



Independent Review: Opal Aged Care

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Opal Aged Care - At A Glance



Opal has grown to become one of Australia's largest providers of residential aged care

Opal cares for close to 6,000 vulnerable Australians

Opal has a strong reputation for quality

Grown from **55 to 71** facilities in the last 5 years

54% of residents have the highest ACFI rating of HHH

All 71 facilities received 44/44 on their most recent AACQA accreditation assessments

Facilities located in metropolitan and regional areas (Qld, Vic, WA and NSW)

45% of residents experience dementia

Zero non-compliance notices issued in previous 60 unannounced visits by AACQA

Over **6,300 staff** involved in the delivery of frontline care

The **number of beds** has grown from **4,710 to 6,178** since 2013

ACFI: Aged Care Funding Instrument
AACQA: Australian Aged Care Quality Agency

Residential Aged Care in Australia



1,016 residential aged care providers

189,283 residential aged care places

For profit providers account for 37% of resident aged care places

Source: Aged Care Financing Authority (2015), Third Report on the Funding and Financing of the Aged Care Sector

Executive summary

The goal of the Board of Opal Aged Care (Opal), beyond increasing its size, is to considerably improve the quality of care provided to residents and their families. For this reason, it engaged Nous Group (Nous) in late August 2017 to conduct an independent Review to answer the question *How can Opal deliver consistently high standards of clinical care, support and service across all its facilities that meet the expectations of residents and their families, staff, regulatory authorities and the Australian community?*

The Board highlighted three subsidiary questions to be addressed in the Review:

1. *How can Opal deliver best practice clinical leadership?*
2. *How can Opal build trust through customer service excellence?*
3. *How can Opal build confidence through effective complaint management (including resolution and, where required, escalation)?*

We completed the Review over three stages, during which we conducted comprehensive desktop reviews of relevant Opal documents, interviews with all Opal Board members, all Opal executive team members, and staff, residents and relatives at 10 Opal facilities in four States, and a number of residential aged care experts, and finally an online survey of all Opal Facility Managers.

During the course of the Review, we shared our preliminary findings with the Board and Executive.

The Review's key recommendations are outlined in this report.

It should be noted that the focus of this Review, as evidenced by the questions posed by the Board, has been to identify opportunities for improvement.

The recommendations reflect that perspective and should therefore not detract from the fact that Opal has a well-deserved reputation within the residential aged care sector for providing a high level of care to its residents. In a highly challenging environment, the organisation and all who work there are doing many things very well. The recommendations you are about to read are intended to provide the basis for Opal to use this solid foundation to build an even stronger organisation delivering even better care and service to its residents.

1 Context and background

1.1 Providing consistent, safe, quality care for a vulnerable population is a challenging task

Providing consistent, safe, quality care to close to 6,000 aged care residents in 71 facilities across Australia is a highly challenging task. A high proportion of residents are in poor physical and mental health, and most have complex health profiles. Many, but not all, residents are totally dependent on care and support for their basic needs (i.e., they may be bed-bound, incontinent, need support to eat) and many do not have family or relatives actively involved in their care or lives. Around half need memory care.

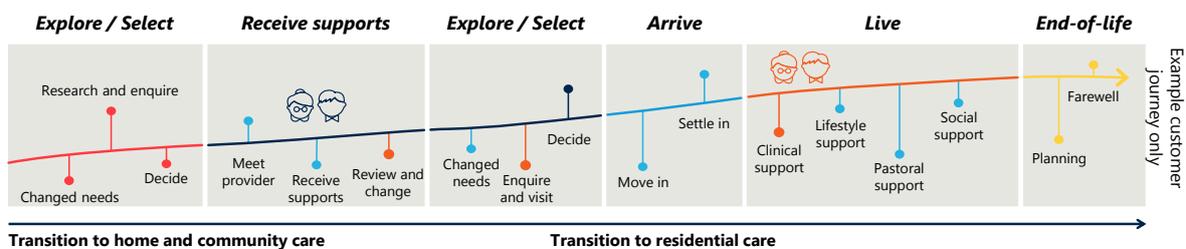
Expectations of residents and relatives can differ markedly, and are often charged with emotion during a universally difficult stage of life. For **residents**, the aged care journey is often associated with feelings of loss of autonomy and choice, fear and a lack of control. For **relatives**, there are often feelings of guilt, and a struggle to accept the declining health and future or imminent death of beloved family members. For **employees**, talking openly to residents and their families about the final years of life can be emotionally demanding.

