Looking back into the Future

Health service board and executive forum
Department of Health
8 May 2014

Presented by Felix Pintado
Chief Executive
Royal Freemasons Ltd.
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• Draw on your experience and reflect on where there might be risks and opportunities for public sector providers.

• Share some insights on the changes, impacts and future of aged care services provision for Royal Freemasons in light of the reforms.
Guideline # 1

It is critical for leaders to be successful at managing change. Because it’s their job.
“Keep in mind that you cannot control your own future. Your destiny is not in your hands; it is in the hands of the irrational consumer and society. The changes in their needs, desires, and demands will tell you where you must go. …observe events, analyse trends, seek the clues of change, and translate those clues into opportunities.”

Michael J. Kami
Chief Strategic Planner, IBM and Xerox
Guideline # 2

All models are wrong.

Some are useful.
Three elements must always be managed.

Cost = Financial, management of expenditure and revenue, assets & liabilities, cash flows, audit, investments, risk…

Quality = Continuous improvement, customer service, audits, peer reviews, benchmarking, accreditation, credentialing, risk, infection control, compliance…

Access = Access, waiting times, response times, time to medication, waiting lists, occupancy, turnaround times, turnover, vacancies…
Embracing a consumer future

Source: NOW NATION OF WELLBEING 4-5 October 2014, Melbourne Convention & Exhibition Centre
Regulation

- Aged care sector more highly regulated than ever - more regulation means increase in costs to ensure compliance
- Policy settings continue to control supply and aspects of price - manufactured market rather than free market
- Reduced capital to the broader sector caused by caps on Refundable Accommodation Deposits (RADs), removal of retentions and changes to means testing
- Aged care junior ministry does not give the sector confidence that the government takes aged care seriously
Challenges, risks, threats

Market forces

- Demand for more access to services for those living at home
- Increasing complexity of customers (e.g., dementia)
- Increasing and differing expectations of customers
- Demand for a more client-focused, consumer-directed interaction between provider and customer
- Disconnect between customers of varying cultural and linguistic backgrounds and an increasingly immigrant workforce
- Oversupply of services in certain geographic areas, increased competition, potential for exploitation of consumers
- Prevailing culture of entitlement and cross-subsidization
- Potential bias towards favouring daily accommodation payments (DAPs) over refundable accommodation deposits (RADs)
**Challenges, risks, threats**

**Investment**

- How will 74,000 new residential care places required over the next 10 years be funded?

- Ageing building stock infrastructure needs to be replenished
  - Diminishing useful life of facilities
  - Configuration of some floor plans present a challenge to occupancy rates
  - Sub-optimal location of existing residential facilities
  - Inability to harness economies of scale or critical mass (beds, facilities)
  - Shifting demographics, impacting on high cost facilities which cannot be relocated to follow market demand

- Which mix of services is optimal (low, high, dementia, transition, respite, day therapy, day care….)?

- How will these services complement core business services?
Challenges, risks, threats

Skills

• Lack of skilled staff vs significant increase in need for residential care places
• Skills shortage and quality exacerbated in rural areas
• Ageing workforce, with no strategies in place to replace
• Pay levels, turnover, comparative wages with acute sector
• Poor quality of training to qualified Carers entering job market
• Simultaneous multi-layered change with new people, new structures, new systems, new procedures
• Lack of business-driven mindset, except for “productivity savings”
• Inability to respond to changes fast enough – not agile
Advantage and opportunity for the public sector

Robust governance
- Governance structure already embraces a consumer future
- Culture of compliance within Quality and Financial Frameworks
- Thorough accreditation system for non-residential care
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- Flexible organisational structures capable of coping with demand

Technology infrastructure
- Most have upgraded ICT systems which enhance ability to optimise:
  - demand management
  - case management
  - budget management
  - central purchasing
  - workforce planning and scheduling
Planning prowess

- Sector’s reputation as planner, funder and provider of quality aged care
- Population-based approach to service planning
- Opportunities for market analysis to explore use of existing facilities with low or varying demand (due to competition or configuration) for alternate (more viable) purposes (Ansoff Matrix)

