pages/default.aspx

Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, February 2019.

Russell-Bennet, Rebekah, Rory Mulcahy, Ryan McAndrew, Kate Letheren, Tim Swinton, Reid Ossington, and Neil Horrocks, *Taking Advantage of Electricity Pricing Signals in the Digital Age: Householders Have Their Say. A Summary Report* (Brisbane: Queensland University of Technology, 2017). https://www.citysmart.com.au/showcase/consumer-research/

Russell, Sarah, Older people living well with in-home support, (Research Matters: Melbourne, 2019). http://www.agedcarematters.net.au/older-people-living-well-with-in-home-support/

Sheeran, Paschal, “Intention—behavior relations: a conceptual and empirical review.” European review of social psychology 12, no. 1 (2002): 1-36. https://doi.org/10.1080/14792772143000003

Simon, Herbert A., Models of bounded rationality, (Cambridge, MA, MIT Press: 1982).

Simon, Herbert A., Models of Man, Social and Rational: Mathematical Essays on Rational Human Behavior in a Social Setting, (New York: John Wiley and Sons. 1957).

Stewart Brown, *Aged Care Financial Performance Survey – Sector Report,* June 2019. http://www.stewartbrown.com.au/images/documents/StewartBrown---FY19-Aged-Care-Financial-Performance-Survey-Report.pdf

Sunstein, Cass, and Richard Thaler, *Nudge: Improving Decisions about Health, Wealth, and Happiness* (New Haven & London: Yale University Press, 2008).

Sunstein., Cass R., *Choosing not to choose: Understanding the value of choice*, (Oxford University Press, USA, 2015).

Tune, David, *Legislated Review of Aged Care*, 2017. https://agedcare.health.gov.au/reform/aged-care-legislated-review

Waddams Price, Catherine, and Chris M. Wilson, ‘Do consumers Switch to the Best Supplier?’, *Oxford Economic Papers* 62, no. 4 (October 2010). https://www.jstor.org/stable/40856525

Appendix

Responses to the questions

Question 1: The respondent

Question (n = 502)	Recipient of a HCP	Answer for an individual with a HCP
Screening on HCP	74.3%	25.7%

Question 2: HCP level

Question (n = 502)	Level 1	Level 2	Level 3	Level 4	On a level but not sure which
HCP level	37.3%	12.5%	6.6%	10.4%	33.2%

Question 3: Ages

Question (n = 498)	65-79	80 years and above
Age	56.4%	43.6%

Question 4: Gender

Question (n = 502)	Male	Female
Gender	34.3%	65.7%

Question 5: Do you identify as LGBTI?

Question (n = 502)	Yes	No	Don’t know	Refused
Sexual orientation - LGBTI	2.8%	95.8%	1.0%	0.4%

Question 6: Do you have any difficulties understanding English

Question (n = 502)	Yes	No
Language	4.4%	95.6%

Question 7: Location

Question (n = 502)	Syd	Mel	Bris	Perth	Ade	Hob	Can	Dar	No match
Location	25.7%	24.5%	22.9%	11.3%	9.2%	2.8%	1.6%	1.0%	1.0%

Question 8: What is your living arrangement?

Question (n = 502)	Outright h/owner	Paying mortgage	Renting private	Renting from Gov	Living in Retirement Village or similar	In granny flat	Other
Living arrangements	76.7%	3.8%	4.2%	5.6%	5.6%	2.8%	1.3%

Question 9: Which of the following best describes your income source?

Question (n = 502)	Self funded	Gov pension	Mixed	Employed part-time	Other	Don't know	Refused
Income source	12.9%	61.6%	23.7%	0.2%	0.6%	0.4%	0.6%

Question 10: How confident are you in using the internet?

Question (n = 502)	Not confident	Not very	Neither	Somewhat	Very confident
Confidence in use of internet	32.9%	11.2%	11.2%	23.5%	21.2%

Question 11: Please indicate whether you have any difficulty with the following on a scale of 1 - 5, where 1 is "cannot do this at all" and 5 is "no difficulty with this".

