EPICOR

The Sustainable Aged Care Strategy

Unlock your organisation's unique ability to meet the needs of a dynamic aged care market.

"I am not a product of my circumstances. I am a product of my decisions."

Stephen R. Covey

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The Journey and the Destination

A clear, purposeful vision that is passionately pursued is magnetic.

Visionary leaders such as Nelson Mandela, Steve Jobs and Henry Ford inspired others to work tirelessly towards a common objective. However, you don't need to be a cultural icon or an industry pioneer to have a transformational impact as a visionary leader.

By aligning your team towards a future consistent with the organisation's mission and culture, a better tomorrow for all your stakeholders, you can ignite a spark that propels the organisation towards what may otherwise be an unattainable objective.

In 2018, Epicor coined the term 'Aged Care 2.0' to describe the changing nature of Australian aged care. With the impacts of The Royal Commission into Aged Care Quality and Safety and COVID-19, coupled with already evolving legislative and funding structures and a new profile of aged care clients, the current landscape is even more dynamic than we could have predicted. Given that these challenges have compounded, there is a real need for considered yet immediate action, which means effective leadership has never been more critical.

Such a plan should leverage what is arguably an organisation's most valuable asset, its core competencies. These unique, hard-to-imitate 'superpowers' are the key to developing a competitive advantage and achieving the organisation's strategic objectives while ensuring financial sustainability on the road to getting there.

There are many factors to address in developing a strategic plan for your aged care organisation, including attracting and retaining talent in tough labour markets, leveraging technology to drive productivity, and embracing client centricity amidst strong competition.

As you embark on this planning process, we hope you find this eBook a valuable resource in planning both the journey and the destination.

Aged care organisations need a clear strategic plan for navigating this dynamic market shaped by the growth and demand for home care, a suite of diversified service offerings, and increasingly savvy consumers.

Your Superpowers

Out of all the aged care providers in the market today, why should someone seeking care choose you? Why will your existing clients stay with you?

The answers lie in your core competencies, the unique capabilities, resources and skills that help create a competitive advantage that your organisation can use to occupy a distinct and valuable position in the market.

You can think of your core competencies as your superpowers, such as having superhuman strength — and let's imagine for a moment that you do. You could catch a falling tree destined to crush a house, throw a ticking time bomb into outer space moments before an earth-shattering explosion, and stop a runaway train on an otherwise destructive collision course into a populated city. You can use your superpowers in numerous ways that each have tremendous utility.

As is the case in all consumer markets, by identifying your organisation's core competencies, you can ensure you develop
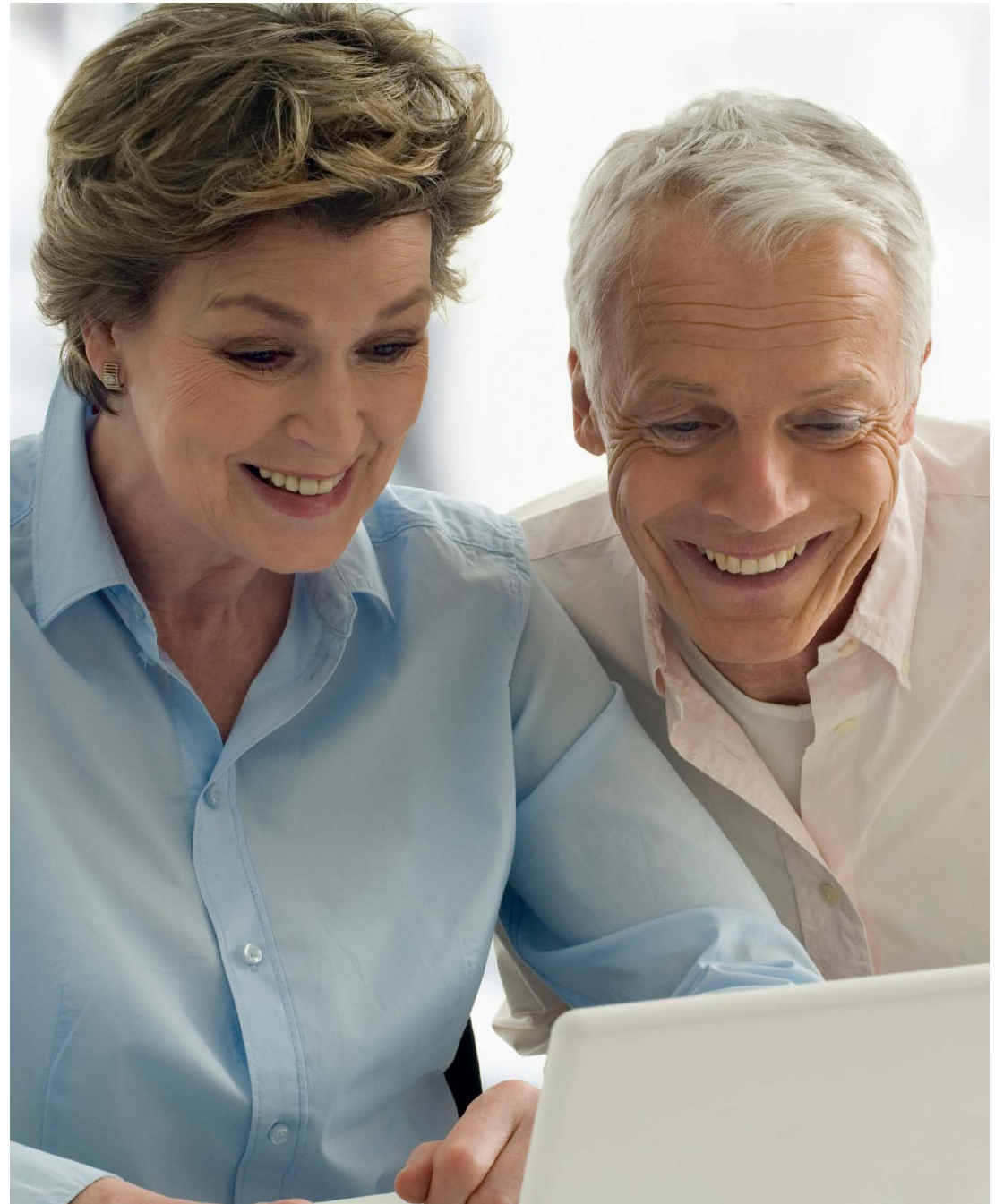
By identifying your organisation's core competencies, you can ensure you develop business strategies that provide unmatched value to the market and position you as the leader for the client segments you serve.

