CENTRE FOR GROWTH AND RESEARCH TRANSLATION

PURPOSE
To provide information on changes to Government investment in aged care research and present the case for parallel investment in research translation infrastructure to maximise sector benefits from this commitment.

CONTEXT

POLICY DRIVERS FOR PROMOTING AGED CARE RESEARCH
Recent public scrutiny of breakdowns in aged care quality have contributed to a series of reviews and inquiries into service providers and regulators, including:

- Royal Commission on Aged Care Quality and Safety
- Aged Care Workforce Strategy
- Review of National Aged Care Quality Regulatory Processes
- Senate Community Affairs Reference Committee Inquiry into the Effectiveness of the Aged Care Quality Assessment and accreditation framework
- House Standing Committee on Health, Aged Care and Sport Inquiry into the Inquiry into the Quality of Care in Residential Aged Care Facilities in Australia
- Senate Standing Committee on Economics Inquiry into Financial and tax practices of for-profit aged care providers
- Review of the operation of the Australian Aged Care Quality Agency by the Nous Group.

In the three years to 2017-18, the five most common reasons that residential aged care failed to meet accreditation criteria were directly related to workforce capability and the application of technology. They include: human resource management; clinical care; information systems; medication management and behavioural management. Similarly, the two most common reasons for complaints received by the Aged Care Complaints Commissioner are clinical care and medication management.

A number of the reviews into aged care quality highlighted the need for investment in aged care research to address data and workforce capability gaps, including the Aged Care Workforce Strategy and the Review of National Aged Care Quality Regulatory Processes.

MEDICAL RESEARCH FUTURE FUND (MRFF) INVESTMENT IN AN AGEING AND AGED CARE MISSION
Minister Hunt tasked the Department with developing a New Policy Proposal seeking Cabinet agreement to a disbursement of $175 million over 10 years from 2019-20 from the Medical Research Future Fund (MRFF) to support an Ageing and Aged Care Mission.

The priorities for this MRFF funding include addressing diseases of ageing and prolonging quality of life, workforce development and consumer choice.

Strategic investment has been made in dementia research infrastructure to support research translation through the creation of the NHMRC National Institute for Dementia Research (NNIDR). This investment positions dementia research for investment of MRFF funding.
• $50 million of the MRFF disbursement is earmarked for dementia research projects that will be managed through the NNIDR.
• In consultation with the Department, NHMRC are developing a New Policy Proposal for consideration in the 2019-20 Budget context to renew operational funding for the NNIDR for five years.
• The Department has sought approval to continue funding for two years for Dementia Training Australia – a consortium of research organisations that deliver a nationally accredited dementia training program to health and aged care service sectors.

No comparable infrastructure exists to support translation of broader aged care research.

**THE DEMENTIA AND AGED CARE SERVICES (DACS) FUND – AGED CARE RESEARCH**

The DACS Fund is designed to support emerging priorities and challenges in aged care for people with dementia and those that identify as Lesbian, Gay, Transgender, Bisexual and Intersex, Aboriginal and Torres Strait Islander or individuals from a culturally and linguistically diverse (CALD) background.

The DACS Fund supports a competitive Research and Innovation Grant Funding Round. The DACS Fund also provides funding at the discretion of the Minister for Senior Australians and Aged Care to unsolicited grant proposals or to address Ministerial priorities.

The Dementia and Supported Ageing Branch is developing a submission to Minister Wyatt that canvasses options to redesign the DACS Fund Research and Innovation Grant Funding Rounds to address targeted priorities.

**BARRIERS TO EFFECTIVE AGED CARE RESEARCH TRANSLATION**

**An industry view**

The Technology Roadmap for the Australian Aged Care Sector (2017), developed by the Aged Care Industry Information Technology Council, in collaboration with Flinders University, identified several barriers to research translation and technology uptake, including:

- Absence of a network linking end users with developers of technology to foster co-design;
- Fragmented capacity building and a failure to embed technology in aged care;
- Under-developed technology readiness amongst consumers and aged care providers; and
- Inequitable access amongst consumers to technology.

**A PAUCITY OF STRATEGIC INVESTMENT IN AGED CARE RESEARCH PRIORITIES**

Whilst research on dementia and neurodegenerative diseases is well supported in Australia, Government and private sector investment in other aspects of aged care innovation - including workforce capability and consumer supports - is low and highly fragmented, contributing to funding duplications and gaps.

