



THE HON JUSTINE ELLIOT MP
Minister for Ageing
MEDIA RELEASE

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Government working on \$158 million transition beds – getting elderly into appropriate aged care

The Australian Government is working on its election commitment to get 2000 older Australians who are occupying hospital beds into appropriate aged care – freeing up valuable hospital resources for those needing urgent treatment.

This is about getting older Australians into the care they need rather than a hospital.

The Productivity Commission found the average cost of a hospital bed was \$1,117 a day – while the average cost of an aged care bed was about \$100 a day. (*Report on the Operation of the Aged Care Act 1997*, 1 July 2006 to 30 June 2007, p.39.)

“This is about making sure that older Australian get appropriate aged care and making sure that hospital beds are available to Australians of all ages waiting for treatment,” Federal Minister for Ageing, Mrs Justine Elliot, said.

“It costs almost 11 times as much to provide a hospital bed than it does provide an aged care place.”

Mrs Elliot said she was working with Federal Health Minister, Ms Nicola Roxon, to implement the election commitment through COAG (Council of Australian Governments).

The Australian Government will provide \$158 million over three years to State and Territories for 2000 transition care beds for older Australians who are currently waiting in hospital beds for an aged care bed and allow others to return to their home.

In June 2007, the *Caring for our health?: A report by state and territory health ministers* stated that: "in August 2006, there were about 2,300 older people in public hospitals who should have been in an aged care facility". (p.26)

If they had created sufficient aged care services, it would have cost \$83 million a year rather than \$937 million a year.

“This is about meeting Australia’s future challenges and preparing our nation for the 21st century,” Mrs Elliot said.

“The Federal Government is committed to the long-term viability of the Australia’s aged care sector and the protection of the nation’s frail and elderly.

“That is why – less than a week ago on March 20 – we introduced changes to the funding of aged care in Australia which includes the ACFI (Aged Care Funding Instrument).

“These changes will see more than **\$1.13 billion over four years** poured into the sector. Once fully phased in, the increases in payments will deliver more than \$300 million a year in additional revenue, mostly for high care,” Mrs Elliot said.

In addition, on March 22, we announced the Federal Government will provide \$300 million in zero real interest loans to help the aged care sector create beds in areas designated as high need.

Aged Care in Australia – the facts

The Department of Health and Ageing oversees more than 2870 accredited nursing homes with 167,070 aged care beds across Australia.

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