Service mix and diversification

- Potential to diversify and scale services and explore growth, partnerships or joint ventures
- Use of existing co-location of residential, sub-acute and acute settings and services to enhance integration of services and coordination of care
- On-site primary care or multiple services to facilitate transition of customers through various channels of support and service mix within and outside the health service and health care system.
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• Opportunities to:
  o create a "community care hub" of multiple services
  o facilitate or provide consistent availability and comprehensive acute and chronic care to residents
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  o ensure appropriate use of advance directives
  o improve family support
  o improve on-the-job support for staff in specialised areas
  o improve morale of RACF workers
  o stimulate support from allied health staff
Collective strength

- Strong links between Boards and CEOs with broader healthcare market and government
- Linkages and strategic alliances with appropriate community organisations and other aged care and retirement living providers
- Further develop partnerships to leverage knowledge and reputation, and generate quality staff
- Regionalisation and clinical networks with strong governance across geographical areas is a viable option – growth through consolidation and improved cooperation
- Collective purchasing (such as through Health Purchasing Victoria)
Brand value and reputation

• Aged care brand usually associated with brand strength of acute service
• Security of government-backed operations
• Ability to drive innovation through government-funded pilots, trials, projects to develop new models of care
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- 150+ volunteers
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Our “*For You For Life*” continuum of care model is reflected in all our services to ensure our customers live “secure, dignified and rewarding” lives.

Source: Royal Freemasons Strategic Planning 2013
1867-1896 – Melbourne

Independent Living

Cottages on South side erected in 1867, 1887, 1895 and 1896.
1980s – Irymple (Mildura)
Independent Living
2009 – Redmond Park, North Carlton
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Residential Aged Care - integrated
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Premium Retirement Apartments
Our core business

Limited players in each market

Source: Royal Freemasons Strategic Planning 2013
Our core business

CONTINUUM OF CARE

HOME | RETIREMENT | AGED CARE

ILUs | Serviced Apartments | Low Care | High Care

CARE LEVEL

None | Personal Services | Low | High

REGULATION

Moderate (State) | High (Commonwealth)

FUNDING

Sale / Resident Contribution | Subsidies / Fees / Accommodation Bonds

REVENUE SOURCE

Residents | Government / Residents

KEY RISKS

Property / Values / Demand | Operational Expertise

Source: Lend Lease
1. Understanding our current position and a particular market
   - What do we do?
   - Why do we do it?
   - What does the market need and want?

2. Exploring what’s possible - future positions and avenues
   - How can we do it better, more effectively?
   - Do we keep doing the same?
   - What else could we do?

3. Defining which avenues to pursue, setting a direction

4. Selecting a strategy, a particular course of action

5. Allocating resources to pursue this strategy

A principled approach to growth
A principled approach to growth

Growth Strategy

- Achieve a 'Continuum of Care'
- Enhance long term quality care and service delivery
- Enhance long term financial sustainability
- Be driven by market forces
- Be based on sound commercial evidence and analysis

A well informed and evidenced business case

Source: Royal Freemasons Strategic Planning 2013
The Business Model Canvas approach

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Source: Grant Thornton 2013
Developed a Strategic Growth Plan based on five guiding principles:

- Success and sustainability
- Customer experience
- People and culture
- Brand value
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Goals include:

- Develop and implement new best value service models.
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Response to reforms

Successfully acquired four facilities (215 beds, 40 units) since Dec 2013:

- Springtime, Sydenham (50)
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- Elizabeth Gardens, Burwood (68)
- Monash Gardens Village, Mulgrave (40)
Response to reforms
Look overseas for answer

TODAY Australia looked to Europe for inspiration and considered allowing foreign carers to look after our elderly in their own homes.

Many of us Baby Boomers have watched the difficult and often demeaning experiences that our parents went through in aged care — or nursing home facilities — and it is the least we can do for ourselves.

Call it selfish, or a desperate attempt to hold on to freedom, but many of us would like to live in the comfort of our own homes until a very old age. But we will need help to do that. The Home and Community Care program is inadequate and paying privately for care at home is very expensive.

That’s why I was surprised during a recent trip to Europe to see so many people in their 80s and 90s living at home and being cared for by live-in carers. Average and low-income earners are increasingly turning to home care because they cannot afford or are unwilling to move into aged care facilities. This trend is prevalent even in economically depressed places such as Greece and Cyprus.