Question (n = 502)	1. Cannot do at all	2. Difficult	3. Some difficulty	4. Mostly no issue	5. No problems
1. Vision	0.4%	5.4%	21.1%	32.9%	40.2%
2. Hearing	1.8%	9.4%	27.3%	26.3%	35.2%
3. Remembering / concentrating	4.4%	7.6%	25.9%	32.5%	29.6%
4. Making decisions	5.8%	5.6%	10.7%	24.9%	53.0%
5. Making yourself understood	2.0%	3.4%	8.4%	19.3%	66.9%

Question 12: What prompted you to seek assessment for a HCP?

Question (n = 502)	Yes	No
1. Change in health	40.0%	60.0%
2. Long term illness	43.4%	56.6%
3. Short term illness	15.5%	84.5%
4. Reduced mobility	48.2%	51.8%
5. Carer needed break	2.4%	97.6%
6. Change in carer's health	6.4%	93.6%
7. Death of a partner	4.6%	95.4%
8. Change in financial circumstance	1.2%	98.8%
9. Change in living arrangements	1.2%	98.8%
10. Change in family circumstances	4.4%	95.6%
11. Recommended by a health professional	30.9%	69.1%
12. Recommended by third party	7.8%	92.2%
13. Approached by service provider	2.6%	97.4%
14. None of the above	1.2%	98.8%
15. Don't know	0.2%	99.8%

Question 13: Who was involved in selecting your service provider?

Question (n = 502)	Yes	No
1. Unassisted (chose themselves)	36.2%	63.8%
2. Spouse/partner	15.7%	84.3%
3. Family member	20.3%	79.7%
4. Health professional	39.8%	60.2%
5. Community worker	7.0%	93.0%
6. Carer	0.6%	99.4%
7. Service provider	1.4%	98.6%
8. No choice made	2.2%	97.8%
9. Other	2.4%	97.6%
10. Don't know	0.6%	99.4%

Question 14: What are your primary needs from your HCP?

Question (n = 502)	Yes	No
1. Personal care	18.5%	81.5%
2. Continence management	10.2%	89.8%
3. Assistance with bandages/dressings	6.4%	93.6%
4. House cleaning	83.7%	16.3%
5. Gardening	39.8%	60.2%
6. Attending social activities	8.4%	91.6%
7. Transportation	24.1%	75.9%
8. Nursing and allied health	20.5%	79.5%
9. Assistance with meal preparation/eating	13.0%	87.0%
10. Translation service	0.4%	99.6%
11. Mobility equipment	22.5%	77.5%
12. Home modifications	24.1%	75.9%
13. Carer respite	6.2%	93.8%
14. Other	1.6%	98.4%
15. Don’t know	0%	100%

Question 15: Do you have a Care Plan that details your care needs?

Question (n = 502)	Yes	No	Don’t know
Detailed needs-based care plan	60.8%	29.1%	10.1%

Question 16: When choosing a service provider, which of the following information sources did you rely on?

Question (n = 502)	Yes	No
1. Information on the internet	5.8%	94.2%
2. Information on My Aged Care portal	6.8%	93.2%
3. My Aged Care Contact Centre	25.3%	74.7%
4. Speaking to health professional	46.6%	53.4%
5. Printed materials	20.1%	79.9%
6. Speaking to/visiting service provider	33.5%	66.5%
7. Discussing with family	23.5%	76.5%
8. Discussing with friends	14.5%	85.5%
9. Reading information from retirement villages	1.8%	98.2%
10. Speaking to/visiting retirement village staff	1.2%	98.8%
11. Other	5.6%	94.4%
12. Don’t know	2.4%	97.6%

Question 17: Which of the following were important when you chose the pacakge provider?

