

**Australian Government** 

## **Department of Health**

## Residential Aged Care Funding Reform Working Group Communiqué

**18 February 2020** 

## 9:30am – 3:00pm

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|---------------------------|--|
| AN-ACC                    | The department provided an update on the trial and reported that:  |
| Trial Update              | <ul> <li>As at Sunday 16 February 2020, 4,000 assessments had been completed.</li> <li>Inter-rater reliability between assessments is being tested, with results to date promising.</li> <li>The trial is being run through a test, learn - adapt approach. The department is reviewing trial data daily and working with assessment management organisations and assessors to refine the assessment process.</li> <li>A clinical communities of practice group, made up of departmental, assessment management organisations and assessor experiences. Lessons from this forum are then integrated into the running of the trial.</li> <li>Lessons include extending initial two day training to three days.</li> <li>All assessments for the trial are on track to be completed by 30 April 2020.</li> </ul> |
|                           | • Members provided feedback on their experience of the trial. It was discussed that there is benefit in the department learning more about how Culturally and Linguistically Diverse and Aboriginal and Torres Strait Islander residents found the assessment experience.  |
| IHPA<br>Presentation      | Mr James Downie, CEO of the Independent Hospital Pricing Authority (IHPA) presented to members on the role of IHPA and Activity Based Funding.   |
|                           | Members discussed that there is currently a dearth of reliable data in the aged care sector and that annual costing studies could ameliorate this situation.   |
| StewartBrown presentation | Mr Grant Corderoy presented on analysis commissioned by the department looking into care, hotel and accommodation costs.   |
|                           | Mr Corderoy explained that his analysis confirmed the findings of the UoW report on cost drivers in MMM3-5.  |
|                           | The key finding from the StewartBrown analysis was that most providers from MMM1-5 are making a small surplus on care funding. However, many providers rely on this surplus to fund their everyday living and corporate administration cost shortfalls.  |
| Policy<br>Discussion      | Members discussed the hypothetical adoption of the AN-ACC Version 1.0 as recommend by the UoW.   |
|                           | Members discussed reassessment triggers and how work on AN-ACC would<br>interface with work by the Royal Commission into Aged Care Quality and<br>Safety.  |
|                           | Members discussed that should Government adopt AN-ACC, a change<br>management and communication strategy would need to be designed in<br>consultation with the aged care sector.   |