There are strong market drivers for investment in aged care innovation. From 2011-12 to 2015-16, Government spending on aged care services increased by approximately 20 per cent. In spite of this,
Government funding for aged care workforce and service improvement, a key driver for reducing costs, decreased by 11.5 per cent to $240 million across the same period.¹

INEFFICIENT FUNDING ALONG THE PRODUCT DEVELOPMENT PIPELINE

Innovators who receive Commonwealth funding to develop innovations often experience difficulty securing subsequent funding to support further prototype development and follow-up proof-of-principle studies necessary to market promising new technologies (referred to as the technology 'valleys of death' – Figure 2 refers).

RESEARCH IS OFTEN POORLY ALIGNED WITH END USER NEEDS

Research priorities are often researcher-driven or identified by the Department based on an anecdotal understanding of end user needs. This frequently results in research that is not tailored to the specific needs of providers, limiting uptake by the sector.

Experience from Government funded aged care research

Aged Care Service Improvement and Healthy Ageing Grant (ACSIHAG) Program

A review of ACSIHAG (predecessor to DACS) research grant funding by Deloitte found that a lack of project sustainability and top-down system-level support for project undermined uptake of funded research.

The Cognitive Decline Partnership Centre

Ineffective communication between end users and research partners undermined delivery of project outcomes. The Centre will not be refunded when its funding support ends in 2019.

Teaching and Research Aged Services

A review of the program found that the projects that encountered challenges were principally those based on new partnerships between service providers and research institutions. This highlighted the importance of developing a network of established partners to guide future aged care research.

POOR INFRASTRUCTURE FOR KNOWLEDGE TRANSLATION

On average it takes on average 17 years for research evidence to reach clinical practice.²

Adoption of technology in aged care is underwhelming. Nurses identify several barriers to uptake including: a lack of time to review literature, identify innovations, implement and evaluate them; a lack of access to literature; and, a lack of expertise in critically assessing scientific literature.³

Knowledge translation infrastructure support nurses to engage with innovation. However, the nature of information delivery is critical to uptake by the aged care sector. A growing body of research on knowledge translation shows that strictly lecture-based education results in ineffective uptake of innovation. Greater success is found where educators apply multimodal delivery with tailored educational approaches. However, the infrastructure required to support this is expensive.

The Government currently funds Dementia Training Australia (DTA), a consortium of educators, to deliver multimodal education and training on dementia to all states and territories. No comparable infrastructure is available for the dissemination of information on broader aged care research.

**THE CENTRE FOR GROWTH AND TRANSLATIONAL RESEARCH (CGTR)**

**OVERVIEW OF MODEL**

The Aged Care Workforce Strategy Taskforce proposed the establishment of dedicated research translation infrastructure to support accelerated development and uptake of aged care research to improve aged care workforce capability, enhance models of care and support consumers to remain independent for longer.

The Taskforce’s CGTR model would create a research translation ecosystem, to foster formalised collaboration between end users, leading aged care researchers, investors and workforce educators that provide the skills, knowledge and infrastructure to support research translation from conception to market.

The model proposed below has been developed by the Department and differs in several key respects to the one presented in the Strategy and that was presented to Ministers Hunt and Wyatt by Professor John Pollaers OAM in June 2018. These differences in model design will be discussed in the next section.

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Figure 1. The operational model of the CGTR

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The CGTR has the following design characteristics:

- End user-directed funding priorities
- Collaborative ecosystem for end user engagement in project design
- Embedded process for nation-wide knowledge transfer to accelerate uptake of new technologies by industry.
- Provider co-investment to ensure that research funded is tailored to end user needs.
- Gated funding with investment across the product development cycle.
- Dedicated funding for projects focussed on regional Australia and special needs groups.
- Coordination with other aged care research funding bodies.

STRUCTURE OF CGTR

GOVERNANCE
An executive board will be established to oversee operation and advocate to industry, funding agencies and Government on research priorities and opportunities to improve research translation. It will comprise independent members with specialist expertise in research translation and product commercialisation and representatives drawn from outside of the consortium to ensure that the needs of the whole aged care sector are appropriately represented.

The executive board will be supported by expert advisory groups appointed to undertake targeted work to support executive board consideration of funding priorities, knowledge transfer systems and oversee ongoing evaluation of CGTR performance and research investments. The executive board will also establish partnerships with the NHMRC National Institute for Dementia Research (NNIDR), Advanced Health Research Translation Centres and Australian Research Council to align research priorities and leverage existing skills and infrastructure.