Such a plan could be a far better alternative for helping Australia’s federal Budget in the long term than lifting the retirement age to 70. On average, even low-income residence aged care in Australia costs the Government about $47,000. If 12,000 such couples were being looked after in their own homes at their own cost, the savings to the Government could be $564 million. You may wonder how people overseas can afford live-in carers. In Cyprus, where I was staying, the Government introduced a scheme some years ago whereby foreign workers — predominantly from the Philippines, eastern Europe and Vietnam — could be hired as carers at affordable rates to live with and look after the elderly.

The live-in carers are regulated and approved by a government department and accessed from registered agencies. They must be paid a minimum of $60 per month (about $60) and all their living costs covered. Care work a six-day week and no more than 46 hours in a week. The scheme has inspectors and a complaints system to ensure fines are issued for breaches of working conditions under European Union rules. The carers are required to return to their own countries within three years.

It is true that the wages those workers receive are low by Western standards. Nevertheless, they are high by standards in their own countries and carers also receive all their living costs. When I was last in Cyprus my wife was unwell and was treated in the local hospital. The two elderly women in the same room had Vietnamese carers who would spend up to four hours at a time at their bedside comforting them. The affection and tenderness those carers showed was inspiring. Perhaps it is not surprising, given that they tend to come from cultures that revere the elderly.

Foreign carers will not take Australian jobs as I doubt the small number of existing Australian live-in carers who cater to the rich and receive award wages in Australia would be affected by such a scheme. It should be of greater concern that our telemedicine and telehealth services have been shut down and the carers are not there to assist.

In Greece and Cyprus, the price of a government nurse and a live-in carer (a leave-in carer is an important worker) is better than in Australia. In essence, a live-in carer in the UK would be a bit more expensive, but the alternative is to pay the high cost of aged care in Australia. This is obviously a double whammy for the elderly as they would have to pay an extra 10% of their income to remain in their own homes.

And aged Baby Boomers may be able to stay at home, pay around the garden and listen to their vinyl records for a little bit longer.

Theo Theophanos is a former state government minister.

Retirees are the reverse sea change, with hundreds of ageing hipsters now choosing to enjoy their twilight years high up in the CBD.

A former hairdresser and model, Dorothy Henry Greener, 89, said despite being scared of heights, city living had helped her to stay connected.

Yesterday, she was one of the first to move into Rathdowne Place — a five-storey nursing home in Carlton. “It’s lovely, I can be taken out during the week for excursions and it’s only 10 minutes away from my daughter,” she said.

Australian Unity regional manager Charmaine Waugh said city living aimed to help keep families in touch with their loved ones.

“This building is cutting-edge stuff for aged care and it’s not a model you’ve seen before,” Ms Waugh said.

“Residents can sleep in if they want, they can cook, they’re not forced to eat dinner at set times.

“I’ve worked in aged care for a very long time and I can honestly say for the first time I could actually live here.” Facilities include a home cinema, gym, rooftop garden and hydrotherapy pool.

Families will pay a bond of up to $1.5 million to secure the penthouse with sweeping city views but bond rates average about $50,000 depending on individual circumstances.
“Long term care providers have been very slow to recognise structural change despite being immersed in an industry in constant flux… They live in splendid isolation, impervious to change, and taking great comfort from the flawed logic that the baby boomer generation will deliver them both occupancy growth and enhanced returns.

There will certainly be room for every current provider, but not the current model. It is care Darwinism. Those that understand evolution will adjust to survive. Those that don’t will be replaced by those who recognise the changed opportunities.”

*Jillian Skinner, NSW Health Minister*
*AHHA Healthcare Roundtable, 30 April 2014*
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Embracing a consumer future

Sustainability

Technology

Consumer Expectations

Sector Reform

Workforce

Ageing Demographics

2013 - 366*

2023 - 595*

*Australians turning 75 per day; and living longer!