Question (n = 502)	Yes	No
1. On waiting list and offered place by provider	12.0%	88.0%
2. Convenient location	16.1%	83.9%
3. Cost of care services	18.9%	81.1%
4. Annual fee	6.8%	93.2%
5. Case management and administration fees	6.2%	93.8%
6. Quality and reputation of service provider	32.5%	67.5%
7. Recommended by friend/family	19.1%	80.9%
8. Recommended by health professional	33.5%	66.5%
9. Recommended by retirement village	0.8%	99.2%
10. Existing relationship with service provider	8.4%	91.6%
11. Particular service provided	2.2%	97.8%
12. None of the above	10.0%	90.0%
13. Don't know	2.4%	97.6%

Question 18: Do you understand the HCP fees and charges?

Question (n = 502)	Don't understand	A little bit	Some of it	Most of them	Completely	Don't know
Understanding of package fees/charges	13.5%	7.6%	12.6%	14.3%	49.0%	3.0%

Question 19: Do you know where to find information about the package's daily fees?

Question (n = 502)	Yes	No	Don't know
Knowledge of where to find package's daily fees	56.4%	38.6%	5.0%

Question 20: How important is it to have the same support workers visit?

Question (n = 502)	Not at all	A little	Neither	Somewhat	Very	Don't know
Having same support worker	3.0%	0.6%	6.0%	14.5%	75.5%	0.4%

Question 21: To what extent do you think the care workers are properly trained?

Question (n = 502)	Not at all	Not well	Somewhat	Reasonably	Very well	Don't know
Extent to which care workers are trained	2.6%	5.8%	12.0%	33.5%	42.8%	3.3%

Question 22: Which of the following services would you like to have but have not been able to access?

Question (n = 502)	Yes	No
1. Personal care	1.4%	98.6%
2. Continence management	2.0%	98.0%
3. Assistance with bandages/dressings	0.6%	99.4%
4. House cleaning	4.2%	95.8%
5. Gardening	14.9%	85.1%
6. Attending social activities	1.8%	98.2%
7. Transportation	6.0%	94.0%
8. Nursing and allied health	3.6%	96.4%
9. Assistance with preparing meals/eating	3.0%	97.0%
10. Translation services	0%	100%
11. Mobile equipment	1.8%	98.2%
12. Home modifications	3.4%	96.6%
13. Carer respite	2.8%	97.2%
14. Other	2.6%	97.4%
15. None	66.1%	33.9%
16. Don’t know	1.2%	98.8%

Question 23: What are the key reasons why you cannot access the services that you would like?

Question (n = 502)	Yes	No
1. Transportation costs	2.4%	97.6%
2. High cost of that service	14.1%	85.9%
3. Lack of funds available	14.1%	85.9%
4. Did not know service was available	10.6%	89.4%
5. Did not know service was allowed	2.9%	97.1%
6. Provider does not offer service	16.5%	83.5%
7. Not suggested by case manager	6.5%	93.5%
8. Have not raised it with case manager	22.4%	77.6%
9. Other	16.5%	83.5%
10. Don’t know	8.2%	91.8%

Question 24: On average, how many hours of support do you receive per week?

Question (n = 502)	Less than 1 hour	1-2 hours	3-5 hours	6-8 hours	9-12 hours	13-16 hours	More than 16	Don’t know
Hours received per week	44.6%	28.1%	15.3%	4.8%	3.6%	1.0%	1.4%	1.2%

Question 25: In the last 12 monhts, have you saved or underspent money for any of the following reasons?

Question (n = 502)	Yes	No
1. Social activity or event	2.0%	98.0%
2. Signficant purchase - home modification	4.6%	95.4%
3. Significant purchase - equipment	4.6%	95.4%
4. Rainy day saving	12.8%	87.2%
5. Provider suggested they should	0.6%	99.4%
6. Difficulty in accessing service - money left over	1.6%	98.4%
7. Yes, other	2.6%	97.4%
8. Have not saved any of the package	67.5%	32.5%
9. Don't know	7.4%	92.6%
10. Can't remember	0.2%	99.8%

Question 26: Have you switched provider in the last 12 months?

Question (n = 502)	Yes	No	Don't know
Switching provider past 12 months	4.6%	94.8%	0.6%

[If answered Q26 "yes"] Question 27: What were the main reasons for switching?