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Amazon has become one of the world's most valuable companies through their incredible vertical integration. Apple has dominated the consumer electronics market due to their unmatched capability to innovate, and McDonald's has achieved worldwide success through strong branding and standardisation.

Perhaps your core competencies lie in unique customer service capabilities, innovative service development, low-cost service delivery, quality control, or some other area. In any case, these superpowers must be valuable, difficult to imitate and sustainable. Moreover, they should be something you

look to enhance over time, as it acts as a foundation for strategic business decisions and for diversification opportunities to be weighed against. Therefore, each strategic business decision should pass through the 'is this in our area of expertise' filter.

With a steadfast commitment to leveraging your superpowers, you also create an attractive proposition for talented employees to want to join your team as we explore further in the Attracting and Retaining Talent section ahead.

As new market entrants and existing providers each strive to occupy strategic market positions, now is the time to ensure your organisation deploys a client-centric value proposition that leverages your core competencies.

Client Centricity

The Final Report of the Royal Commission into Aged Care Quality and Safety stated that "a profound shift is required in which the people receiving care are placed at the centre of a new aged care system.[1]" In conjunction with the new Aged Care Quality Standards that came into effect on 1 July 2019, this new era of client centricity is well underway.

As we explored in our eBook, Australian Home Care Reimagined, the leading aged care providers of the future will be those that specify whom their organisation serves. That does not suggest that an organisation should set exclusion criteria and deny care to anyone. Instead, the suggestion is to deploy your core competencies towards meeting a specific market segment's needs and wants. As such, client centricity and core competencies are two inextricably linked concepts in the development of a successful business strategy.

Australian aged care organisations are now assessed against and required to show evidence of compliance with the eight quality standards as outlined in Figure 1.1[2]. It's no coincidence that this diagram was developed with 'Consumer Dignity and Choice' at the centre, speaking directly to the need for client centricity to exist within the remaining seven standards.

1. Australian Government, Royal Commission into Aged Care Quality and Safety, Final Report: Care, Dignity and Respect – Volume 1 Summary and recommendations, 2021.
2. Australian Government - Aged Care Quality and Safety Commission, Guidance and Resources for Providers to Support the Aged Care Quality Standards, 2022.

Figure 1.1 – The Aged Care Quality Standards

Each of the standards are defined with a statement of outcome for the consumer, a statement of expectation for the organisation, and requirements of the organisation to demonstrate that the standard has been met.

The organisation statement for the 'Consumer Dignity and Choice' standard is that the organisation:

- has a culture of inclusion and respect for consumers; and

- supports consumers to exercise choice and independence; and

- respects consumers' privacy[2].

These statements emphasise that beyond operationalising your core competencies, a client centric approach is essential for legislative adherence. But why has it taken a Royal Commission and new legislation to prompt the industry to adopt practices that are otherwise just good business? The reality is that creating successful customer centric strategies is challenging. It's not that the concept is complicated but that it must exist in meaningful ways at all levels of the organisation. Therefore, the emphasis on the organisation culture in the standards above is of particular note.

Harvard Business Review states that the most common and potentially the biggest barrier to customer centricity is organisational culture[3]. Embedding client-centricity into the culture is crucial if the organisation's client centricity efforts are to translate into the actual experience clients receive.

Ultimately, in an increasingly competitive market, if the modern aged care client doesn't receive a quality of care that meets their expectations, they are likely to transition to a provider that does.

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2. Australian Government - Aged Care Quality and Safety Commission, Guidance and Resources for Providers to Support the Aged Care Quality Standards, 2022.
3. Australian Aged Care Collaboration, It's Time to Care About Aged Care, February, 2021.

The Modern Aged Care Client

More than 4.1 million Australians are over 65, representing almost one in six people. By 2057, these figures will climb to nearly one in four (22%), with 8.8 million Australians in 65+ aged bracket[3].

The number of Australians aged 85 and older is growing substantially too, with projections of 1.5 million people by 2058, up from 515,700 in 2018-19. This cohort is also expected to have increased frailty and co-morbidities, an evolution of the current trend where people enter residential care in their later years with higher acuity levels. Men are entering residential care at an average age of 82, and women at 85, with the average stay length being three years[4].

Home care is a key consideration for most older Australians in their wider aged care journey. It is common for people to begin their aged care journey at home or retirement and then move to a residential facility as their care needs increase.

Approximately 1.3 million of the 4.1 million Australians over 65 years old are receiving government-subsidised aged care, with close to 80% of those receiving care remaining in their homes for the occasional care from nurses or support staff. The majority of the remaining 20% live in residential care due to their needs[3].