Stay at home
In home care
Retirement villages
Aged care

A complex system

Source: NOW NATION OF WELLBEING 4-5 October 2014, Melbourne Convention & Exhibition Centre
Challenges, risks, threats

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Our core business

Limited players in each market

Source: Royal Freemasons Strategic Planning 2013
Our core business

CONTINUUM OF CARE

- HOME
- RETIREMENT
- AGED CARE

**CARE LEVEL**
- None
- Personal Services
- Low
- High

**REGULATION**
- Moderate (State)
- High (Commonwealth)

**FUNDING**
- Sale / Resident Contribution
- Subsidies / Fees / Accommodation Bonds

**REVENUE SOURCE**
- Residents
- Government / Residents

**KEY RISKS**
- Property / Values / Demand
- Operational Expertise

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A principled approach to growth
A principled approach to growth

Growth Strategy

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Enablers of the business:

- **Cost structures**
- **Revenue streams**

A principled approach to growth

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Response to reforms

Royal Freemasons

HOMES THAT CARE

Commencing Wednesday 16th April - 21st May
Screening: 7pm Wednesday
Repeated on: 3.30pm Thursday | 1pm Saturday
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- Springtime, Sydenham (50)
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Response to reforms
Look overseas for answer

By THEO THEOPHANOUS

It's time Australia looked to Europe for inspiration and considered allowing foreign careers to look after our elderly in their own homes.

Many of us Baby Boomers have watched the difficult and often deteriorating experiences that our parents went through in aged care or nursing home facilities and it is the last thing we want for ourselves.

Call it selfish or a desperate attempt to hold on to freedom, but many of us would like to live in the comfort of our own homes until a very old age. But we will need help to do that. The Home and Community Care program is inadequate and paying privately for care at home is very expensive.

That's why I was surprised during a recent trip to Europe to see so many people in their 80s and 90s living at home and being cared for by family or hired help. Average and low-income earners are increasingly turning to home care because they cannot afford or are unwilling to move into aged care facilities. This trend is prevalent even in economically depressed places such as Greece and Cyprus.

Such a plan could be a far better alternative for helping Australia's federal budget in the long term than lifting the retirement age to 70. On average, even low-instery residential aged care in Australia for an elderly couple costs the Government about $74,000. If $5,000 each couple were being looked after in their own homes at their own cost, the saving to the Government could be $500 million. You may wonder how people overseas can afford live-in carers. In Cyprus, where I was staying, the Government introduced a scheme some years ago whereby foreign workers, predominantly from the Philippines, eastern Europe and Vietnam — could be hired as carers at affordable rates to live with and look after the elderly.

The live-in carers are regulated and approved by a government department and sourced from registered agencies. They must be paid a minimum rate of $600 per month (about $600) and all their living costs covered. Carers work a six-day week and no more than 40 hours in a week. The scheme has inspectors and a complaint system to ensure fines are imposed for breaches of working conditions under European Union rules. The carers are required to return to their own countries within three years.

It is true that the wages these workers receive are low by Western standards. Nevertheless, they are high by standards in their own countries and carers also receive all their living costs. When I was last in Cyprus my wife was amazed and upset to hear the local hospital. The two elderly women in the same room had Vietnamese carers who would spend up to 30 hours a week at their bedside comforting them. The affection and tenderness those carers showed was humbling. Perhaps it is not surprising, given that they tend to come from cultures that revere the elderly.

Foreign carers will not take Australian jobs as I doubt the small number of existing Australian live-in carers who cater to the rich and receive award wages in Australia would be affected by such a scheme. It should be of far greater concern that our über-courteous call centres overseas, pay a fraction of wages of what they would pay in Australia and deny thousands of Australians access to jobs they have always done in the past. Overseas workers might be out of sight and mind, but they are still being paid low wages by Australian companies to provide services to Australians.

Already an Indonesian institute has made a submission to the Productivity Commission arguing for a scheme to bring live-in Asian nannies to Australia and pay them $2,000 per week to overcome the high cost of childcare. This is doubly what they would earn in Indonesia. I would say that with such an arrangement, with burgeoning healthcare costs and with the acute projected shortage of aged care beds, the need for low-cost live-in carers for the elderly is even more urgent.

And ageing Baby Boomers may be due to stay at home, putter around the garden and listen to our vinyl records for a little bit longer.

to our aged care problems

Dorothy Henry Greener, 89, in her new Carlton lodgings. Picture: NORM OORLOFF

Retiring on high

RETIRES are making the reverse sea change, with hundreds of ageing hipsters now choosing to enjoy their twilight years high up in the CBD.

