



THE HON JUSTINE ELLIOT MP

Minister for Ageing MEDIA RELEASE

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Review of Conditional Adjustment Payment for Residential Aged Care -- Formal Timetable – Call for Submissions

Nursing home and hostel operators, older Australians, unions and consumer representatives have been invited to lodge formal submissions to the Review of the Conditional Adjustment Payment (CAP) in residential aged care.

There are almost 3,000 nursing homes and hostels in Australia, providing more than 170,000 places for older Australians.

Minister for Ageing, Mrs Justine Elliot today released the formal timetable for the CAP review.

Advertisements would appear in national newspapers and submissions will be accepted up until Friday, 24 October 2008.

(The CAP review was announced in the May 13th Budget by Treasurer Wayne Swan.)

The Australian Government is investing more than \$40 billion in aged and community care over the next four years - \$28.6 billion of that figure on residential care alone.

In 2008-09 alone, the Australian Government will provide an estimated \$6.7 billion to support the provision of residential aged care.

“No Australian Government has provided more financial support in our nation’s history to aged and community care,” Mrs Elliot said.

At present, three per cent of the total Commonwealth budget is spent on aged and community care.

The CAP was introduced in 2004-05 by the previous Government to provide additional medium term financial assistance to residential aged care providers while encouraging them to become more efficient through improved management practices.

Over the last four years, the CAP has seen more than \$838.7 million in additional subsidies go to the residential aged care sector.

The Australian Government will provide \$2 billion over the next four years through the CAP for providers to care for elderly Australians, above and beyond usual aged care subsidies.

This is more than twice what the Howard Government put in over the last four years.

Mrs Elliot said that she was committed to continuing to working with senior Australians, providers and peak aged care bodies to ensure the viability of the aged care industry to provide the best care to elderly Australians.

“The Federal Government is building a modern Australia capable of meeting the challenges of the 21st century and our nation’s ageing population,” Mrs Elliot said.

“Australians now have the world’s second longest life expectancy – after the Japanese.

“I encourage everyone with an interest in the care of older Australians to make a submission to the Review,” Mrs Elliot said.

The Review of the CAP will examine:

- the extent to which the medium term financial assistance provided by the CAP has been effective in encouraging efficiency through improved management practices; and
- the need for, and level of, any further medium term financial assistance to encourage providers to become more efficient through improved management practices.

“In addition, the Australian Government will be interested to hear ideas from the aged care sector and the community on what nursing home and hostel operators should be asked to do in order to receive CAP funding,” Mrs Elliot said.

The Government is now seeking comment from organisations and individuals with an interest in the provision of residential care for frail older people.

Further information can be found at: www.health.gov.au/cap .

Submissions can be emailed to cap.review@health.gov.au .

They can also be faxed to (02) 6289 1560 or mailed to CAP Review, MDP 76, Department of Health and Ageing, GPO Box 9848, Canberra ACT 2601.

For more information, contact Mrs Elliot's office on (02) 6277 7280