RESEARCH SEED FUNDING
The CGTR will manage an equity fund with co-investment by the aged care industry. This funding will prime the CGTR's research collaborative network and demonstrate its potential to the aged care sector, funding agencies and investors.

Dedicated funding will be allocated to projects designed to better address the needs of people that identify as Aboriginal and Torres Strait Islander, culturally and linguistically diverse, and lesbian, gay, bi-sexual, transgender and intersex to ensure equity of access to quality aged care services.

Research funding will be gated with investment at different stages in the product development pipeline to address known barriers to commercialisation of innovations. A rigorous process for performance evaluation of funded projects, managed through an expert evaluation advisory group, will ensure that continued funding is contingent on research meeting performance milestones.
KNOWLEDGE TRANSLATION

It is proposed that the Government’s investment in the national Dementia Training Australia education platform be leveraged to deliver a broader aged care curriculum that comprises innovations developed through the CGTR, as well as DACS and ACSIHAG. This would provide a multimodal education program, including online, didactic and tailored on-site training in all states and territories.

The likely focus of the Aged Services Industry Reference Committee on an increase in dementia training in core aged care vocational and higher education curriculum would undermine the DTA’s existing business model. Our proposal would divert some of this infrastructure to a broader aged care innovation mission.

Investment will be required to adapt DTA’s website to host an aged care Knowledge Translation Hub that will bring together validated tools and information resources on innovations, models of care and online training modules to improve the accessibility of this information to the aged care and health sectors as well as consumers.

Subject to agreement to this model, consultation will be undertaken with Dementia Training Australia to assess their willingness to participate in an expanded training model.

DIFFERENCES WITH THE TASKFORCE MODEL OF THE CGTR

This model of the CGTR differs with the original version proposed by the Taskforce in the following respects:

- The export function and engagement with Austrade has been removed
- Funding for research fellowships has been removed as these can be supported through existing competitive ARC and NHMRC fellowship programs.
- The Department proposal has a stronger emphasis on co-investment by CGTR partners.
- The cost of the model to Government has been reduced from $66.5 million over five years to $41.15 million over the same period.

PROPOSED FUNDING MODEL

CO-INVESTMENT MODEL

Members of the CGTR will contribute to the cost of its operation through the following:

- Academic institutions will contribute to the operational and staffing costs of delivering the CGTR.
• Industry will commit to investment in an equity fund to support research seed funding.
• DTA will refocus its training packages and manage delivery of the revised education program largely within existing funding.

The Advanced Health Research Translation Centres (AHRTC) provide precedent for this type of co-investment approach to research translation infrastructure. For participants, affiliation with the consortium increases their competitiveness in grant funding rounds, which is a strong incentive for involvement and investment.

COMMONWEALTH FUNDING

Table X. Indicative Government funding for the CGTR

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3Additional costs associated with national delivery of education will be absorbed within the current budget for the DTA.

Our proposal calls for allocation of $3 million per year from the MRFF Ageing and Aged Care Mission disbursement to support CGTR research. Since MRFF funds cannot be used for infrastructure and operational costs, it is proposed that the balance of this proposal (~$6 million per year) is funded out of DACS funds committed to conduct the Research and Innovation Grant Funding Round.

This approach would retain $6 million within the DACS Research and Innovation Funding Round budget for ministerial funding priorities, with that amount to grow in forward years as uncommitted funds can be designated for that purpose. It is proposed that projects formerly funded under DACS be transferred to the CGTR where more effective co-design, research evaluation and knowledge translation processes are likely to improve innovation uptake.

SUSTAINABILITY AND ONGOING COMMONWEALTH SUPPORT

The CGTR will over time act as a magnet for other sources of research funding into ageing and aged care priorities, including ARC and NHMRC mechanisms. The governance structure will facilitate engagement with NHMRC, ARC and other key funding agencies to advocate for aged care funding.

It will be important for Government to utilise this infrastructure to address additional aged care research priorities, drawing in another potential source of research funding.

Following the preliminary five years of direct funding, it is anticipated that CGTR operational costs will be supported through research grants awarded to the CGTR. Over time, intellectual property rights may draw an additional source of revenue to support operation and research seed funding, although this is likely to take some time to realise.

It is anticipated that ongoing Government support for knowledge translation will be required, but that this will be absorbed within current funding for DTA. The cost of training programs remains a significant deterrent to participation and ongoing Commonwealth support is essential to subsidise this cost.