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"I've worked in aged care for a very long time and I can honestly say for the first time I could actually live here."

Facilities include a home cinema, gym, rooftop garden and hydrotherapy pool.

Families will pay a bond of up to $1.5 million to secure the penthouse with sweeping city views but bond rates average about $300,000 depending on individual circumstances.
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There will certainly be room for every current provider, but not the current model. It is care Darwinism. Those that understand evolution will adjust to survive. Those that don’t will be replaced by those who recognise the changed opportunities.”

Jillian Skinner, NSW Health Minister
AHHA Healthcare Roundtable, 30 April 2014
• Draw on your experience and reflect on where there might be risks and opportunities for public sector providers.

• Share some insights on the changes, impacts and future of aged care services provision for Royal Freemasons in light of the reforms.
It is critical for leaders to be successful at managing change.

Because it’s their job.
“Keep in mind that you cannot control your own future. Your destiny is not in your hands; it is in the hands of the irrational consumer and society. The changes in their needs, desires, and demands will tell you where you must go. …observe events, analyse trends, seek the clues of change, and translate those clues into opportunities.”

Michael J. Kami
Chief Strategic Planner, IBM and Xerox
All models are wrong.

Some are useful.
Three elements must always be managed.

**Cost** = Financial, management of expenditure and revenue, assets & liabilities, cash flows, audit, investments, risk…

**Quality** = Continuous improvement, customer service, audits, peer reviews, benchmarking, accreditation, credentialing, risk, infection control, compliance…

**Access** = Access, waiting times, response times, time to medication, waiting lists, occupancy, turnaround times, turnover, vacancies…
Embracing a consumer future

Source: NOW NATION OF WELLBEING 4-5 October 2014, Melbourne Convention & Exhibition Centre
Regulation

• Aged care sector more highly regulated than ever - more regulation means increase in costs to ensure compliance

• Policy settings continue to control supply and aspects of price - manufactured market rather than free market

• Reduced capital to the broader sector caused by caps on Refundable Accommodation Deposits (RADs), removal of retentions and changes to means testing

• Aged care junior ministry does not give the sector confidence that the government takes aged care seriously
Market forces

- Demand for more access to services for those living at home
- Increasing complexity of customers (e.g., dementia)
- Increasing and differing expectations of customers
- Demand for a more client-focused, consumer-directed interaction between provider and customer
- Disconnect between customers of varying cultural and linguistic backgrounds and an increasingly immigrant workforce
- Oversupply of services in certain geographic areas, increased competition, potential for exploitation of consumers
- Prevailing culture of entitlement and cross subsidisation
- Potential bias towards favouring daily accommodation payments (DAPs) over refundable accommodation deposits (RADs)
Challenges, risks, threats

Investment

• How will 74,000 new residential care places required over the next 10 years be funded?

• Ageing building stock infrastructure needs to be replenished
  o Diminishing useful life of facilities
  o Configuration of some floor plans present a challenge to occupancy rates
  o Sub-optimal location of existing residential facilities
  o Inability to harness economies of scale or critical mass (beds, facilities)
  o Shifting demographics, impacting on high cost facilities which cannot be relocated to follow market demand

• Which mix of services is optimal (low, high, dementia, transition, respite, day therapy, day care....)?

• How will these services complement core business services?
Challenges, risks, threats

Skills

- Lack of skilled staff vs significant increase in need for residential care places
- Skills shortage and quality exacerbated in rural areas
- Ageing workforce, with no strategies in place to replace
- Pay levels, turnover, comparative wages with acute sector
- Poor quality of training to qualified Carers entering job market
- Simultaneous multi-layered change with new people, new structures, new systems, new procedures
- Lack of business-driven mindset, except for “productivity savings”
- Inability to respond to changes fast enough – not agile
Advantage and opportunity for the public sector

Robust governance
- Governance structure already embraces a consumer future
- Culture of compliance within Quality and Financial Frameworks
- Thorough accreditation system for non-residential care
- Well-developed and established credentialing processes
- Flexible organisational structures capable of coping with demand