If Q26 = Yes, Question (n = 23)	Yes	No
1. Poor case management	13.0%	87.0%
2. Case manager leaving or changing	0%	100%
3. Poor provider communication	8.7%	91.3%
4. Expensive case management fees	17.4%	82.6%
5. Unable to resolve complaints	0%	100%
6. Poor quality care/support worker	26.1%	73.9%
7. Support workers kept changing	21.7%	78.3%
8. Unable to access preferred support workers	0%	100%
9. Provider insensitive towards personal, sexual or cultural	0%	100%
10. Expensive cost of support per hour	13.0%	87.0%
11. Difficult to schedule care/support	8.7%	91.3%
12. Inconvenient location of support service	0%	100%
13. Moving to another area	0%	100%
14. Other	43.5%	56.5%
15. Don't know	4.4%	95.6%

Question 28: Have you considered switching?

If Q26 = No, Question (n = 479)	Yes	No	Don't know
Consideration of switching	9.0%	90.6%	0.4%

[If answered Q28 "yes"] Question 29: What were the main reasons for not switching?

If Q28 = Yes, Question (n = 43)	Yes	No
1. High exit fees	0%	100%
2. Other providers not available	9.3%	90.7%
3. Lock-in period with current provider	0%	100%
4. Unsure if left over money can be used with new provider	2.3%	97.7%
5. Unsure about services delivered or not by other providers	27.9%	72.1%
6. Don't want to lose access to particular support worker	9.3%	90.7%
7. Unsure how to compare pricing of providers	7.0%	93.0%
8. Lack of better quality providers nearby	4.6%	95.4%
9. Don't want to lose particular service	16.3%	83.7%
10. Housing also from provider	0%	100%
11. Indifferent towards providers	4.6%	95.4%
12. Too hard to compare providers	13.9%	86.1%
13. Too hard to switch providers	23.3%	76.7%
14. None of the above	13.9%	86.1%

Question 30: How important would the following changes to HCP be to you?

Question (n = 502)	Not at all	A little	Neither	Some-what	Very	n/a	Don't know
1. Simplicity and consistency of fees and charges	4.0%	1.4%	11.0%	12.9%	68.9%	0.6%	1.2%
2. Information on support delivered by provider presented in a simple clear way	2.4%	0.8%	7.8%	12.4%	75.7%	0.3%	0.6%
3. Improved ability to differentiate between providers (e.g. rainbow tick, cultural training)	12.7%	4.0%	21.9%	15.5%	41.7%	1.8%	2.4%
4. Offering independent advice and guidance about package	6.4%	2.4%	16.1%	19.7%	54.2%	0.6%	0.6%
5. Ability for carers to seek information on recipients' behalf	12.0%	3.8%	13.5%	14.5%	51.6%	3.2%	1.4%
6. Free translation service	36.7%	1.4%	12.4%	5.8%	20.5%	22.1%	1.1%
7. An improved My Aged Care Contact Centre	5.8%	1.6%	21.3%	16.3%	48.6%	2.2%	4.2%
8. Improved My Aged Care web portal	13.5%	1.6%	23.7%	14.3%	33.3%	6.8%	6.8%
9. More information on provider quality of providers	5.0%	1.0%	12.8%	14.5%	64.5%	0.4%	1.8%

Question 31: Preferred option for the future of homecare

Question (n = 502)	The future of home care
Option A: Increased control over package funding, so that professionals can be hired directly to deliver the services needed	26.4%
Option B: Enhanced support and guidance about package funding, to help make choices and make the most of the funding provided	41.2%
Option C: To defer the choice about support and care workers to an independent trusted advisor (e.g. a Council, independent agency or Not-For-Profit)	17.9%
Don't know	14.5%

Level 14, 10-16
Queen Street

Melbourne
Victoria 3000

T 03 9639 7600
F 03 9639 8966

cprc.org.au
ACN 100 188 752

Consumer
Policy Research
Centre