



MHA response to Competition and Markets Authority report on care homes

The year-long market study has now reported its findings. You can read the full report at <https://www.gov.uk/cma-cases/care-homes-market-study> as well as MHA's submission to the report

https://assets.publishing.service.gov.uk/media/5981eb4be5274a1707000046/mha_response_to_update_paper.pdf

Below are the main findings of the report, along with MHA's response to them.

The current system for providing care is not sustainable without additional funding. The CMA has identified a funding shortfall of £1 billion a year across the UK because councils are paying fee rates for the residents they fund which are below the costs care homes incur. This has led to care homes propping up their finances by charging higher prices to those who pay for their own care (self-funders). On average, self-funders' fees (£44,000 per year) are around 40% higher than those paid by councils.

We are pleased that the CMA has recognised what we, and many in the sector, have been saying for some years now, which is that the current system for providing care is not sustainable without additional funding. Many councils are simply not meeting the real costs of care.

At MHA, we do not make any distinction between self-funded and state-funded residents in the way we assess individual need, which then determines the costs of the care they need and the fee levels. There is no difference in our care assessment process for those who are self-funded and those who are state-funded or those who have a combination of funding.

We have a standard care needs assessment across all our care homes. It assesses the individual's level of need (standard, medium and high) and the type of care required (residential, residential dementia, nursing, nursing dementia). We then have a clear matrix which shows how the care assessment findings are used to set the fee level for the individual. The fee matrix, displayed in each home, shows up to three levels of need (standard, medium and high) and the types of care on offer (residential, residential dementia, nursing, nursing dementia). Residents will fit into the relevant fee level set out using this matrix, based on their care assessment. In some homes, room rates are also a factor, for example, where we have older homes with very different room options. In newer homes the rooms are predominantly the same.

As well as funding issues, there are also very variable commissioning and procurement practices amongst both Local Authorities and Clinical Commissioning Groups. The CMA consider the use of electronic platforms and dynamic online purchasing systems. These are a key area of concern for us and we do not agree with CMA's analysis that these systems can bring benefits if properly designed.

Our experience of such systems is that they are not the way to commission high quality person-centred care. They do not enable proper choice for the individual and do not help individual older, frail and vulnerable people to have their needs met in the way they would like to choose, by the provider they would like to choose, in the place they would like to choose and in the way their relatives would like to see care commissioned and procured. In our experience, it seems that, as well as severely limiting choice, these systems also seem to give disproportionate weight to price rather than a provider's ability to meet needs and the person's preferences.

We fully support the recent statement by the Care Provider Alliance who "... strongly opposes the use of reverse auctioning in social care. People should not be treated like commodities. Commissioning services in this manner fails to take the individual care needs of service users into account and removes any element of choice in the kind of care that they receive".

These systems are enormously bureaucratic for providers, both in terms of monitoring them to identify new packages of care within the 'bidding window' and in terms of the amount of information required to support each 'bid', even if the 'bid' is not successful. This places an additional and bureaucratic cost burden on providers.

Beyond the challenges of continuing to meet existing needs, the sector must grow substantially as the population ages. However, uncertainty about future funding, including whether council fees will cover the full costs of care, currently means that there is not enough investment in new accommodation for council-funded residents.

We provided evidence to the CMA about our concern of the wider fragility of the sector, highlighted by the ongoing social care funding crisis, workforce pressures and red tape. We agree that uncertainty about future funding is not helpful for the sector in terms of future growth and investment.

MHA is one of the most well respected charity care providers in the sector. As a charity we aim to provide good quality services which represent excellent value for money and since we are a charity, all of our surplus income is reinvested into providing and improving services for older people now and into the future.

This approach has enabled us to invest in some new care homes Oak Manor in Shefford opened in autumn 2017, and we have a home being built in Middlesbrough (Stainton Manor) due to open in early 2018.

The issue of ongoing workforce pressures in social care is also relevant here. The continuing under-investment in the training of the nursing workforce means that we face a serious shortage of nurses working in social care and the associated costs and difficulties in the recruitment of both nurses and carers just adds to the uncertainty for future provision.

Many people choose care homes during an emotionally traumatic time, but the basic information and support needed is often not available to help them navigate the system and make informed choices.

We agree that the social care and associated funding system is difficult to navigate, particularly at times of personal and individual crises and welcome the CMA's recommendations to address this to make it easier for people.

At MHA we work very hard to make sure we provide as much information about our care homes as possible. We do this online, where you can search our range of care homes using different

criteria, such as type of care (e.g. residential care, nursing care, dementia care) and geographical location.

Our individual care homes also work hard to raise awareness of the services we provide in local communities. We believe local relationships and word of mouth recommendations are also very important – such as through local GPs, hospital discharge teams, local authorities, local community groups, local church groups, our 57 ‘Live at Home’ schemes, etc.