3. Australian Aged Care Collaboration, It's Time to Care About Aged Care, February, 2021.
4. KPMG, Aged Care Market Analysis 2022, 2022.
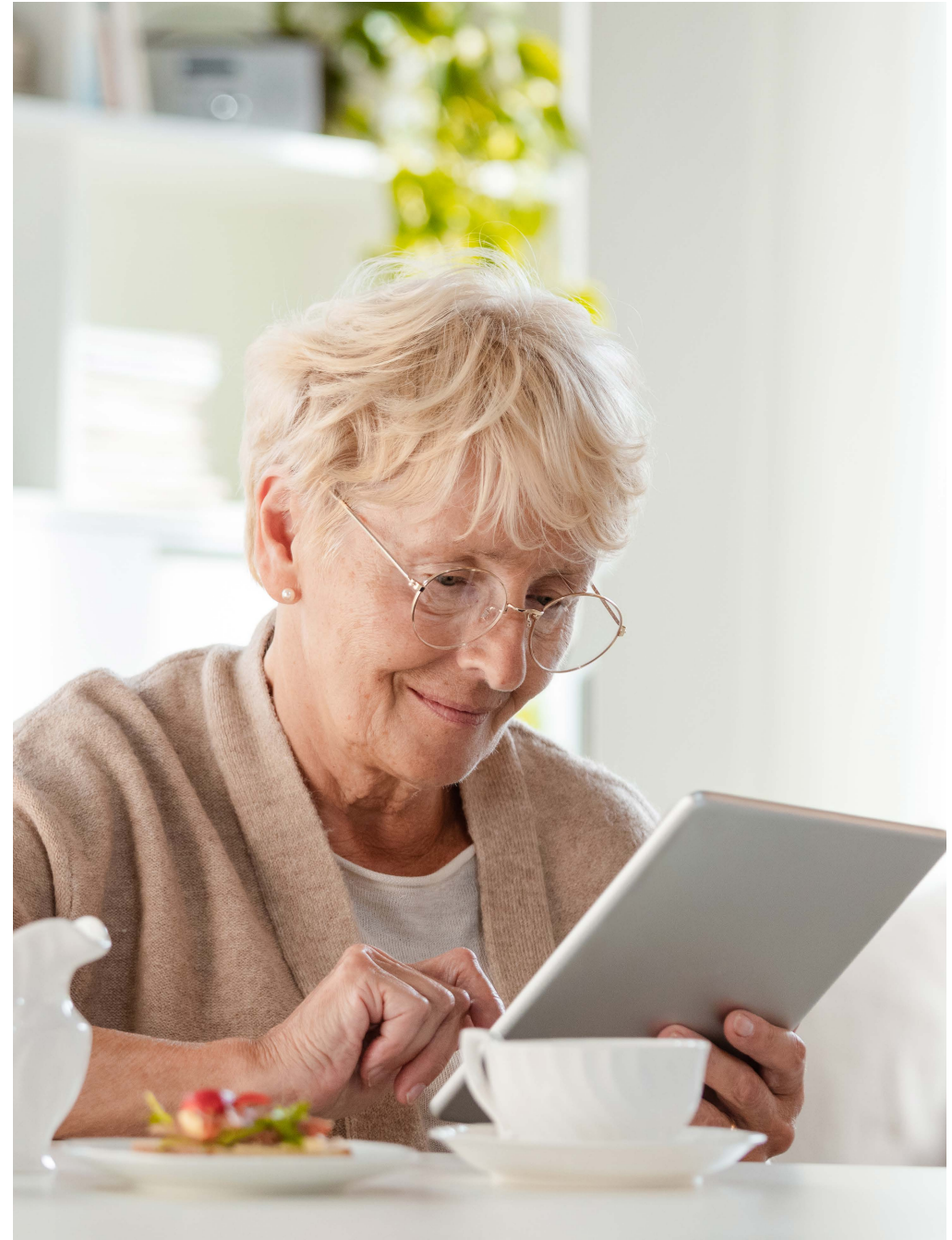
Therefore, electing not to provide home care needs to be a conscious effort aligned to your core competencies and hyper focussed on alternative service provision.

The baby boomer generation, who will dominate the aged care client cohort in the next two decades, can generally afford higher standards of care than the generations that preceded them and are willing and able to actively seek them out. Furthermore, as baby boomers have existed in an era of technology-enabled consumerism, they learned to be savvier with their buying decisions than their parents and grandparents. They also have greater skills to navigate readily available information online, which puts them in greater control of their buying decisions.

Considering that an organisation's relationship with a client begins well before they are admitted, it's imperative to build insights and enhance client relationships from the earliest touchpoints. Leading CRM systems provide a 360-degree view of the client's profile and reporting tools, which add context to that data—delivering insights pivotal to cultivating such relationships.

Organisations must also view the client relationship as one that extends beyond the care recipient. By leveraging technology platforms that allow real-time care updates and account correspondence to be accessed by the client's approved support network, organisations can build trust through transparency amongst all stakeholders invested in the client's care.

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Competitive Forces

The Australian aged care provider market has been in a state of continual change for many years. Within the last decade in particular, the combination of new market entrants, mergers and acquisitions and substantial legislative changes has fundamentally transformed how the market operates.

KPMG's 2022 Aged Care Market Analysis highlighted that new market entrants are bringing innovative business models and technology solutions that deliver valuable customer experiences. Moreover, the report states that the aged care market remains competitive as larger providers assert dominance[4].

Illustrative of such notable market movements is Calvary's recent acquisition of Japara, a provider who, in FY21, received $300m in government funding and was only one of only three ASX-listed operators. The acquisition makes Calvary the sixth largest residential aged care operator by operational places in Australia. It also provides Calvary with a foundation for delivering integrated care across their hospitals, residential care and home care capabilities[4].

Competitive market conditions further highlight the need for providers to focus on their strategic direction and

occupy a deliberate and valuable position in the market. Otherwise, they run the risk of lower quality service provision, which will have a negative impact in an era shaped by The Australian National Aged Care Classification (AN-ACC), Star Ratings System and discontinuation of the Aged Care Approvals Round (ACAR).

One can expect the market to continue evolving towards customer centric business practices when care recipients have access to clear information about provider value and a greater choice of whom they elect to receive care from. Furthermore, when organisations have greater incentives to provide high-quality care and more care services with fewer administrative burdens, it encourages the market to meet consumer demand better[5].

At 30 June 2021, more than 3,300 aged care providers in Australia collectively delivered 9,468 services. Whilst not-for-profit providers delivered the majority of services (accounting for 57% of residential care and 68% of home care), all provider types have struggled through the growing financial pressures that signal significant risks for the market as a whole[6].

4. KPMG, Aged Care Market Analysis 2022, 2022.

5. Australian Government – Department of Health, Ageing and Aged Care for Providers: Competition in Residential Aged Care, 2022.

6. Australian Government - Australian Institute of Health and Welfare, GEN fact sheet 2020–21: Providers, services, and places in aged care, 2022.

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Financial Pressures

StewartBrown's Aged Care Financial Performance Survey Sector Report (FY22) has emphasised the significant financial impacts the Australian aged care industry has experienced in recent years; and the trajectory which, in no uncertain terms, cannot feasibly continue.

The sustained losses experienced by residential aged care have seen investment into the sector significantly decline. Over the last five years, the aggregate operating losses have reached an estimated $3.8 billion, with $1.4 billion being the FY22 forecast[7].

Declining occupancy rates are a key contributor to these financial results. Mature residential care facilities' occupancy rates in FY12 to FY16 were approximately 95%; from FY17 to FY19, it dropped slightly to 94%, and in FY22, it plummeted to 91%[7].

