Australian aged care home closes abruptly, traumatising residents

By Jenny Campbell
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At 2 p.m. on July 11, the acute care wing of the Earle Haven nursing home at Nerang, in the Queensland city of Gold Coast, suddenly shut down, leaving 71 distressed elderly residents without a home. During the next 11 hours, the traumatised residents were relocated to other aged care homes and hospitals by hastily assembled ambulances and Queensland Health staff. Three residents were taken to hospital, with one reportedly in a critical condition requiring intensive care.

Nurses and other Earle Haven staff members said they watched in horror and shame as patients were left in limbo, with their medications, patient records and equipment quickly removed from the premises. Nurses called the triple-O emergency number when they realised that the residents, many suffering dementia—had been left with nowhere to go. One nurse told reporters it was "absolute mayhem."

Staff members were advised to leave the premises by management because they would no longer be covered by insurance. Despite this, nurses and other staff, who are now out of a job and have not received wages for a month, stayed behind to tend to their patients while waiting for the police and Queensland Health officials to arrive.

In stark contrast to the cut-and-run behaviour of the two companies involved, unpaid staff members also worked through the night to assist the relocation operation, along with former staff colleagues, who heard of the situation and arrived to assist in any way they could.

Earle Haven was stripped of computers, medications, medical and cleaning equipment by "strangers," a nurse told reporters. Nurses and Queensland Health staff had to find alternative means of building patient and medication profiles because the patient database had been removed earlier in the day.

The frantic relocation operation was the result of a contract dispute between Earle Haven's owner, People Care Pty Ltd, and the contractor it hired to run the facility, HelpStreet, both private companies. HelpStreet CEO Kristofer Bunker, told the media that staff had not been paid for a month, previous payments had been delayed, and bills were left unpaid. There are conflicting accounts between the two companies as to which company stripped the facility of equipment and medicines.

A brief police investigation concluded there was no evidence of criminal offences and therefore no charges to lay. Regardless of that finding, both companies are responsible for what happened.

The abrogation of duty of care toward vulnerable residents, requiring an emergency response to the sudden closure, points to the brutal profit calculations with which companies operate throughout the aged care and health care sectors. It also demonstrates the human cost of the increasing privatisation, and lack of regulation, of such critical services.

Earle Haven Retirement Village is still in business. People Care's director and executive officer, Arthur L Miller, told concerned family members and residents of the "independent living" part of the retirement village: "You don't have to worry about yourselves in your units—everything is all right. We are continuing business as usual, there's nothing wrong there."

As far back as 2007, People Care was sanctioned by the federal Department of Health. An Australian Aged Care Quality Agency report on Orchid House, within the Earle Haven complex, found "serious risk" regarding "Expected Outcomes, Continuous Improvement, Human Resource Management and Information Systems."

In 2016, the same nursing home was again sanctioned, due to: "Failure to ensure that care recipients receive appropriate clinical care; Failure to ensure that care recipients' medication is managed safely and correctly; Failure to ensure that care recipients' skin integrity is consistent with their general health."

On the same day, Hibiscus House, another part of Earle Haven, was sanctioned for “immediate and severe risk to care recipients' safety, health and wellbeing” by failing “to ensure that care recipients receive appropriate clinical care; that care recipients' skin integrity is consistent with their general health; that care recipients receive adequate nutrition and hydration; and failure to provide care recipients with a safe and comfortable environment.”

In 2017, People Care was given a Notice of Non Compliance and made ineligible “to receive Commonwealth subsidies for any new care recipients for a period of four (4) months.” The notice applied these penalties: “Revocation of approved provider status, unless an administrator is appointed by the approved provider for a period of four (4) months, at its expense, to assist the approved provider to comply with its responsibilities in relation to governance and business operations.”

In January this year, People Care was given another notice for failing to provide an Aged Care Financial Report. At a meeting called by People Care nearly a week after the unprecedented closure, it was revealed that Earle Haven had been issued another sanction by the Department of Health, preventing it from accepting new residents for six months.

The fact that Earle Haven was permitted to continue operating despite regular sanctions and non-compliance notices illustrates not only a lack of effective oversight by federal and state governments, but also a flouting of standards and responsibilities by the profit-driven companies now operating in the aged care “industry.”

According to the 2017–18 Report on the Operation of the Aged Care Act, prepared by the federal government-funded Australian Institute of Health and Welfare, the number of sanctions issued to aged care providers more than doubled during 2017-18, to 26 notices covering 21 aged care facilities, compared to 11 the previous year. In addition, 166 non-compliance notices were issued. Of those, 153 were for “failure to meet quality standards.”

Reports of assaults on residents have increased also. In 2017–18, over 3,226 reports were investigated for “unnecessary use of force” and there were 513 complaints of “unlawful sexual conduct” of residents.

Both federal and state ministers feigned outrage that a contract dispute had caused the Earle Haven residents to be abandoned. The federal Liberal-National government’s aged care minister, Richard Colbeck, said it was “outrageous” and “simply unacceptable.” The Queensland Labor government’s health minister, Steven Miles, called on the federal government to “put in place a process so nobody ever has to go through this again.”

The truth is that Labor and the Coalition are politically responsible for such conditions. The aged care sector, as with all health sectors, has suffered budget cuts under Coalition and Labor governments alike in the relentless push toward privatisation.

In a bid to head off mounting anger over the poor conditions, lack of services, neglect and isolation that elderly people suffer, the federal government last year set up a Royal Commission into Aged Care Quality and Safety. It has heard horror stories of understaffing, the absence of registered nurses in facilities, substandard food quality and a myriad of patient abuses, including severe neglect.

Sworn evidence given by aged care workers, those living in aged care facilities and family members, has underscored how the cost-cutting drive for profit jeopardises the health, safety and quality of life of residents and patients.