



About the Aged Care Bill 2024

The Australian Government introduced the Aged Care Bill 2024 to Parliament on 12 September 2024. The Bill is for a new Aged Care Act – the main law that sets out how the aged care system operates. This fact sheet gives a summary of each chapter of the Bill. It also explains the next steps to make the Bill a law.

Overview of the Bill

The [Royal Commission into Aged Care Quality and Safety](#) released its final report to set out ways to improve the aged care system. The Royal Commission's number one recommendation for the Australian Government was to develop a new rights-based Aged Care Act.

We asked Australians for their feedback on aged care changes in the Bill.

The Bill responds to around 60 recommendations from the Royal Commission. It also makes laws about:

- a Statement of Rights for older people
- the Government's response to the Aged Care Taskforce's recommendations
- the Support at Home program
- strengthened Aged Care Quality Standards – these outline what quality and safe aged care services look like
- stronger powers for the regulator, the Aged Care Quality and Safety Commission.

This Bill aims to make Australia's aged care system stronger. It will affect everyone who is part of the aged care system. It will:

- change how aged care providers deliver services to older people in their homes, community settings and residential care homes

- introduce laws to make sure aged care is safe, and people are treated with respect and have quality of life
- replace the aged care laws we have now, including the *Aged Care Act 1997* and the *Aged Care Quality and Safety Commission Act 2018*.

The Bill covers aged care services the Government funds. This includes programs aged care laws didn't cover in the past. For example, the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program and the Commonwealth Home Support Programme (CHSP).

This Bill also has a new regulatory model to manage aged care. This model aims to support registered providers to give high-quality aged care and be more accountable.

Chapter 1 – Introduction

Chapter 1 explains the ideas and terms used in the Bill. This makes sure everyone uses the terms in the same way, and that roles and duties are clear.

Chapter 1 includes:

- the objects of the Bill – this describes the purpose of the law
- the Statement of Rights – this outlines the rights older people have in the aged care system
- the Statement of Principles – this guides how workers and organisations must behave and make decisions under the new law.

It also explains the role of supporters to help older people make decisions.

Chapter 2 – Entry to the aged care system

Chapter 2 covers who can access funded aged care services.

It includes requirements about what age people must be to access aged care. This will help meet the Government's goal to have no younger people living in aged care homes.

The chapter covers how people get approved to access aged care services. A single assessment pathway brings together the different assessment services into one system.

Chapter 2 also includes the process for deciding:

- how we assess needs and determine funding for residential aged care using the Australian National Aged Care Classification (AN-ACC)
- how we assess needs, determine which services a person can access, and how funding is allocated for the Support at Home program
- how people get a place to access aged care services
- who gets priority access for funded aged care services.

Chapter 3 – Registered providers, aged care workers and aged care digital platform operators

Providers must register with the Aged Care Quality and Safety Commission (the Commission) before they can provide aged care services. Chapter 3 explains how the Commission will assess applications to register. The Commission will also approve residential care homes as part of this process.

Chapter 3 outlines the rules and obligations for:

- registered providers, even if they subcontract some services
- aged care workers
- responsible persons – that is people in leadership positions.

The Commission will be able to take regulatory action if a provider does not meet the conditions of registration. This may include significant civil penalties.

Chapter 3 also outlines new duties that apply to registered providers, responsible persons and digital platform providers who provide aged care websites and apps.

Chapter 4 – Fees, payments and subsidies

Chapter 4 explains how funding for aged care services will work. This includes what the Government will pay and what registered providers can ask older people to pay towards the cost of their aged care.

Chapter 4 sets out:

- when Government funding will be based on subsidies or grants
- whether funding must go towards specialist aged care programs, such as the CHSP or NATSIFAC program.

Chapter 4 notes the subsidy parts that are based on a person's needs and the parts that are based on a provider's fixed costs.

It also sets out what people may need to pay for funded aged care services and how providers must manage those payments.

The chapter outlines how means-testing works for residential care and Support at Home. Means testing does not apply to specialist aged care programs.

Chapter 4 has rules about how registered providers can:

- sign accommodation agreements with older people
- charge for accommodation
- manage refundable accommodation deposits.

Chapter 5 – Governance of the aged care system

Chapter 5 explains who will manage the aged care system and how. This is called governance.

A range of roles will manage the aged care system:

- the Secretary of the Department of Health and Aged Care, called the System Governor – manages how the aged care system runs, including making access to services fair
- the Inspector-General of Aged Care – monitors the aged care system and reports to Parliament
- the Aged Care Quality and Safety Commissioner (Commissioner) – manages provider registration and regulates aged care quality, safety and financial and prudential matters
- the Complaints Commissioner – handles complaints
- the Aged Care Quality and Safety Advisory Council – oversees the work of the Commission.

Chapter 6 – Regulatory mechanisms

The Commissioner, Complaints Commissioner and System Governor will have a range of powers to carry out their roles. Chapter 6 explains how they can use these powers. It also explains the circumstances when the Commissioner can allow an authorised person to enter a residential care home without a provider's consent or a warrant.

Chapter 6 provides powers for getting information and issuing notices. These powers make sure the Commissioner, Complaints Commissioner and System Governor can get the information they need to fulfill their roles.

The chapter also allows for the use of banning orders, so that workers and providers who do the wrong thing can be prevented from operating in the sector.

Chapter 7 – Information management

Chapter 7 includes new rules for managing information in the aged care system. This will help make sure a person's privacy is protected and information on registered providers is transparent.

The chapter includes:

- an updated framework to manage information
- a new definition of protected information
- detail about who can collect, use and disclose protected information and when.

Chapter 7 also includes more to protect whistleblowers – people who call out issues. This is to make sure older people, their families and carers, and aged care workers can report information, without fear of being punished or treated unfairly.

People can make a report if they know or think someone hasn't followed the law.

Chapter 8 – Miscellaneous

Chapter 8 covers other matters that will support the aged care system. It includes:

- how and when the System Governor, Commissioner and Complaints Commissioner can have others act on their behalf
- when the System Governor and the Commissioner can approve forms, charge fees and use computer programs to make specific decisions
- authority for the Minister for Aged Care to make rules.

This chapter allows people to ask for a review of certain decisions made by the Commissioner, Complaints Commissioner, System Governor and the Independent Health and Aged Care Pricing Authority.

It also explains that the System Governor will report on their work and review refundable accommodation deposits each year.

First Nations Aged Care Commissioner

In future, a First Nations Aged Care Commissioner will be added to the new Aged Care Act. This will be a permanent role. It will help promote culturally safe aged care for older First Nations people across Australia.

Setting up this role is a key part of Recommendation 49 of the Royal Commission. Building an aged care system that provides fair and equal access and outcomes for older First Nations people is also in line with:

- the principles of Closing the Gap
- the rights in the United Nations Declaration on the Rights of Indigenous People.

Next steps for the Bill to become law

The Government introduced the Bill to the House of Representatives on 12 September 2024. It will be referred to the Senate Community Affairs Legislation Committee for inquiry and report. Senators will consider the Bill in more detail, potentially hold public hearings and make recommendations.

Once the House of Representatives passes the Bill, it goes to the Senate.

Amendments to the Bill can be made in either house of Parliament. After the Bill passes through both houses of Parliament in the same form, it gets signed by the Governor General – called Royal Assent. This means it becomes an Act of Parliament or law.

When these processes are complete, the new Act is expected to commence from 1 July 2025.

You can find a diagram that shows how a bill ordinarily passes through the Australian Parliament to become law on the [Parliamentary Education Office website](#).