
Models of Care

Aged Residential Care Service Review

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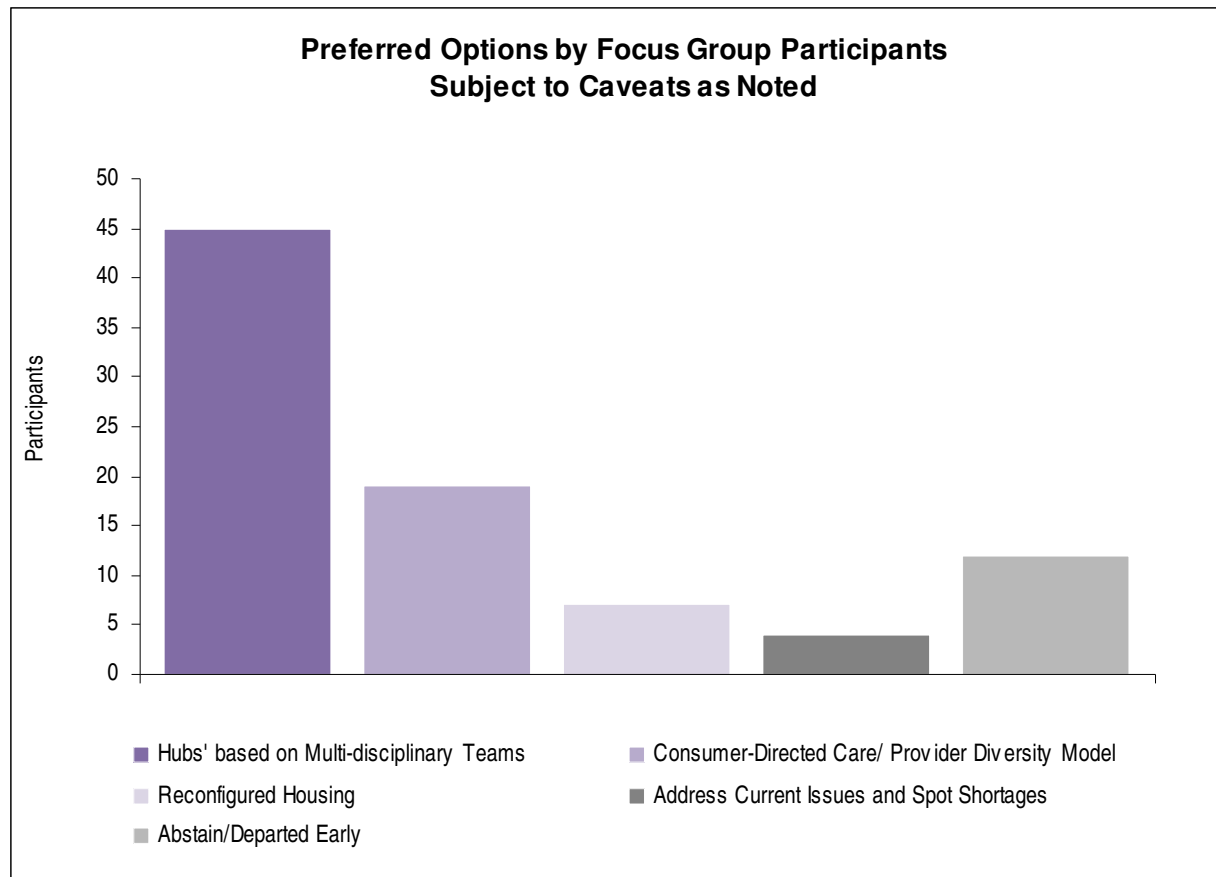
*New Business
Opportunities*

Models of Care

Options for Increasing Revenue

- More Crown Revenue
 - Increase in rates to more appropriately match cost and revenue
- Related, Unregulated Revenue
 - Like retirement accommodation
- New Business Models
 - Gaps in current service models

Options for New Business Models



Enhanced Professional Services in the Community

- Hypothesis:
 - Too few clinical resources in the community result in higher than required DHB costs

Enhanced Professional Services in the Community

- Consistent finding of too much cost in some places (DHBs) and too little in the community (ARC and Home Support)
 - ED visits twice as high as benchmark
 - Pharmacy cost 42% higher

Requirements for Enhanced Professional Services in the Community

- Willingness of DHB
- Data systems for tracking DHB utilisation
- 2 distinct business models: outsource clinical services or become the 'hub'
- Coordinated approach Home Support/ARC
- Gain sharing with DHB

Consumer Directed Care

- Not a service delivery model but a funding model
- 'Vouchers' for support services (home support and ARC)
- In place – at least in part – in most OECD countries

Low Income Housing

- NZ will require more than 20,000 new beds by 2026
- Not all beds must be rest home, hospital or dementia
- There is supported housing for the elderly with means
 - Retirement village
- There is a gap for those without means/low income elderly

Requirements for Low Income Housing

- Long term development effort
- Requires coordination among Crown entities
 - DHBs
 - Housing NZ
 - Local councils

Summary

- Real options to change/expand range of service options
- No opportunity to reduce Crown expenditure
- All represent business opportunities for providers
 - And threats to those that merely watch