As reported by Australian Aged Care Collaboration[3], in 2020, a staggering 64% of residential care homes operated at a loss, compared with 56% in 2019. Moreover, the operating results for residential care ($ per bed day) have steadily declined. In June 2017, the average result was $9.39 per bed day; in June 2018, it dropped to $2.37 before a continued fall into the red. In June 2019, the average result was -$2.62; in June 2020, it was -$6.90; in June 2021, it was -$8.43; in March 2022, it was -$12.85 with a projected June 2022 result of -$15.59[8].

3. Australian Aged Care Collaboration, It's Time to Care About Aged Care, February, 2021.

7. StewartBrown, Aged Care Financial Performance Survey Sector Report (FY22), 2022.

8. StewartBrown, Residential Aged Care Sector Sustainability: Potential Impact of Proposed Level of AN-ACC Subsidy, 2022.
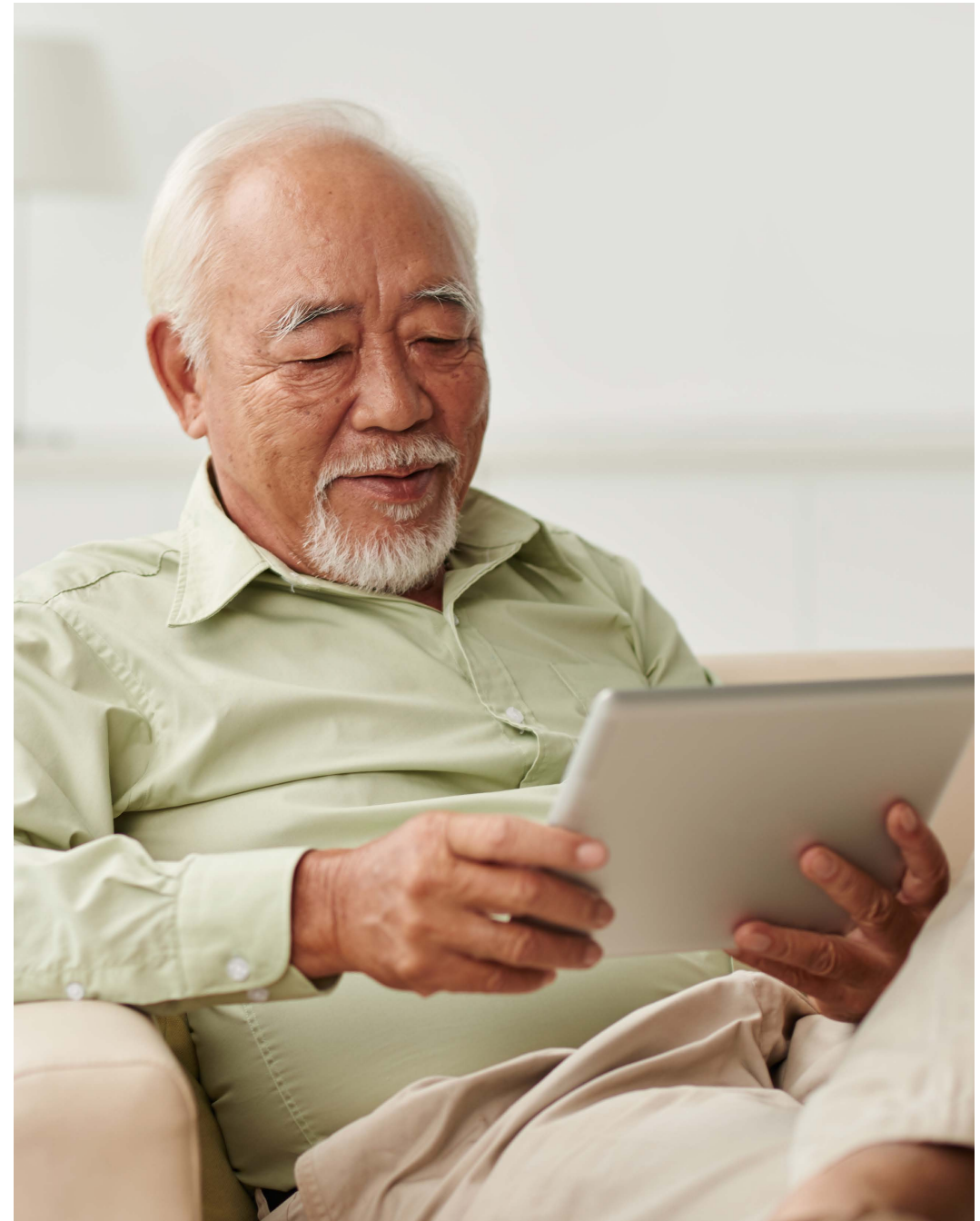
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With mandatory care minute standards in effect from 1 October 2023, many operational impacts on residential care will worsen, particularly as the 1.7% indexation on residential aged care subsidies announced in June 2022 sits significantly below inflation[9].

Australia's aged care financing is predominately weighted towards residential care, so the shift towards home care is highly needed[3]. However, some 63,000 people are on the waiting list to receive any type of home care package. At 30 November 2020, people were waiting more than one year to receive a home care package[3]. This large shortage of packages was highlighted in no uncertain terms by the Royal Commission into Aged Care Quality and Safety, calling the system "cruel and discriminatory"[3].

Home care providers have not been immune to financial impacts, though. StewartBrown highlighted that the financial performance of the home care sector has stagnated over the last four financial years. In FY22, the average operating result was $3.98 per client per day, an inadequate return on investment. Moreover, low revenue utilisation in home care has seen unspent funds increase year on year to an average of $10,736 per consumer; with an estimated 96% of unspent funds returned to or held by the government[7].

Amidst difficult financial times, aged care providers need to look for opportunities to drive productivity and financial sustainability through a culture of efficiency and innovation, ultimately leveraged by technology, as a reliance on external support alone is likely to be insufficient.

