



# Subsidies and Supplements under AN-ACC

This fact sheet provides information on changes to subsidies and supplements under the Australian National Aged Care Classification (AN-ACC).

## Overview

The AN-ACC is a key component of the major aged care reforms being implemented in response to the final report of the Royal Commission into Aged Care Quality and Safety. AN-ACC provides more equitable care funding to providers that better matches resident funding with the costs of delivering care enabling a more efficient, transparent and sustainable system.

## Subsidies and supplements

Under AN-ACC, the subsidy paid to the provider consists of three components:

- a fixed component (Base Care Tariff or BCT) to account for shared costs across all residents which vary by location and type of provider
- a variable component (classification funding) based on each resident's individual care needs
- an adjustment payment, a one-off payment for when a new resident enters a facility.

The AN-ACC funding rolls together the previous ACFI basic subsidy (that is, ACFI funding), the amounts that were provided through the Basic Daily Fee supplement, the homeless supplement, the viability supplement, and the additional funding for care minutes that commenced from 1 October 2022.

The Adjusted Subsidy Reduction ceased from the commencement of AN-ACC. As a result, services that were subject to the Adjusted Subsidy Reduction for all or some of their beds will receive an increase in funding and are now being funded on a consistent basis to other Australian Government funded aged care facilities.

## Changes to aged care subsidies and supplements

Table 1 outlines some of the subsidies and supplements that changed or ceased from 1 October 2022.

**Table 1 Changes to subsidies and supplements under AN-ACC**

<b>Previous subsidy or supplement under ACFI (to 30 September 2022)</b>	<b>Subsidy or supplement under AN-ACC (from 1 October 2022)</b>
<b>ACFI basic subsidy rates</b>	Replaced by AN-ACC basic subsidy rates (fixed, variable and one-off adjustment)
<b>Residential Respite basic subsidy – Low</b>	Replaced by Respite basic subsidy – Class 1 (independently mobile) + fixed funding component + fixed funding component
<b>Residential Respite basic subsidy – High</b>	Replaced by Respite basic subsidy – Class 2 (assisted mobility) + fixed funding component OR
	Replaced by Respite Class – Class 3 (limited mobility) + fixed funding component
<b>Respite Supplement (low, high and incentive)</b>	Replaced by Respite Accommodation Supplement (paid at a rate equivalent to the maximum Accommodation supplement rate in the service providing the respite care)
<b>Oxygen Supplement</b>	Oxygen Supplement
<b>Enteral Feeding Supplement – Bolus</b>	Enteral Feeding Supplement - Bolus
<b>Enteral Feeding Supplement – Non-bolus</b>	Enteral Feeding Supplement – Non-Bolus
<b>Adjusted Subsidy Reduction</b>	Ceases
<b>Veterans' Supplement</b>	Veterans' Supplement
<b>Homeless Supplement</b>	Ceases - funding rolled into AN-ACC which provides additional funding for services that specialise in caring for homeless care recipients
<b>Viability Supplement</b>	Ceases – funding rolled in to AN-ACC which provides additional funding for rural, remote, and very remote services; and for remote and very remote services that specialise in caring for indigenous care recipients
<b>2021 (\$10 per day) Basic Daily Fee Supplement</b>	Ceases – funding rolled into AN-ACC
<b>Accommodation Supplement</b>	Accommodation Supplement
<b>Concessional Resident Supplement</b>	Concessional Resident Supplement
<b>Charge Exempt Resident Supplement</b>	Replaced by Concessional Resident Supplement
<b>Transitional Supplement</b>	Replaced by Concessional Resident Supplement
<b>Pensioner Supplement</b>	Pensioner Supplement
<b>Hardship Supplement</b>	Hardship Supplement
<b>Transitional Accommodation Supplement</b>	Transitional Accommodation Supplement
<b>Accommodation Charge Top-Up Supplement</b>	Accommodation Charge Top-Up Supplement
<b>2012 Basic Daily Fee Supplement</b>	2012 Basic Daily Fee Supplement

## More information and resources

Further information about the AN-ACC funding model, including general information, is available on the Department of Health and Aged Care [webpage](#). The following resources are also available to stay informed.

**Table 2 Aged care funding reform information sources**

Information source	Description
<b>AN-ACC funding guide</b>	Find information about the AN-ACC funding model <a href="#">here</a> .
<b>Resources and factsheets</b>	<a href="#">Resources and factsheets</a> can be located on the health website.
<b>Social media</b>	Follow us on <a href="#">Facebook</a> , <a href="#">Twitter</a> , <a href="#">LinkedIn</a> and <a href="#">Instagram</a>
<b>Subscriptions</b>	<a href="#">Subscribe to the department's newsletters</a> for aged care updates.
<b>Ageing and Aged Care Engagement Hub</b>	Find current engagement activities and register your interest to be involved in workshops, focus groups, webinars and surveys Website: <a href="https://www.agedcareengagement.health.gov.au/">https://www.agedcareengagement.health.gov.au/</a>
<b>My Aged Care service provider and assessor helpline</b>	For help with the My Aged Care system or technical support for providers and assessors. Phone: 1800 836 799 The helpline is available from 8:00am to 8:00pm Monday to Friday and 10:00am to 2:00pm Saturday, local time across Australia.

Last updated 9 December 2022