Aged Care Reform

30 May 2013

The Australian Government has embarked on a 10-year process to reform the aged care system. The reforms aim to build an integrated system of supports that offer more choice and control to older people, have a greater emphasis on restorative and preventative care, and that address the needs of the ageing population.

Overview

As part of the National Health Reforms, the Council of Australian Governments (COAG) agreed to transfer all funding and operational responsibility for support services for non-Aboriginal people over the age of 65, and Aboriginal and Torres Strait Islander people over the age of 50, to the Commonwealth Government. The Government referred the issue to the Productivity Commission for a public inquiry, and to make recommendations about redesigning the aged care system in Australia. After extensive consultation, the Productivity Commission released its final report and recommendations in August 2011. In April 2012 the Government announced its reform package, *Living Longer, Living Better.*

Key Changes

Home and Community Care (HACC)

HACC services will not experience any significant changes until 1 July 2015. After 1 July 2015, HACC services will be absorbed into the Home Support Program, along with the National Respite for Carers program, Assistance with Care and Housing for the Aged, and Day Therapy Centres. HACC service types, planning regions and unit pricing will be reviewed, and a new national fees policy will be introduced. Some clients will be moved to Level A packaged community care. Assessment processes will be reviewed, with a view to aligning assessment processes within Home Support Program services and Aged Care Assessment Team (ACAT) assessment processes.

Packaged community care

The number of community care packages (to be called Home Care packages from 2013) - Community Aged Care Packages (CACPs), Extended Aged Care at Home (EACH) and Extended Aged Care at Home - Dementia (EACH-D) packages will increase. Two new types of package will be introduced from 1 July 2013: one level below CACP, and one between CACP and EACH. A new Dementia Supplement will be introduced, available to all package levels. Funding changes and means testing will mean that consumers will pay more in fees, depending on their level of income. Packaged community care will be delivered on the basis of Consumer-Directed Care (CDC), which will allow consumers greater choice and control over their supports.

Residential care

There are a range of reforms in store for residential care, including:

*The elimination of low and high-care distinctions, resulting in providers being able to charge bonds for all residential care places;
*Introduction of means-testing and capping of fees;
*Changes to funding instruments to reduce government subsidy level; and
*Increases in accommodation subsidies for supported residents and rural and regional facilities.

Support for carers

Funding for respite and carer services will increase, with the potential for the amalgamation of all respite programs into a single program from 2014, with more flexible models and standardised assessment processes. $11 million over 5 years has been allocated for establishing Carer Support Centres, which can broker emergency respite and counselling, provide information, and make referrals.

Information, referral & assessment

An Australian Seniors Gateway Agency will be established to provide a one-stop-shop for information and referral for accessing aged care services. Initially only involving a website and call centre, after 2016 the Gateway may also conduct assessment for eligibility for services. A new national assessment framework will be developed. A new My Aged Care website will publish information and allow some self-service functions. A linking service will assist people with complex needs to access health, disability, housing, financial and other services.

Workforce

A new Workforce Compact will be developed from 2012-13 that will deliver increased wages, and workforce development initiatives. The Compact will allow providers who sign it and have an Enterprise Agreement that delivers higher wages to workers to access a Conditional Adjustment Payment for extra funding to cover increased wages.

Regulation

A new Aged Care Financing Authority will be set up to provide advice about pricing, and to approve accommodation charges. The Aged Care Quality Agency will replace the Aged Care Standards and Accreditation Agency as the body which monitors providers and confers accreditation. New quality indicators will be published to the My Aged Care website.

Timeline

Background

*National Health and Hospitals Reform Commission Final Report (June 2009)
*Productivity Commission Inquiry Report: Caring for Older Australians (August 2011)

So far

May 2013

*Aged Care Reform Implementation Council Bi-Annual Report 1 July - 31 December 2012
*Draft Aged Care Workforce Supplement Guidelines (closes 30 May)
*Dementia and Veterans' Supplements in Aged Care Consultation Paper (closed 22 May)
*Consultation Draft Home Care Packages Program Guidelines (closed 17 May)
*Accommodation Pricing Guidelines Consultation Paper (closed 1 May)
*Senate Community Affairs Legislation Committee Inquiry: Aged Care Reform Amendment Bills (closed 22 April)
*Aged Care Reform Update No. 7 - 18 April 2013
*National Aged Care Workforce Census and Survey Report 2012
*National Assessment Framework and Tool for Aged Care

March 2013

*National Aged Care Alliance - Aged Care Reform Advisory Groups

*December-January Communiqué from the Gateway Advisory Group
*Communiqué from the Home Care Packages and Consumer Directed Care Advisory Group
*Communiqué from the Specified Care and Services Advisory Group
*Communiqué from the Quality Indicators Sub Group
*Aged Care Reform Implementation Council Communiqué - 15 February 2013
*Assessment Framework and Tool for Aged Care project
*Aged Care Workforce Compact and Supplement

December 2012

*Final Ageing and Aged Care Strategy for People from Culturally and Linguistically Diverse (CALD) Backgrounds
*Final Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) Ageing and Aged Care Strategy
*Communiqué from the Home Support Advisory Group
*November Communiqué from the Gateway Advisory Group
*Healthdirect Australia contracted to develop the Gateway - industry briefing
*NCOSS Submission on Proposed changes to the Aged Care Act 1997 and related legislation
*Decisions on Accommodation Payments for residential aged care providers

