

Beyond the headlines: A closer look at the sector's finances Comment

I agree, Grant Corderoy, misrepresenting profitability in the media does not enhance a meaningful dialogue between the key stakeholders. (Beyond the headlines: a closer look at the sector's finances, Australian Ageing Agenda, 13th January).

My opinion piece, *The aged care gravy train* (The Age, January 9th), was published in response to Tom Allard's article, *Nursing home profits soar as patient care declines* (The Age, January 1st). Before writing my Op Ed, I checked the statistics cited in Tom's article were correct.

As Bentleys Chartered Accountants' report is not publicly available, I phoned Heath Shonan, senior accountant at Bentleys Chartered Accountants, who undertook the analysis. Heath was on holidays so I spoke with his PA. I asked for a copy of the report. I was told that a copy of the report cost \$2,900 plus GST.

Rather than buy the report, I asked an accountant at Bentleys Chartered Accountants' the following questions about the survey:

1. Were the figures correctly cited in Tom's article?
2. How many aged care facilities participated in survey?
3. How were these aged care facilities selected (i.e was it a representative sample)?

I was told that the figures in Tom's article were correctly cited. However, I was told that only 160 aged care facilities were included in the study. This was a small sample (approximately 8%). I was also told that providers of the 160 aged care facilities volunteered to complete survey. It was therefore not a representative sample.

Based on this information, I concluded that the study from Bentleys Chartered Accountants is a small and biased sample.

Fortunately, a letter from Cameron O'Reilly, chief executive, Aged Care Guild, was published in which he stated ACFA's report "showed variations in financial outcomes" (Letters, The Age 8th January).

Despite different opinions regarding the average levels of profit in aged care facilities, letters in The Age over the past year are unequivocal. These letters have invariably described poor standards of care. They can no longer be dismissed as a "one-off incident". There have simply been too many "one-off incidents", including my own.

Since the publication of my opinion piece, I have received numerous emails of support from people who either work in an aged care facility (Managers, Nurses, PCAs) or people who know someone living in an aged care facility. There have also been numerous supportive online comments on The Age website.

It seems clear that key stakeholders have competing interests: some key stakeholders (residents and their relatives, staff and managers) want high-quality care while others (owners, accountants, CEOs) focus on profitability. This conflict was evident in Cameron O'Reilly's letter to *The Age* (8th January). He stated: "recent reforms to the aged-care sector have unleashed clear improvements in regulation, infrastructure, technology, training and consumer choice". He failed to mention standards of care.

Published 13th January 2016