

Budget 2021–22

Residential aged care services and sustainability (Pillar 2 of the Royal Commission response) – Mandatory care time standards and reporting

In response to the Aged Care Royal Commission, the Australian Government will invest \$3.9 billion over 3 years from 2022–23, to increase the amount of front line care delivered to the 240,000 senior Australians accessing residential aged care and 67,000 accessing residential respite care each year. This is in addition to the \$3.2 billion residential care funding uplift. The total increase in funding for residential aged care in response to the Royal Commission will be \$7.8 billion.

This funding will support residential aged care providers to deliver:

- an increase to the care time for residents to an average of 200 minutes per day - including 40 minutes of Registered Nurse (RN) time, and
- an RN on site for a minimum of 16 hours per day.

This will be delivered through an increase in base funding under the new Australian National Aged Care Classification (AN-ACC) funding model, which will commence from 1 October 2022.

- From July 2021, providers will be required to report on care staffing minutes at the facility level, as part of their existing annual reporting.
- From July 2022, providers will also be required to provide a monthly care statement to residents (and their family members), outlining the care they have received, and any significant changes or events during the month.
 Reporting on care staffing minutes will move to a quarterly basis.
- From December 2022, this information will be used to inform a staffing star rating, allowing senior Australians to easily compare staffing levels between care homes and improve choice. Further information about star ratings can be found in the fact sheet: Residential aged care services and sustainability – Empowering consumers of aged care with the information to exercise choice.
- From October 2023, providers will be required to meet a mandatory care time standard of an average 200 minutes for each resident, including 40 minutes of RN time. In addition, facilities will be required to have a RN on site for a minimum of 16 hours per day. This will vastly improve access to direct clinical care for senior Australians in residential care.

Why is this important?

Staffing is critical to care. This additional investment directly responds to recommendations and research commissioned by the Royal Commission.

Consumers currently have to undertake their own research and rely on information provided by individual homes to determine the level of staffing and care provided to residents. This information is often not available, and does not allow them to compare providers. Providing this information is a vital step in supporting informed choices, and improving the standard across all facilities through transparency and improved reporting.

This measure will be implemented in conjunction with the new AN-ACC model, which will enable care minutes to be adjusted according to the casemix assessment of resident need. This will provide a fair and systematic method for determining each facility's staff time requirements.

This measure supports fully or in part *Recommendations 86 and 122* of the Royal Commission's final report.

Who will benefit?

The 240,000 senior Australians who utilise residential aged care and 67,000 who access residential respite care each year will benefit from increased nursing and personal care time each day.

Consumer choice will also be greatly supported by the publication of increased information around staffing levels at different facilities. Senior Australians and their families will be able to make informed choices when comparing potential aged care homes given the clear link between staffing mix and quality of care. This will also drive competitive pressure to improve quality and staffing levels.

Residents and their families will also benefit from the increased transparency that will come with regular reporting and notifications of any changes and incidents in relation to the resident's care.

How much will this cost?

The Australian Government will commit \$3.9 billion over 3 years from 2022–23.