Technology infrastructure
- Most have upgraded ICT systems which enhance ability to optimise:
  - demand management
  - case management
  - budget management
  - central purchasing
  - workforce planning and scheduling
Planning prowess

• Sector’s reputation as planner, funder and provider of quality aged care

• Population-based approach to service planning

• Opportunities for market analysis to explore use of existing facilities with low or varying demand (due to competition or configuration) for alternate (more viable) purposes (Ansoff Matrix)

Service mix and diversification

• Potential to diversify and scale services and explore growth, partnerships or joint ventures

• Use of existing co-location of residential, sub-acute and acute settings and services to enhance integration of services and coordination of care

• On-site primary care or multiple services to facilitate transition of customers through various channels of support and service mix within and outside the health service and health care system.
Advantage and opportunity for the public sector

Advantage and opportunity for the public sector

- Opportunities to:
  - create a "community care hub" of multiple services
  - facilitate or provide consistent availability and comprehensive acute and chronic care to residents
  - maintain communication between hospital, home and the RACF to ensure continuity of care
  - minimize inappropriate transfers to acute care
  - avoid over-prescription of certain drugs
  - ensure appropriate use of advance directives
  - improve family support
  - improve on-the-job support for staff in specialised areas
  - improve morale of RACF workers
  - stimulate support from allied health staff
Collective strength

- Strong links between Boards and CEOs with broader healthcare market and government

- Linkages and strategic alliances with appropriate community organisations and other aged care and retirement living providers

- Further develop partnerships to leverage knowledge and reputation, and generate quality staff

- Regionalisation and clinical networks with strong governance across geographical areas is a viable option – growth through consolidation and improved cooperation

- Collective purchasing (such as through Health Purchasing Victoria)
Brand value and reputation

- Aged care brand usually associated with brand strength of acute service
- Security of government-backed operations
- Ability to drive innovation through government-funded pilots, trials, projects to develop new models of care
- Point of difference in connection with research and tertiary education
- New state of the art acute facilities currently in development provide a positive outlook of the future of health and aged care
- Volunteer programs that improve brand awareness, connect with community, harness goodwill, improve services
Who are Royal Freemasons?

• Founded in 1867

• Operating exclusively in Victoria

• Accommodate and care for over 1,200 older Victorians
  - 186 Independent Living Units in metro and regional sites
  - 61 Premium Retirement Apartments in Metro Melbourne
  - 365 Home Care packages
  - 20 Transition Care at Home (for Alfred Health)
  - 36 Transition Care residents (for Alfred Health)
  - 579 Residential Aged Care
  - 4,013 Wellness Service (hours per annum)

• 850 staff overseeing 23 sites

• 150+ volunteers
Who are Royal Freemasons?

Our “For You For Life” continuum of care model is reflected in all our services to ensure our customers live “secure, dignified and rewarding” lives.

Source: Royal Freemasons Strategic Planning 2013
Cottages on South side erected in 1867, 1887, 1895 and 1896.
1980s – Irymple (Mildura)
Independent Living
2009 – Redmond Park, North Carlton
Premium Retirement Apartments
2011 – Coppin Centre, Melbourne
Residential Aged Care - integrated
2015 – Streeton Park on Yarra, Heidelberg
Premium Retirement Apartments
Our core business

Limited players in each market

Source: Royal Freemasons Strategic Planning 2013
Our core business

CONTINUUM OF CARE

HOME → RETIREMENT → AGED CARE

- ILUs
- Serviced Apartments
- Low Care
- High Care

CARE LEVEL
- None
- Personal Services
- Low
- High

REGULATION
- Moderate (State)
- High (Commonwealth)

FUNDING
- Sale / Resident Contribution
- Subsidies / Fees / Accommodation Bonds

REVENUE SOURCE
- Residents
- Government / Residents

KEY RISKS
- Property / Values / Demand
- Operational Expertise

Source: Lend Lease
1. Understanding our current position and a particular market
   - What do we do?
   - Why do we do it?
   - What does the market need and want?

2. Exploring what’s possible - future positions and avenues
   - How can we do it better, more effectively?
   - Do we keep doing the same?
   - What else could we do?