3. Australian Aged Care Collaboration, It's Time to Care About Aged Care, February, 2021.

7. StewartBrown, Aged Care Financial Performance Survey Sector Report (FY22), 2022.

9. Australian Ageing Agenda, Aged care indexation 'patently inadequate', retrieved 13th November, 2022 from https://www.australianageingagenda.com.au/executive/aged-care-indexation-patently-inadequate/

The Right Service Mix

As we outlined at the beginning of this eBook, the correct determination for an organisation's service mix is one that effectively deploys its core competencies towards the needs and wants of a clearly articulated market segment. This means that the chosen service mix should be predicated on the market and the organisation's core competencies, not the other way around.

For some organisations, greater breadth in their service mix will help create a competitive advantage. For others, greater specialisation in a singular service will aid their strategic objectives. While there is no such thing as a one-size-fits-all approach, what is common across all providers is that a lack of focus and commitment to a strategic direction is fraught with danger.

There is no disputing that residential care has a tough road ahead. However, organisations that are not currently providing home care should only resolve to such a diversification after considered thought, regardless of the undeniable effect that the growth and demand for home care will have on the broader market. Given the significant factors that have impacted the market in recent years, now is a great time to reimagine what aged care will mean in the years ahead and to play a visionary role in setting your organisation up for success in what is now a dynamic market.

Moving beyond a siloed business structure and integrating service provision can stimulate innovation for organisations that provide both home care and retirement living. For example, by simply re-framing the definition of a care recipient, the idea of care providers servicing geographical regions surrounding the immediate retirement living location becomes obvious. These simple perspective shifts can generate operational efficiencies while delivering client-centric care.

In the 2021 calendar year, the number of people receiving a home care package grew 24.3% or 198,109 packages[4]. Comparatively, during 2020-21 the number of people that received permanent residential care was 243,117, down slightly from 244,363 the year prior[10]. So, regardless of whether your organisation provides home care services, the proliferation of home care services is a key competitive factor that will affect your organisation.

Deciding on the number of services to adopt in your service mix can be difficult. Again, the correct answer is not a one-size fits all approach. Data released by the Department of Health and Aged Care in their Financial Report on the Australian Aged Care Sector 2020-21 outlines home care average EBITDA per consumer per annum by service mix volume in three categories: single service, two to six services and seven or more services. Providers are then ranked based on financial performance across the three categories. In the top quartile of providers by EBITDA, the single service providers had the highest EBITDA per consumer per annum, which was an average of $7,968. Providers with two to six services at an average of $6,321 were next, and then the seven or more service providers cohort had the lowest average EBITDA per consumer per annum of $5,425[10].

However, at the other end of the spectrum, the bottom quartile of performers, there was an inverse relationship between the number of services and financial performance.

Single service providers had the lowest average EBITDA per consumer per annum with a negative EBITDA of $4,247, providers with two to six services had a negative EBITDA of $1,413, and then the seven or more service providers had a smaller negative EBITDA per consumer per annum of $724.

Such results present a series of interesting data points for hypothesis and further analysis. Yet, the fact remains that it is not the number of services provided that determines success.

Similarly, this report highlighted the relationship between the number of residential care facilities and EBITDA per resident per annum. In the top quartile of performers, the single facility providers had the highest EBITDA, followed by those with 2 to 6 facilities, then 7 to 19 facilities, and finally, the 20-plus facility providers. And again, in the case of the lowest quartile of performers, the exact inverse applied, where the providers with 20 or more facilities had the best EBITA result, then those with 7 to 19 facilities, then those with 2 to 6 facilities, and then single facility providers had the worst EBITDA result.

One interesting outtake from this data is that bigger is not necessarily better. Furthermore, those providers who elect to specialise and take a somewhat more niche approach can outperform their more diversified counterparts.

For some organisations, greater breadth in their service mix will help create a competitive advantage. For others, greater specialisation in a singular service will aid their strategic objectives. While there is no such thing as a one-size-fits-all approach, what is common across all providers is that a lack of focus and commitment to a strategic direction is fraught with danger.

4. KPMG, Aged Care Market Analysis 2022, 2022.

10. Australian Government – Department of Health and Aged Care, Financial Report on the Australian Aged Care Sector 2020–21

Attracting and Retaining Talent

While attracting and retaining great talent is a problem facing every industry in Australia, the challenges are particularly evident in aged care and healthcare. Arguably, this is the greatest hurdle for providers to overcome in the decade ahead.

The reality is that aged care staff are underpaid. Providers agree as much, yet inadequate funding presents a barrier to raising wages. The Royal Commission into Aged Care Quality and Safety's Interim Report found that the aged care workforce was inherently underpaid, undervalued and insufficiently trained[3]. Moreover, as nurses and carers in aged care receive comparably lower wages than their counterparts in disability or health sectors, keeping these employees in the industry is a key challenge. Employees agree; it is the number one reason they leave the sector[11].

These HR challenges are amplifying and, in some cases, a leading cause of the financial pressures we explored earlier.

Older Australians are being turned away from services because providers simply can't deliver them with their workforce shortages. Notably, in 2021 because of staff shortages, each resident lost an average of 26 hours of care a year[11]. This is a bad outcome for everyone.

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3. Australian Aged Care Collaboration, It's Time to Care About Aged Care, February, 2021.

11. Australian Aged Care Collaboration, It's Time to Care About Aged Care: Election Statement, 2022.

At the time of the 2022 Census, there were an estimated 22,000 role vacancies in residential care, 6,479 in home care and 6,177 in direct care roles with Commonwealth Home Support Programme providers. Of the Home Care Packages Program workers employed in November 2019, 34% had left these roles in the following 12 months[12].

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However, these issues were not caused by the pandemic; the pandemic exacerbated them. A 2018 report by the Australian Government of the Aged Care Workforce Strategy Taskforce[13] highlighted significant challenges impacting the aged care industry, including difficulty attracting talent, undervalued jobs, high employee turnover and poor employee engagement and enablement. Across home care and residential care, employee engagement was 51%, and employee enablement was 53%, whereas health care more broadly had 68% employee engagement and 70% employee enablement. Workplace diversity was also called out in the report as another key challenge facing the industry.

The aged care sector has historically been a workforce filled with mature females. In 2020, 86% of residential care workers identified as female[4], which presents a significant opportunity to broaden the workforce by attracting more males to the sector. Attracting and retaining employees under 40 years old has also been a key challenge for the sector. In 2016, the average age of the residential direct care worker was 48 years old, and the average age of the direct care workforce in home support and home care was 52 years old[14]. However, these age averages have been coming down. 2020 Aged Care Census data shows that approximately half the workforce is now under 40 years old, whereas in 2016, this figure was closer to one-third[12].