All our homes provide an application pack for prospective residents and their relatives, which include an explanation of the types of care provided, the range of fees in the home and information about funding routes. But we will always encourage people to come and visit the care home they are considering. A personal visit is very important to experience the ‘feeling’ of the home, the sense of the community within the home and understand the overall picture of life with us. It also enables us to have a really thorough conversation about what we can and can’t offer and it enables them to meet the staff team who will provide their care.

We also recommend the use of ‘taster’ days, so prospective residents can come and spend the day with us well as respite care options.

What makes MHA’s approach to our residents, potential residents and their families different?

At MHA we build connections with residents, their families and the wider community, as we believe it is important in helping our residents live happily in later life. Examples of how we do this include, our focus on the spiritual wellbeing of our residents, which is just as important as their physical and mental wellbeing. This is provided for free through our chaplaincy service, with 140 Chaplains who are a source of counsel, advice and guidance. They are there for people of all faiths or none at all.

We also provide free, dedicated music therapy service for our residents who are living with dementia in our dementia care settings. We employ a team of 21 qualified music therapists who deliver both group therapy and weekly 30-minute individual 1:1 sessions for residents with dementia who have severe difficulties in communication, behaviour or wellbeing. Music therapy is a recognised clinical treatment that helps to improve wellbeing and reduce the anxiety and agitation which dementia can cause. It helps to regulate mood and emotion and the insights from the therapy session can help staff understand possible causes of anxiety and agitation and respond accordingly in the way they care for the person.

We are able to offer both of these services free of charge to residents, since as a charity, we are in the fortunate position to be able to use fundraised income from our generous supporters to meet the full costs of both our chaplaincy and music therapy services.

There needs to be greater protection in place for people in care homes. Residents and their families often find it difficult to raise concerns or make complaints, and the systems for redress and feedback need to be improved. There is also too great a risk of residents being treated unfairly, and in breach of their rights under consumer law. Examples of the CMA’s concerns include where homes are not being clear enough up front about their prices or terms and conditions, do not protect residents’ deposits effectively against the risk of insolvency, are not fair when asking a resident to leave or when they ban visitors.

It was disappointing for the sector overall that the CMA found some serious issues with consumer protection and concerns of unfair treatment of some of the most vulnerable groups in our society, so we welcome their calls for greater protection, fair treatment and rights of redress.

Here at MHA, we have high standards of openness, transparency and respect for our residents and their families. This is part of our values, which underpin our entire approach and can be found here: <http://www.mha.org.uk/about-mha/mission-and-values/>

We do not charge a deposit. We would never ask a resident to leave at short notice and we only charge residents up to the point when they leave us, including the notice period. When a resident passes away, the fees stop. We would only continue a charge if the relatives wish to keep the room for some time afterwards.

We have clear standard Terms and Conditions. Our Residential Care Agreement and Resident's Terms and Conditions explain that the first eight weeks with us are a trial period, so a resident only needs to provide only a week's notice to leave within that first eight weeks. (After that, four weeks' notice is required.)

We include details about our fees in our care home application packs and display them within each home. We do not currently publish our fee matrix online, as it's important to us that we are able to fully assess the needs of the potential resident prior to setting the fee for the care they need. We also believe that it's more helpful for potential residents and their relatives to have a conversation with us about fees, so we can help them to understand the complexities of funding rather than simply publishing the fees.

It is important to us, that if a resident or a relative is not happy with any aspect of our service, they are able to tell us quickly and easily. That's why our complaints procedure and policy is available to residents and relatives, within their application pack and online (http://www.mha.org.uk/files/4214/8527/8055/MHA_complaints_procedure_.pdf). All our homes have posters on display explaining about our compliments, comments and complaints policy which encourages feedback. Feedback forms are available throughout our homes to help people tell us what they think.

MHA is also an active member of the Your Care Rating consortia, which was established so that all residents living within a care home are given the opportunity to provide views and feedback via an annual, independent, confidential and standardised survey (<http://www.yourcarerating.org/survey-results/>). This feedback, along with our quality inspections, enables us to make sure we are providing the best care and quality of life we can for our residents.

This year we introduced our 'Quality Circles', where staff, residents, relatives and volunteers come together to capture simple suggestions and discuss issues that can really make a difference to the experiences of residents. In one care home this has resulted in the introduction of an indoor garden experience, extending outdoors into a themed beach area with deck chairs, pebbled area, mural and wind breaks. This has encouraged more residents to use the outdoors and has resulted in a local community group support. These Quality Circles have been trialled within five MHA services and will be rolled out across our care homes, giving ownership for quality improvement to front line staff, residents, relatives and volunteers.