3. Defining which avenues to pursue, setting a direction

4. Selecting a strategy, a particular course of action

5. Allocating resources to pursue this strategy
A principled approach to growth

Growth Strategy

- Achieve a 'Continuum of Care'
- Enhance long term quality care and service delivery
- Enhance long term financial sustainability
- Be driven by market forces
- Be based on sound commercial evidence and analysis

A well informed and evidenced business case

Source: Royal Freemasons Strategic Planning 2013
**The Business Model Canvas approach**

**Internal aspects to the business:**
- Key partners
- Key activities
- Key resources

**Value Proposition ‘bridge’**

**External aspects to the business:**
- Customer relationships
- Customer Segments
- Channels

**Enablers of the business:**

<table>
<thead>
<tr>
<th>Cost structures</th>
<th>Revenue streams</th>
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Source: Grant Thornton 2013
• Developed a Strategic Growth Plan based on five guiding principles:
  o Success and sustainability
  o Customer experience
  o People and culture
  o Brand value
  o Governance

• Goals include:
  o *Develop and implement new best value service models.*
  o *Increase care accommodation places in existing and new facilities*
  o *Deliver home care to 1,000 customers*
  o *Develop strategic relationships to fund and manage growth*
  o *Rank at top 25 quartile of the industry*
  o *Adopt contemporary best practice in operations*
  o *Provide equity of access in service streams*
Launched a sales and marketing drive focused on key recurrent customer questions:

- Refreshed all sales and marketing collateral
- Access Team
- 1300 1 ROYAL
- Reviewed and amended accommodation pricing
- New website
- TV mini docu-series
Response to reforms

Royal Freemasons

HOMES THAT CARE

Commencing Wednesday 16th April - 21st May
Screening: 7pm Wednesday
Repeated on: 3.30pm Thursday | 1pm Saturday

6 WEEK MINI TV SERIES
Response to reforms

Successfully acquired four facilities (215 beds, 40 units) since Dec 2013:

- Springtime, Sydenham (50)
- Monash Gardens, Mulgrave (97)
- Elizabeth Gardens, Burwood (68)
- Monash Gardens Village, Mulgrave (40)
Look overseas for answer

Theo Theophanous, 89, in her new Carlton lodgings. Picture: NORM OORLOFF

Dorothy Henry Greener, 89, in her new Carlton lodgings. Picture: NORM OORLOFF

to our aged care problems

per month (about $600) and all their living costs covered. Care was 60 hours a week and no more.

Our aged care workers are low by Western standards. Nevertheless, they are high by standards in their own countries and cities across Australia.

The two elderly women in the same room had Vietnamese care who would spend up to four hours a day in their homes. They were comforting their families. The affection and tenderness those care workers showed was heartening. Perhaps it is not surprising, given that they tend to be women from cultures that revere the elderly.

Foreign care workers will not take Australian jobs as I doubt the small number of existing Australian live-in care workers who work in enriched care and receive award wages in Australia would be affected by such a scheme. It should be for greater concerns that our government access to cultural centres overseas, pay a fraction of wages of what they would pay in Australia and deny thousands of Australians access to a job they have always done in the past. Overseas care workers might be out of sight and mind, but they are still being paid low wages by Australian companies to provide services to Australians.

Yesterday, she was one of the first to move into Rathdowne Place — a five-storey nursing home in Carlton. “It’s lovely, I can be taken out during the week for excursions and it’s 10 minutes away from my daughter,” she said.

Australian Unity regional manager Charmaine Waugh said city living aimed to help keep families in contact with their loved ones.

“People are making the reverse sea change, with hundreds of ageing hipsters now choosing to enjoy their twilight years high up in the CBD.

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Australian Unity regional manager Charmaine Waugh said city living aimed to help keep families in contact with their loved ones.

“This building is cutting-edge stuff for aged care and it’s not a model you’ve seen before,” Ms Waugh said.

“(Residents) can sleep in if they want, they can cook, they’re not forced to eat dinner at set times.

“I’ve worked in aged care for a very long time and I can honestly say for the first time I could actually live here.”

Facilities include a home cinema, gym, rooftop garden and hydrotherapy pool.

Families will pay a bond of up to $1.5 million to secure the penthouse with sweeping city views but bond rates average about $300,000 depending on individual circumstances.
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