



THE HON JUSTINE ELLIOT MP

Minister for Ageing MEDIA RELEASE

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MORE SUPPORT FOR AGED CARE PROVIDERS WITH THE ACFI

Aged care providers – including rural and smaller ones or those with specific needs – will be able to get practical advice on the new funding model from a dedicated free advisory service.

Department of Health and Ageing recently appointed KPMG – which has set up a project office – to deal with requests for assistance from Australia's 2,870 nursing homes as they make the transition to new funding arrangements.

The Australian Government recognised some may need help making the change and the service will provide \$3 million in business advice.

The new funding model – known as the Aged Care Funding Instrument (ACFI) –replaced the Resident Classification Scheme on March 20 this year. It had bi-partisan support.

Requests will be made through a dedicated webpage or a telephone hotline. -- 1-800-633-719 or www.acfi.kpmg.com.au.

In addition, the Australian Government has already indicated that it will take advice and monitor the implementation of the new funding model for aged care through the ACFI Reference Group – which was set up by the previous government.

The Australian Government has reiterated its commitment to review the ACFI in 18 months.

Earlier this week, leading aged care providers reported the ACFI is delivering better care as well as reducing red tape. In addition, several providers, including large commercial and not-for-profit mission-based providers, have confirmed that on average, their preliminary overall returns under the ACFI have been higher than under the pre-March 20 funding model.

This is in line with the intent of the new arrangements which was to provide increased funding for residents, with the greatest care needs such as high care and dementia.

Access Economics will independently analyse the first 20,000 ACFI claims received to check if it is performing as predicted. Results of this analysis will be available in July.

Overall the changes that the Government introduced on 20 March 2008, including the ACFI, will see an additional \$1.13 billion flow into the aged care sector over four years.

Mrs Elliot said the Australian Government is committed to the long-term viability of Australia's aged care sector and the protection of the nation's frail and elderly.

Over the next four years, funding for aged and community care will reach record levels of more than \$40 billion -- with \$28.6 billion of that on residential aged care alone.

"No government in Australian history has spent more on aged care and community care than this one. We are proud of our plans for aged and community care," Mrs Elliot said.

"This is about planning for Australia's future and the challenges of the 21st century.

"We want to ensure that older Australians can live independent lives and age in their own homes, but also have the option to enter aged care homes if they need to," Mrs Elliot said.

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