4. KPMG, Aged Care Market Analysis 2022, 2022.

12. Australian Government – Department of Health, Ageing and Aged Care for Workforce: 2020 Aged Care Workforce Census Report, 2021.

13. Department of Health, A Matter of Care Australia's Aged Care Workforce Strategy, Aged Care Workforce Strategy Taskforce, June 2018.
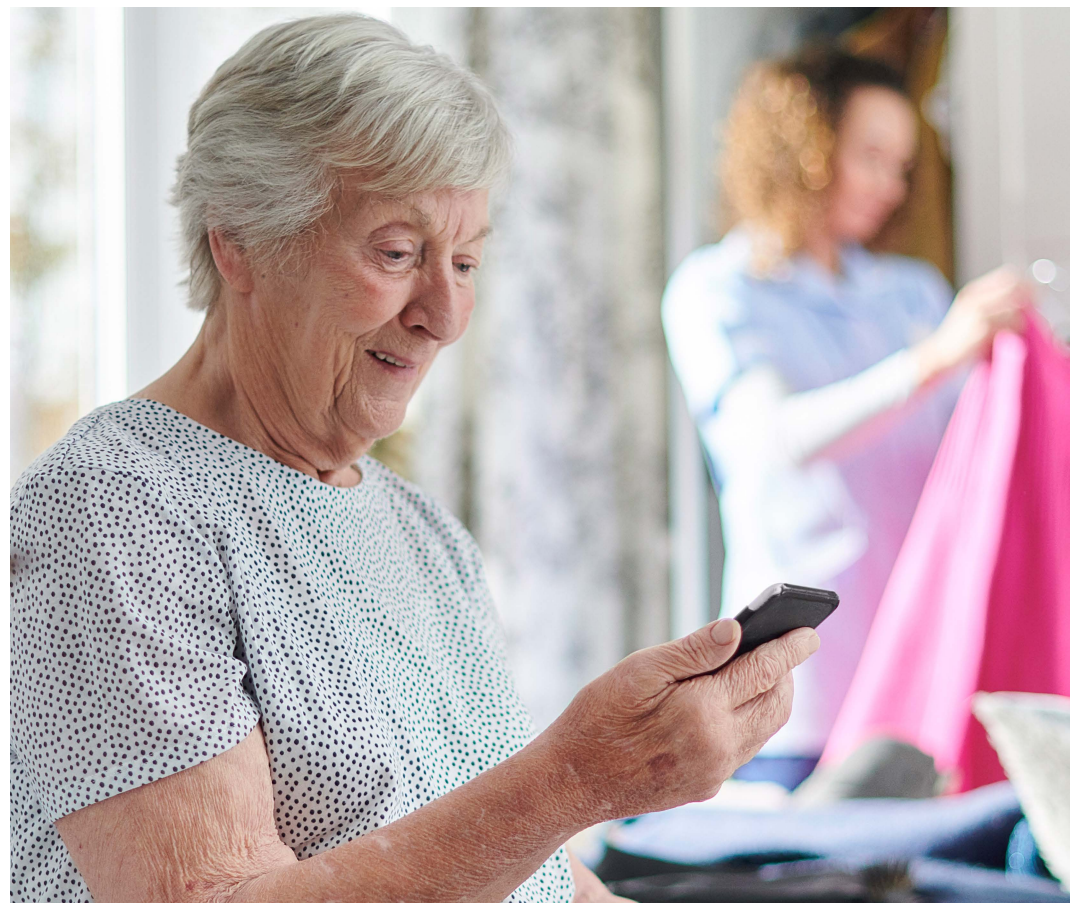
14. Aged Care Financing Authority, Annual Report on the Funding and Financing of the Aged Care Sector, 2021.

Given that by 2050 the aged care workforce will need over one million people, well over double the 434,107 people working in the industry in 2020[4,14] the successful aged care organisations of the future will be those with a compelling Employee Value Proposition (EVP).

An EVP is a summary of an organisation's special and unique characteristics. It encompasses the culture, work and benefits employees receive. Furthermore, it emphasises that work is more than a mechanism to collect a pay cheque; it must give people meaning, purpose and a sense of belonging[15].

When organisations leverage their core competencies in delivering services tailored to their market in a meaningful way, it helps ensure that an EVP is a lived, practical reality. Gartner research found that for an EVP to be effective, it must deliver employees with a life experience, not just an employee experience. Employee satisfaction with the organisation's EVP increases by 15% when this occurs[16].

For the same reasons organisations need to embrace client centricity, seeing the 'human' needs of employees is imperative. Less than half of employees (45%) believe their organisations see them as a person, not just an employee. In a time where most people (82%) hold this human-centric employer-employee relationship in high regard, it will be the organisations with effective EVPs that will attract and retain the workforce of tomorrow[16].

4. KPMG, Aged Care Market Analysis 2022, 2022.

14. Aged Care Financing Authority, Annual Report on the Funding and Financing of the Aged Care Sector, 2021.

15. Australian HR Institute, What is an employee value proposition?, retrieved 20th November, 2022 from https://www.ahri.com.au/ahri-assist/workforce-design/strategic-hrm/what-is-an-employee-value-proposition

16. Gartner, Gartner HR Research Shows Organizations Must Reinvent Their Employee Value Proposition to Deliver a More Human Deal, retrieved 20th November, 2022 from https://www.gartner.com/en/newsroom/press-releases/2020-05-25-gartner-hr-research-shows-organizations-must-reinvent-their-employment-value-proposition-to-deliver-a-more-human-deal

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Business Intelligence

Developing strong analytics capabilities supported by best-in-class business intelligence tools is no longer optional; it is a core requirement to operate successfully in the years ahead.

Organisations must be capable of extracting, transforming, and modelling data to obtain helpful information that can facilitate insightful decision-making without placing an unrealistic burden on staff to do so in an overly manual fashion. Aside from the risk of human error, manually analysing data is time-consuming and typically undertaken by a few employees with sophisticated spreadsheet abilities, rendering the process seldom undertaken.