If research projects to support care for people with special needs are transferred to the CGTR, as proposed, there will be a need for ongoing DACS funding to support these projects.
SENSITIVITIES

With an impending election and the focus on care quality and funding in the Royal Commission into Aged Care Quality and Safety, there is a risk that attention is drawn to a perceived lack of Government commitment to address issues raised in the Aged Care Workforce Strategy.

Investment in workforce capability through the CGTR (Strategic Action 12), coupled with the MRFF commitment to workforce research priorities would expand the Government response to this criticism.

There has been significant interest in the CGTR model, with several unsolicited proposals received from research and industry consortia vying to fill this role. One of the proposals is from the former Chair of the Aged Care Workforce Strategy Taskforce, Professor John Pollaers, on behalf of the National Ageing Research Institute Ltd.

TIMING

It is proposed that funding for the CGTR would commence from 1 July 2019, with research funding and knowledge translation beginning on 1 July 2020.

A competitive, open tender process would be conducted in early 2019 to establish a CGTR, with early consultation with academic institutions and aged care providers commencing in late 2018 to provide sufficient lead time to support development of quality proposals.

It is proposed that consultation commence with DTA as soon as practicable to ascertain their interest in participating in the CGTR. If the DTA consortium is willing, their participation could be managed through a direct approach.

Engagement with the Aged Services Industry Council and the Aged Care Industry IT Council would inform refinement of the CGTR model and the approach for industry investment in the equity fund.

RISKS

A detailed risk plan will need to be developed that addresses the complex nature of this project. However, there are a few key risks that merit consideration, including:

- **DTA refusal to participate** – Since the knowledge translation costs for this model are based on leveraging the existing DTA infrastructure, failure to secure this would have significant impacts on the CGTR budget. It is proposed that this could be addressed by delaying rollout of the knowledge translation function with funds diverted from DTA from 2021-22 to support CGTR knowledge translation when the current DTA contract expires.

- **Failure to agree industry-wide investment in the research equity fund** – This would likely result in a smaller group of providers investing in research; however, they may seek to retain intellectual property rights in return for their role in bankrolling CGTR research. This proposal has been designed to accommodate this, with Government fully subsidising special needs projects which would be difficult to fund under this model.

- **Delays to implementation** – The timeframes for establishing the CGTR are tight, with significant stakeholder engagement necessary to ensure effective design and industry support for the model. Delays in obtaining ministerial approval to establish the CGTR or executive support for the work program will delay roll-out which must commence in December 2018.
Key members absent from CGTR – The competitive tender process may result in key providers and academic institutions being excluded from the CGTR on the basis that they were participants in an unsuccessful bid. Consideration should be given to mechanism for inclusion of additional members to the CGTR following establishment.

POLICY RESPONSIBILITY FOR CGTR IMPLEMENTATION
The Strategy calls for the Aged Services Industry Council to implement the CGTR. However, this presents several risks to the effective implementation of the CGTR and delivery of Government aged care research priorities, including:

- The composition of the Aged Services Industry Council remains to be determined and it is unclear whether they will possess the experience to implement a complex piece of collaborative research infrastructure.
- Government interest in ensuring that research addresses needs in all communities, rather than disproportionately focussing on areas services by CGTR members.
- Disproportionate emphasis on provider research interests with limited attention to consumer supports.
- Governance arrangements do not prevent concentration of research funding within a few major organisations.
- Ensuring development of effective processes for engagement with key funding bodies to avoid funding duplications and gaps.
- The potential for ineffective processes for engagement with independent members in CGTR governance.
- Ensuring that knowledge translation draws on all evidence-based resources, rather than just focussing on ones developed by DTA members.

ENGAGEMENT WITH OUR MINISTERS ON THE CGTR
The former Chair of the Aged Care Workforce Strategy Taskforce, Professor John Pollaers OAM, provided a draft proposal for the CGTR to Ministers Wyatt and Hunt in April 2018. That proposal sought significantly more Government investment than the revised model presented in this paper.

The Department met with the former Senior Advisor to Minister Hunt, Alex Caroly, in August 2018 to discuss priorities for the MRFF Ageing and Aged Care Mission at which time it was noted that he felt the CGTR was a longer term priority.

On 19 October 2018, Minister Wyatt requested a brief from the Department on a Government response to the Aged Care Workforce Strategy, with particular focus on the handling of the CGTR. The Department provided the brief in late October (Attachment A refers).

PROPOSED APPROACH TO MODEL DEVELOPMENT AND IMPLEMENTATION
A high level project plan is at Attachment B.