An example of an overall resident experience or journey is shown in Figure 1. The journey is not always a linear progression as there is variability in the experiences and needs of all individuals.

To protect this highly vulnerable segment of the population, the residential aged care sector is highly regulated.

A final challenge in providing consistent, safe, quality care is the difficulty in attracting and retaining a qualified and capable workforce.

Figure 1: Example resident journey



“ It’s hard to arrive. It really is a big change. I did it gracefully and my kids never saw me cry, but I cried a lot. ”
- Opal Resident

1.2 The aged care sector is in the midst of profound change

These changes include:

- **Increasing community expectations.** Over and above the fundamental expectation of safe care, customers (residents and relatives) and the public are increasingly expecting more from residential aged care providers. Service expectations of residential aged care providers are being influenced by technology-enabled heightened levels of service people are experiencing in all

other sectors of the economy. Current and prospective residents and relatives will expect aged care providers to meet a wide range of lifestyle, personal and clinical needs and to tailor experiences to take into account the preferences, characteristics and needs (e.g. language) of each individual. In home delivery of aged support, and now more broadly, there is an increased focus on consumer-directed care: families want to have increased control over the residential aged care provider they choose, the means by which they pay and the services provided.

- **Increasing demand for transparency.** Increasing community expectations extend into a growing demand for a greater level of transparency in the information provided by residential aged care providers. Relatives and those in the process of making a choice of a residential aged care provider will expect more information than accreditation scores. This includes transparency around performance on key clinical indicators, complaints, testimonials and reviews (e.g. trip advisor style information).
- **Imminent introduction of a single aged care quality framework.** The government will soon introduce a single aged care quality framework that has a greater emphasis on lifestyle services, care, consumer dignity and autonomy, and feedback and complaints. This means more holistic care will be mandated for the sector.
- **Ongoing government reviews and reforms.** The aged care sector is highly regulated and the government continues to invest considerable resources in reviewing it. Each review discusses new initiatives, standards and expectations reflecting community concerns. Examples include recent reviews on:
 - the future of the aged care workforce (Senate Report on Future of Aged Care, 2017)
 - the move towards a consumer based, demand driven system (The Aged Care Legislated review, 2017)
 - the aged care regulatory system (Review of National Aged Care Quality Regulatory Processes, 2017).
- **Increase in digital and social media use increases the risk of reputational damage.** Increased use of digital and social media means that personal stories can be shared quickly and widely, including with photo and video evidence. This, in combination with recent traditional media (television and newspaper) stories and investigations, has the potential for an isolated lapse in standards or error of judgement to lead to profound reputational damage. This potential underscores the need for residential aged care providers to continually deliver excellent care and service.
- **Move to a contestable market.** Protecting reputation becomes more important as residential aged care transitions towards a contestable market. New entrants are adopting different models of care, including those employing disruptive technologies and those catering to niche needs and the growing consumer preference for home support and aging-in-place services.

These changes will have a significant influence on the way Opal operates in the future.

1.3 Methodology

We conducted the Review over three stages.

Stage 1: Initial diagnosis of issues and opportunities

Our focus was to identify significant issues that should be addressed immediately and understand the strategic vision of the Board and Executive. We conducted:

- a desktop review of 2,900 pages of internal Opal documents (Table 1)
- stakeholder interviews with 22 individuals from the Opal Board, Executive and Management
- a pilot site visit to test and refine the approach to engaging facilities in Stage 2
- testing of preliminary findings with the Opal Board.

