

EXPLORING THE BENEFITS AND CHALLENGES OF THE ASSISTED LIVING MODEL IN AUSTRALIA

There are a growing number of providers across the country who are developing innovative service options that bridge the gap between retirement living and traditional residential aged care.

Although the terms vary, they are most commonly referred to as serviced apartments or assisted living accommodation. These are purpose-built, fully equipped apartments where consumers can receive their required care and support without the need to relocate to a traditional nursing home when their care needs advance (or at least deferring entry).

These organisations argue the consumer benefits in the form of allowing the elderly to delay or avoid entry into residential aged care, empowering consumers to retain an independent lifestyle for longer and supporting ageing in place. From the operator's perspective, the opportunity to improve capital and operational returns is attractive, particularly where a reforming industry should improve the portability of funded services that have been historically attached to providers or physical environments, like nursing homes.

The service and accommodation format of assisted living also provides a platform for a funding system that is unlikely to be as generous for future generations. As the Baby Boomer population becomes our primary market, more sustainable means testing arrangements will limit access to subsidies for many consumers. In our experience, clients become very invested in services that they have to pay for themselves and this manifests in expectations for services that reflect their lifestyle preferences, rather than programs that define them by their disability. In this context, a choice of non-institutional accommodation and flexible, accessible care support will be paramount.

While we have seen success in these models overseas, assisted living still has a long way to go in Australia – both in our funding arrangements as well as our attitude. Many of us prefer the safe ground of traditional care and accommodation arrangements that follow our outdated funding models rather than the individual. In our opinion, this will not be safe ground for much longer and there are opportunities to reposition while much of the sector will stay tied to current program driven solutions.

Such opportunities are not without their challenges, including:

- ① Managing a cohort of residents entering the accommodation under different contractual agreements with differing rights and obligations;
- ② Managing serviceability and operational efficiencies in delivering services to complex care residents in varied locations throughout the precinct; and
- ③ Developing a cohesive community within a cohort of residents who are likely to have varying levels of independence and care requirements.

Despite these challenges, the coming years present an exciting prospect for the future of the assisted living model.

Ansell Strategic has been working with providers across Australia and New Zealand to develop unique service models that provide innovative solutions for consumers to age in place. Working with both residential aged care and retirement living operators and leveraging our international experience, we have assisted providers to develop flexible, efficient and sustainable assisted living models.

To find out more about our services, please refer to our website at www.ansellstrategic.com.au

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