Instead, actionable and contextual data must be available across the organisation with a data-driven culture that champions a 'data for all' mindset. Enabling employees to be invested in the organisation's vision requires them to be empowered to perform their roles without constraint, which means deploying business intelligence tools at every level of the organisation.

Gartner predicts that by 2025, 80% of data and analytics governance initiatives that focus on business outcomes will be considered essential business capabilities[17]. Therefore, as alluded to earlier, if your organisation is in the significant minority of companies that do not have analytics capabilities in the years ahead, then you will be unable to compete in what is becoming a highly sophisticated market.

17. Gartner, Over 100 Data and Analytics Predictions Through 2025, 2021

By 2025 there will be more than 150 zettabytes (150 trillion gigabytes) of data for analysis[18]. Therefore, access to data is not the challenge to overcome; operationalising analytics and data management are.

Leading data analytics tools provide interactive and customisable dashboards which provide visual graphs, charts, and tables, so users have timely access to role-relevant information, allowing them to make the right decisions quickly without the need to rely on anecdotal insights and outdated (or incomplete) data.

In a fast-paced environment, aged care leaders do not have the time to analyse large quantities of data, so using predictive analytics and dashboarding is essential. Tools such as Epicor Data Analytics (EDA) help aged care organisations transform their data into contextual insights, which can help reduce cost, and identify and action new opportunities with the capacity to track and iteratively optimise performance over time.

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18. IBM, How to manage complexity and realize the value of big data, retrieved 20th November, 2022 from https://www.ibm.com/blogs/services/2020/05/28/how-to-manage-complexity-and-realize-the-value-of-big-data/

Unleash Capability with Technology

When an organisation's software systems do not have a depth of capability across the entire operation, it restricts users at all levels of the organisation from deploying their unique skills. Beyond the direct impact this has on productivity, it can also erode the organisation's EVP.

Taking an EVP mindset to this topic requires consideration of an employee's desire to work in aged care. This desire is likely driven by a passion for helping others, not doing admin, which is why organisations must look for every opportunity for their staff to focus on activities that speak to their passion and deliver higher value to your clients and organisation. In an AN-ACC era where providers are mandated to provide an average of 200 minutes of care time per day, including 40 minutes with a registered nurse, freeing up care workers as much as possible could not be more important[19].

In response to the Royal Commission, the Australian Government has committed to establish a new Support at Home Program, scheduled to commence 1 July 2025[20, 21, 22]. The Support at Home Program will replace the Commonwealth Home Support Programme (CHSP), the Home Care Packages (HCP) Program and the Short-Term Restorative Care (STRC) Programme. The resultant single program will work to reform all elements of in-home care, including individualised support plans, provider funding, clarity on service inclusions and a broader regulation of the market.

19. Australian Government, Department of Health, Budget 2021-22: Residential aged care services and sustainability (Pillar 2 of the Royal Commission response) – Mandatory care time standards and reporting, 2021.

20. Australian Government – Department of Health and Aged Care, Support at Home Program Overview, retrieved 7th February, 2023 from https://www.health.gov.au/resources/publications/support-at-home-program-overview

21. Australian Government – Department of Health and Aged Care, Support at Home Program Overview, January 2022.

22. Australian Government - Department of Health and Aged Care, Trusted, safe and high-quality care, retrieved 15th May, 2023 from https://www.health.gov.au/our-work/aged-care-reforms/what-were-doing/trusted-safe-and-high-quality-care

As the industry prepares for the transition, many providers will face challenges connecting to new platforms, given the inherent nature of their legacy systems. For these organisations, without adequate aged care software, they are resolved to a tremendous amount of manual work to be 'Support at Home' ready, which is fundamentally an unsustainable approach for most.

Beyond the Support at Home Program, as compliance requirements add intricacy to business functions, organisations must look to adopt best-practice technology and create specialised business functions. The Aged Care Workforce Strategy Taskforce has stated that the complexity of scheduling home care services is causing many providers to develop dedicated scheduling roles to ensure optimal productivity[13]. With advanced rostering and workforce management tools, these roles can be equipped to achieve optimal human resource utilisation.

Automation tools are one of the most effective ways organisations can drive efficiency and free up their team. Solutions such as Epicor Automation Studio empowers workers to effortlessly integrate and automate workflows between apps, data, and their Epicor platforms.

Organisations should also look towards mobile time and expense management to drive efficiency. Such tools allow you to report on time daily or weekly while allowing staff the flexibility and convenience to upload photos and attachments. Mobility tools, more broadly, have tremendous utility in an aged care setting. Organisations can equip their team with handheld devices that allow them to respond quicker to client and internal correspondence, improve data entry processes, and increase productivity. For example, employees can update client records via a tablet at a point of action instead of handwriting notes.

Regardless of the functionality your software provides, the value is only realised once it is fully utilised. An intuitive interface built with the aged care employee user experience in mind reduces barriers to utilisation and better enables them to perform their roles to the highest level.

When productivity, innovation and technology best practices are embedded into the company culture, problem-solving and ingenuity become self-propelling. For example, 80% of ordering and replenishment will be touchless for most organisations by 2024. Are you on track for this level of technology enablement? If not, one key place to start is to explore a cloud deployment of your aged care software, as it offers a platform for leveraging the Internet of Things, Machine Learning and Artificial Intelligence. By 2025, 85% of enterprises will have a cloud-first principle, which speaks to the efficiency, scalability, and compelling economics of cloud software[17].
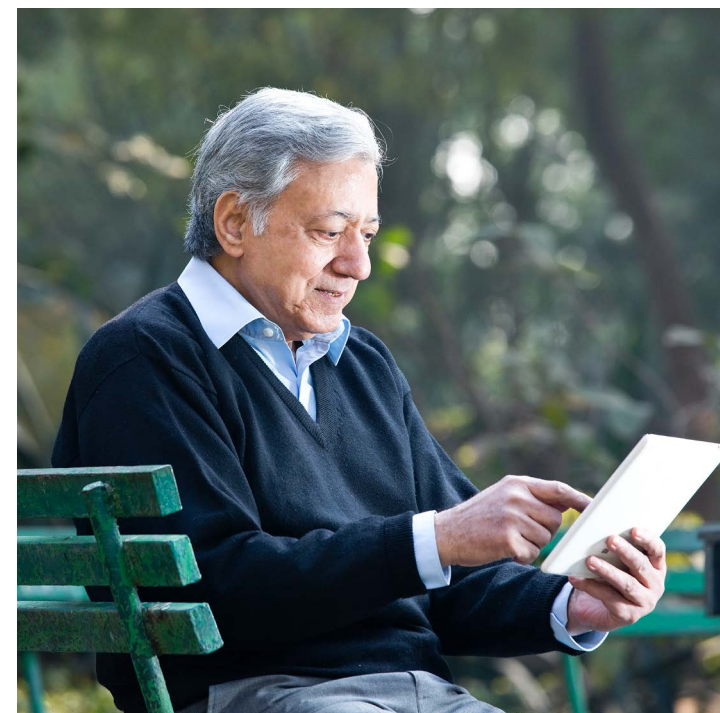
In an AN-ACC era where providers are mandated to provide an average of 200 minutes of care time per day, including 40 minutes with a registered nurse, freeing up care workers as much as possible could not be more important.