Table 1: Categories of documentation included in the desktop review

Documents
• Board papers
• Meeting minutes
• Risk and clinical governance reports
• Resident and facility data
• Opal policies and procedures (P&Ps)
• External reports (e.g. Press Ganey and Best Practice Australia)
• Strategic planning papers and plans

Stage 2: Deep dive into issues and opportunities

Our focus was to consult deeply with staff, residents and relatives at 10 Opal facilities across four States and to conduct interviews with industry bodies and leaders.

Facilities were selected by reference to a set of criteria that aimed to ensure a representative sample. We then worked with the Opal Executive to finalise a selection of sites that represented:

- all six operating hubs
- the full variety of residents (e.g. financial/supported, high/low acuity)
- the full range of clinical performance
- both regional and metropolitan areas
- the full range of Opal service offerings
- a range of sizes.

We spent approximately 90 hours in the facilities, which ranged in size from 74 to 144 beds and were located in metropolitan, inner and outer regional areas.

We used a variety of consultations including one-on-one structured interviews, focus groups and open interviews. We engaged with **205 frontline staff** across several positions and employment groups as well as **40 residents** and **50 relatives** either in person or over the phone.

The sample of residents and relatives interviewed were identified by Facility Managers and staff, and relatives opted in for interviews following an open invitation from Facility Managers. This included a specific cohort of relatives of former Opal residents who died between May and July 2017.

In addition to conducting one-on-one interviews with the 10 Facility Managers at the sites visited, we also conducted an online survey to which 70 of the 71 Facility Managers responded.

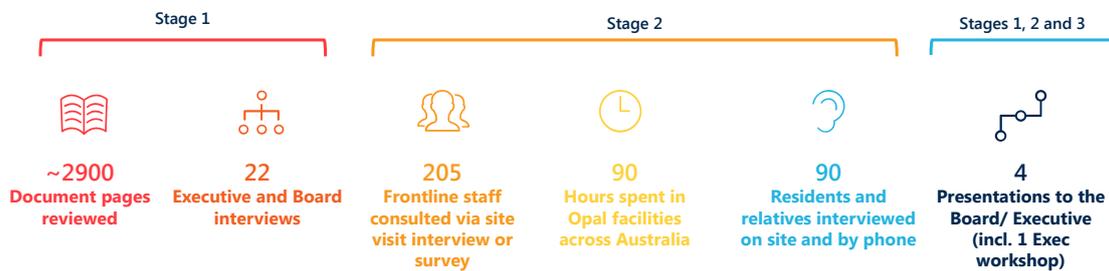
Stage 3: Synthesis of findings

Our focus was to synthesise the significant amount of data gathered throughout the project and develop a final report and set of recommendations.

Key findings were developed under a Care, People, Support, Governance framework. During Stage 3 we shared emerging findings in two separate sessions with the Opal Board and Executive.

An overview of the Review activities is provided in Figure 2.

Figure 2: Overview of Review activities by stage



2 Key recommendations

Key recommendations are presented in Table 2. The six operational recommendations relate to short and medium term opportunities to build on Opal’s existing solid foundation and improve several aspects of the business. The single strategic recommendation relates to a decision that needs to be made which could have far-reaching and fundamental long-term implications for the way the business will be run in the future.