November 2012

*Overview of proposed changes to the *Aged Care Act 1997*
*Aged Care Financing Authority: Advice on Accommodation Payments given to Minister Butler
*Aged Care Approval Round (ACAR) announced
*Home Care Packages:
  *
  National Aged Care Alliance advice
  *Overview of Consumer Directed Care arrangements

*DoHA & National Aged Care Alliance (NACA) working groups established
*Auditor-General Report on the management of the Aged Care Complaints Scheme
*Draft Culturally And Linguistically Diverse Aged Care Strategy out for consultation (now closed)
*Draft LGBTI Aged Care Strategy out for consultation (now closed)
*New funding rounds announced:
  *Aged Care Service Improvement and Healthy Ageing Grants Fund
  *National Respite for Carers Program Expansion Funding Round
  *Better Health Care Connections: Models for Short Term, More Intensive Health Care for Aged Care Recipients Program
  *Better Health Care Connections: Aged Care Multidisciplinary Care Coordination and Advisory Service Program

August 2012

*Announcement of the Aged Care Financing Authority:
  *Composition
  *Interim Operating Framework

The Aged Care Financing Authority also conducted two consultations about subsidies in residential care:

1) on the meaning of "significant refurbishment" for the purpose of deetermining eligibility for higher accommodation supplements ; and
2) another on accommodation payments.

*Announcement of the composition of the Aged Care Reform Implementation Council.
*National Aged Care Conference, 6-7 August: Communique
*Unveiling of the new National Assessment Framework
*National Aged Care Alliance (NACA) Working Groups set up to advise DoHA on aged care packages and Consumer Directed Care. See the Membership and Terms of Reference for the NACA Home Care Packages Working Group, and the report from the first meeting.

1 July 2012

*Expiry of HACC contracts with ADHC in NSW. New contracts between DoHA and HACC providers for older people come into effect. New contracts between ADHC and HACC providers for people under 65 and Aboriginal and Torres Strait Islander people under 50 come into effect.

1 July 2011

*Expiry of the HACC Triennial Plan. Commonwealth government took over funding responsibility for HACC services for Aboriginal and Torres Strait Islander people over 50 and non-Aboriginal people over 65. This involved a Treasury-to-Treasury transfer without any impact on services.

Timeline for reforms

2012-13

*Offer of new Home Care packages through Aged Care Approvals Round (ACAR)
*Development of the Workforce Compact to commence
*Development of My Aged Care website
*Increased funding for advocacy and Community Visitors programs

2013-14

*New Home Care packages - 2 new funding levels introduced
*Service type and unit pricing reviews for Home Support Program
*Development of national fees policy for HACC services, to be applied to the Home Support Program

*Funding for behavioural support for people with dementia to be implemented 2014-15
*Consolidation of respite services into a single program
*Implementation of means-testing for Home Care packages and residential care
*Linking service established as part of Gateway to link people to disability, health, housing and other community support
*Removal of high/low care distinction in residential care and implementation of new funding levels

2015-16

*Establishment of the Home Support Program

2016 onward

*Possible extension of Gateway to include assessment services
*Possible removal of cap on places for Home Care packages

Resources

*Living Longer. Living Better. webpage
*Living Longer, Living Better Aged Care Reform Package (20 April 2012)
*yourhealth.gov.au > Aged Care

NCOSS

*Subscribe to the NCOSS Ageing & Disability Update for the latest information, announcements and events relating to the aged care reform process
*NCOSS Summary: Home Care Packages Program (May 2013)
*NCOSS submission on the draft Home Care Packages Program Guidelines (May 2013)
*NCOSS submission on Aged Care Bills (April 2013)
*NCOSS submission on the Accommodation Pricing Guidelines Consultation Paper (April 2013)
*NCOSS News article: 'Better Pay for Aged Care Workers?' (April 2013)
*NSW HACC Issues Forum Advice to the Home Support Advisory Group - issues raised with the National Aged Care Alliance Advisory Group for the Home Support Program (March 2013)
*NCOSS submission on the proposed changes to the Aged Care Act 1997 and related legislation (December 2012)
*NCOSS News article: 'Patchy progress on aged care reform' (September 2012)
*NSW HACC Issues Forum: Issues for Aged Care Reform - issues raised with Australian Government Minister for Ageing, Mental Health and Social Inclusion, the Hon. Mark Butler, MP, (February 2012)
*NCOSS Summary of the Caring for Older Australians Productivity Commission report (August 2011)

Links

*Council on the Ageing Australia Policy Alert: Aged Care Reform (April 2012)
*Aged & Community Services Australia Initial Analysis of the Australian Government's Aged Care Reform Package (April 2012)

See also

*Australian Government Advisory Panel on Positive Ageing
*National Health Reform
*National Disability Insurance Scheme

Information

*__Rashmi Kumar NCOSS Senior Policy Officer__ (older people, carers & community care)
Ph: (02) 9211 2599 ext 108
Email: rashmi@ncoss.org.au