13. Department of Health, A Matter of Care Australia's Aged Care Workforce Strategy, Aged Care Workforce Strategy Taskforce, June 2018.

17. Gartner, Over 100 Data and Analytics Predictions Through 2025, 2021

Purpose Built and Integrated Software

As an Australian aged care organisation, if you are using an application that was either not built for the Australian market or was not purposefully built as a senior living solution, then you are likely missing out on crucial functionality necessary for the road ahead.

To aid full adoption and utilisation across the organisation, a user-friendly interface with language and terminology consistent with that used in an aged care organisation is tremendously beneficial. Furthermore, software that contains industry-specific reports and dashboards purposely tailored for the needs of aged care helps fuel innovation and drives productivity.

KPMG's Aged care market analysis 2022[4] states that, "providers should seek to invest in technology solutions that enable the delivery of safe, high-quality care and create operational efficiencies through both delivery and reporting."

Aged care providers need a 360-degree view of client profiles where all information lives in a truly integrated system, providing a single source of truth for all required information and enables a proactive approach to care needs and effective business decision-making.

Given the various mediums that are a source for updated resident information, organisations can no longer deliver the best possible standard of care with disconnected solutions.

DEX (Data Exchange) is the Department of Social Services (DSS) program performance reporting solution developed to improve how administrative data is collected and used[23]. The purpose of DEX is to provide better client outcomes by removing some of the data reporting burdens from organisations, allowing them to spend more time providing care to clients. Therefore, aged care software with DEX system integration better enables productivity.

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4. KPMG, Aged Care Market Analysis 2022, 2022.

23. Australian Government, Data Exchange – Helping organisations achieve a stronger community outcome, retrieved 20th
November, 2022 from https://dex.dss.gov.au/what-dex

While the primary focus should be obtaining a truly end-to-end solution, there will be instances where you need to integrate with external applications and having a solid API (Application Programming Interface) foundation is crucial to this capability. A viable integration solution requires more than just transporting single data objects across applications. It requires multi-step processes with business logic, workflow capabilities, one-to-many or many-to-one data mappings, and more. Within Epicor Automation Studio, modern Robotic Process Automation (RPA) combines fit-for-purpose technologies such as APIs for robust and reliable interactions with modern systems, parsers for leveraging information from documents or images, and scraping technologies for websites and older systems.

Automation Studio, powered by Workato, addresses integration and automation issues with an enterprise-class integration tool that can be governed and monitored by IT, but that also offers ease of use and low barrier to entry expected from consumer applications. These are the types of technology-enabling solutions that aged care organisations will need in order to compete in the market of tomorrow.

Beyond software facilitating integrations across business functions, organisations are well served when their applications integrate with third-party clinical care solutions. For example, when recording observations and client progress notes in your aged care software, can you efficiently use this data in your care plans and then export the data to a third-party clinical care system for charting? Does your software automatically process and submit online claiming events to Medicare when you enter relevant records such as client entry, discharge, leave, and oxygen usage? If the answer to either of these questions is no, then your software is limiting your productivity and may also be reducing your capacity to focus on your care delivery.

As introduced earlier, cloud-first principles will be prominent in the years ahead. One of the primary advantages of a cloud deployment is its intrinsic security benefits compared to an on-premises deployment.

The importance of healthcare data security has again become of prominent focus. Over the last few years, the Australian Government has strengthened its cloud provider requirements where Commonwealth data is processed. Cloud computing providers that store Commonwealth data or process Commonwealth data must be certified and meet several strict requirements, including the data's location, the individuals who have access to the data, and how the data is stored.

Aged care organisations should carefully consider the reputation and certifications of their aged care software vendor in matters of data privacy and security.

Less work. More flow. Find out how with Epicor Automation Studio

The Vehicle

Developing a strategic plan which aims at the sustainability of your operations, both now and in the future, is no mean feat. It requires you to balance considered decision-making and timely action.

In this respect, the destination is defined by the journey, just as the journey is defined by the destination. In both cases, you need the right vehicle, a combination of the human, technological and physical resources that will take you each step of the way.

As we explored throughout this eBook, a myriad of opportunities and threats lie on the road ahead. Your ability to navigate all of this is defined by how quickly you can respond and how much you can leverage your superpowers.

Epicor is here for the hard-working aged care organisations that strive to deliver the best possible care for older Australians. The Epicor® Senior Living Solution is a fully functioning, scalable, and end-to-end enterprise resource planning (ERP) software solution. Designed in Australia, Senior Living Solution is built into our award-winning, global ERP system.

If you'd like to explore how our integrated business software solution maximises productivity through mobility, collaboration, simplicity, responsiveness, and optional cloud/on-premises deployment, then follow the link below to speak to an Epicor for Care expert.

We'll work with you to curate the right solution for your aged care organisation.

Speak with an Epicor for Care Expert

EPICOR

We're here for the hard-working businesses that keep the world turning. You're the companies that make, move, and sell the things we all need. Trust Epicor to help you do business better. Your industry is our industry, and we understand you better than anyone. By working hand-in-hand, we get to know your business almost as well as you do. Our innovative industry solution sets are carefully built to fit your needs and respond flexibly to your fast-changing reality. We accelerate ambitions, whether you want to grow and transform, or simply become more productive and effective. That's what makes us the essential partner to the world's most essential businesses.

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