Table 2: Recommendations

Operational Recommendations	
1	<p>Invest more deeply in the Human Resources (HR) requirements of the business. The investment should focus on resource planning, recruitment, training, accountabilities, professional development, staff engagement, remuneration and performance management. The intent of this investment is to best position Opal to attract and retain the best people in the industry.</p> <p>Residential aged care is a highly people-intensive business and Opal’s continued success depends on attracting and recruiting the right number of the right people, providing them with the appropriate training and development opportunities, paying them fairly and creating an environment in which they are motivated and fully engaged in their work. A well-functioning HR function with a strategic focus is therefore critical.</p>
2	<p>Invest further in Opal’s Quality and Safety functions to provide the necessary level of expertise and oversight for ensuring the health and safety of residents and employees and to improve reporting to the Board of the attendant risks and management thereof.</p> <p>Having the appropriate level of quality and safety expertise is essential to meeting the most fundamental expectation of regulators and the community that residential aged care providers keep residents and employees healthy and safe.</p>
3	<p>Develop and implement a comprehensive IT strategy to build on the significant recent progress made in clinical and core operational systems and reporting, and realise the vision for the future IT environment articulated in the 2017-18 Opal IT strategy.</p> <p>The strategy should outline a clear implementation plan to achieve the target state and articulate the business case for required investments. It should consider strategic improvements across customer facing channels, better customer management and feedback systems (including complaints management), innovative use of online platforms to engage and hire casual staff and suppliers, integration of core operational systems to improve consistency of administrative processes (e.g. HR and Leave management) and improvements in the digital infrastructure in facilities.</p> <p>To accomplish such an outcome, Opal’s IT function will have to shift from its current operational ‘business as usual’ systems maintenance focus to one that is more strategic.</p>

Operational Recommendations

4

Develop an integrated suite of mobile enabled tools to increase the mobility and productivity of staff members.

Staff members spend a significant amount of their time in core systems such as AutumnCare and use print-outs and paper for daily care related processes. There is an opportunity to significantly improve staff productivity through a series of targeted mobile applications. These can simplify work, improve productivity, increase the visibility of staff on the floor and reduce manual errors. They can integrate with, and provide a simple and intuitive interface to current core systems.

5

Develop a dedicated mobile app to enable better interaction and connection with customers.

Residents and their families interact with the facilities principally through phone and in-person channels. There is an opportunity to offer a better way for residents and families to stay connected and share in what is taking place in the facility each day. The app will also enable more timely feedback from residents and families, as well as simplify the way families lodge and track requests and complaints, thus creating more real-time transparency on what is happening in each facility.

6

Redesign the reporting suite to enable the Executive and Board to more easily understand and monitor quality and safety performance across the organisation.

There is an opportunity to deploy more advanced statistical, analytical and visual presentation tools to better understand clinical governance issues and direct deep questioning to the right areas. The use of tools such as 'statistical process control' (SPC) will significantly increase the value of the rich repository of existing data. Added to an expanded use of the current rate based indicators to monitor key trends for significant areas (e.g. number of incidents per 1,000 bed days), SPC would enable Opal to identify and compare trends.

Strategic Recommendation

7

Opal should consider moving progressively from its current 'Institutional' model to a more 'Home-based' model for the delivery of care to its residents.

Both the 'Institutional' and 'Home-based' models place a high priority on ensuring the health and safety of residents and employees. How they go about that, however, is very different.

Under the 'Institutional' approach, residents are accommodated in hospital-like facilities with common living areas (dining and lounge rooms). They have limited privacy, even in their bedrooms, which are located off common thoroughfares. They also have limited choice in when they go to sleep, when they wake up, when they bathe, when they eat, what they eat and how they spend their days. The 'Home-based' approach sees groups of residents (10 -20) accommodated in 'homes' which afford them far more privacy than the typical 'Institutional' facility. Each 'home' has a front door, kitchen, dining and lounge area in addition to the residents' bedrooms and bathrooms. This approach seeks to replicate as closely as possible the typical living conditions of residents before their entry into residential aged care and to provide them with as much choice as possible in when they go to sleep, when they wake up, when they bathe, when they eat, what they eat and how they spend their days.

There are stark differences in the way the facilities and 'homes' are run. The 'Institutional' model is characterised by a 'command and control' approach that is highly task and compliance focused and where the roles of staff members are standardised and clearly delineated. The 'Home-based' model, on the other hand, sees a team of staff assigned to each 'home' where they are entrusted with greater responsibility and autonomy to collaboratively respond to the specific needs of residents.

Any decision to move away from the 'Institutional' approach will require fundamental changes to many aspects of Opal's operations. Depending on the model chosen and the extent of the consequent changes, a transformation could take years to fully implement across all facilities.

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