



Home & Community Health  
Association

www.hcha.org.nz,  
04 472 3196,  
CEO: Julie Haggie

BRIEFING TO MINISTERS

NOVEMBER 2017

HCHA represents providers of home and community services.

We work alongside others to promote high quality, sustainable services.

## Key Messages

- Home and Community Services (HCSS) are an essential health and disability service. We bring significant social value and cost benefit in supporting people to live in their home.
- Providers face growing demand as services continue to migrate to the community. Poor funding and contracting structures restrict quality, choices and innovation, and threaten viability.
- Over the last three years union legal action, funding initiatives and collaborative work have increased pay, training and working conditions for over 22,000 home support workers. This is positive for staff. Some initiatives have been underfunded, exhausting our resources. Others such as qualifications equivalency and guaranteed hours are having unintended negative consequences. There is no certainty of adequate ongoing funding.
- Independent reports highlight sector fragility. Key drivers remain unresolved.
- There is unjustifiable variance in service allocation for older clients across New Zealand. The use of case-mix to support older people would help reduce this inconsistency, as well as support planning for increasing demand.
- New models of services and funding are in place (restorative, bulk, individualized funding, CREST). More change is likely, in line with increased consumer choice, and reflected in health and disability strategies. We support change, but it needs to occur carefully, and be accompanied by



research (currently rare) to measure outcomes and unintended consequences. The role of home support for Maori and Pacific people also needs more attention.

- Models of home support that show the best results involve flexibility to allow for more client choice, and goal-setting, greater roles for home support providers in support allocation, a range of roles for support staff, and alliance structures that can focus on quality and good outcomes.
- We support closer alignment of services provided through ACC and DHBs.



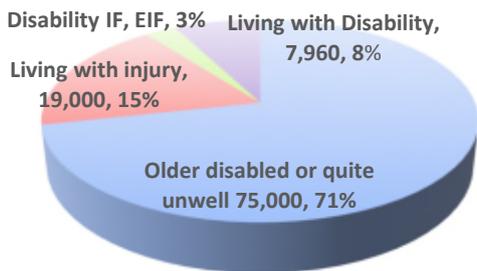
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## Key Facts

### Who is supported at home?

Every client has different needs. All live with disability injury or illness, some need short term assistance, others lifelong support. Some have family to help, others are isolated. Services range from laundry to life-sustaining care. A large proportion of clients are older New Zealanders but we also support younger kiwis. People receive services after a needs assessment and allocation. Older people received about 9.5 million hours of support in 2015-16.

#### HCSS clients, 101,000



Sources: MoH 2017, DHB ProdComm Report 2015, ACC DGRG rept.  
Note: Disability IF, EIF = IF 2,477, EIF 399

### How well are older clients?

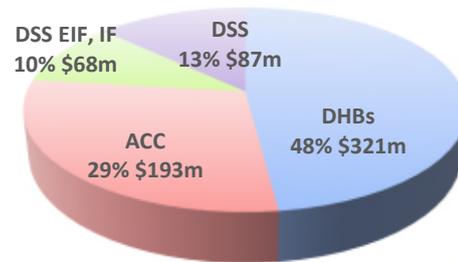
41% are older than 85 years, and 58% are living with chronic conditions. A quarter have moderate or severe cognitive impairment, and 56% are at risk of hospital or residential care admission. 22% feel lonely. 22% report informal carer stress such as feelings of distress, anger or depression. 7% Māori, 4% Pacific peoples.

Source: National InterRAI Data Analysis Annual Report 2015/16

### What does it cost?

For service users there is no fee to pay. Means testing for older people restricts household support to those with a community services card. Funding flows along three streams : DHBs for over 65 and chronic conditions support, MOH DSS for under 65 disability support/Individualised funding (IF) and Enhanced Individualised Funding (EIF), and ACC for injury.

#### HCSS Expenditure



Note: does not include pay equity or guaranteed hours funding  
Note: DSS EIF, IF = IF \$59.4m and EIF \$8.6m  
Note: ACC figure does not include \$36m non-contracted HCSS  
Sources: DHBs Written Question 14293 (2016 figures); ACC 2016/17 year spend, Service review presentation 2017; MoH direct 2017

### Brief facts on providers and staff.

- Around 55 NGOs and private providers including 16 iwi providers. 20 have left since 2015 through purchase, service review, or financial pressure.
- Contracts have shifted from NFP to privately owned companies, which now manage around 70% volume.
- 22,000 Kaiāwhina: 93% women, 82% Pakeha. Ageing profile with 12% over 65. Also employed are nurses, physiotherapists, coordinators, training, quality staff and managers

Sources: MoH and HCHA Information 2017 Source: AUT Workforce Survey, 2014, 2016.

#### Further Reading

- Director Generals' Reference Group report, August 2015. [www.hcha.org.nz/news/in-between-travel-time-settlement](http://www.hcha.org.nz/news/in-between-travel-time-settlement)
- Labour Green 'Inquiry into Aged Care' 2017 [www.greens.org.nz/aged-care-report-2017](http://www.greens.org.nz/aged-care-report-2017)
- Deloitte Financial Review Risk Analysis [www.hcha.org.nz/assets/FINAL-Financial-Review-Risk-Analysis-Report-Final-13-April.pdf](http://www.hcha.org.nz/assets/FINAL-Financial-Review-Risk-Analysis-Report-Final-13-April.pdf)
- Caring Counts Report [www.hrc.co.nz/your-rights/business-and-work/tools-and-research/caring-counts](http://www.hrc.co.nz/your-rights/business-and-work/tools-and-research/caring-counts)
- Office of the Auditor General report [www.oag.govt.nz/2014/home-based-support-services](http://www.oag.govt.nz/2014/home-based-support-services)
- Sapere Independent Report on implementation of guaranteed hours (soon to be released)