

Consultation Paper: Proposal for a new residential aged care funding model

On 14 March 2019, the department released a consultation paper on the *Proposal for a new residential aged care funding model*. This process closed on 31 May 2019. As at 21 June 2019, the department has received 91 submissions.

- Many submissions welcomed residential aged care funding reform as a positive opportunity to replace the Aged Care Funding Instrument (ACFI).
- Stakeholders emphasised a preference for transparency of information, including a wish to access data from the Resource Utilisation Classification Study (RUCS). Currently seven academic reports on the results and data of the RUCS are available on the department's website. Identifiable data will not be made available due to ethics considerations. Providers who participated in the RUCS also received service specific reports from the University of Wollongong.
- Stakeholders emphasised that funding sustainability is the primary concern for many residential aged care facilities, with some submissions stating they would reserve feedback until the price of the new funding model is made public.
- Some stakeholders sought clarity on how the work on funding reform will align with any future recommendations made by the Royal Commission into Aged Care Quality and Safety.
- Some stakeholders sought more clarity on how AN-ACC sat in relation to the Aged Care Roadmap, and the possibility to integrate a continuum of funding between residential aged care and home care.
- Many stakeholders welcomed separation of care planning from funding, and wanted more information about interface between funding reform and the Aged Care Quality Standards, and the role of the Aged Care Quality and Safety Commission;
- Some stakeholders sought greater clarification on how the model will support funding for specialist care, such as palliative care, dementia care and the care needs of bariatric residents.
- Stakeholders sought more information on the accountability/compliance framework for a future AN-ACC assessment workforce;
- Many submissions wanted the one-off adjustment payment to include respite and transfers – otherwise, it might cause facilities to accept residents initially so they can receive payment and prevent the acceptance of residents wishing to transfer between facilities.
- Some providers felt a stop loss of 5 per cent too disastrous on their bottom-line, and proposed instead a stop loss of 0 per cent.

- Regarding recommendation 16 (facilities not be advised of the resident's exact AN-ACC class until after the person is in care), some providers expressed concern that this limited a provider autonomy in how they run their in-take process. Currently, many facilities will run a pre-ACFI to determine whether the prospective resident is suitable for their facility.
- Many submissions received from allied health care stakeholders expressed concern about the repeal of ACFI's pain management items. In some submissions, there appeared to be general confusion about ACFI directly funding services such as continence aids and appliances. This confusion suggests a limited understanding that the whole gamut of care and services under the *Quality of Care Principles 2014* must be provided to all care recipient who need them, not just ACFI interventions.
- In addition roughly 15% of submissions 'raised concerns about the identification of limited consideration of the social, emotional, psychological and spiritual wellbeing of residents under the AN-ACC model which contrast with the Commonwealth Government's National Guidelines for Spiritual Care in *Aged Care and the Quality of Care Amendment (Single Quality Framework) Principles 2018*. This feedback provides the department with further opportunity to educate the sector on aged care funding on how a provider's legislative responsibilities are captured through the fixed/variable payment model.

Overall, stakeholders valued the opportunity to contribute their feedback, and discussed their preference for ongoing communication on funding reform, especially regarding impact on IT systems and impact on the aged care workforce (i.e. disestablishment of ACFI specialists/specific roles).

Many of the submissions received did not provide individual responses to each recommendation, but instead took a thematic approach to discussing what they liked about AN-ACC and what they would like more clarity on. Only a handful of submissions outrightly opposed the AN-ACC. Most submissions put forth qualified support subject to better understanding the minutiae of the trial and implementation.

A list of all submissions is below. Please do not hesitate to contact us if you would like a copy of any of the submissions.

RUCS Consultation Submissions

As of 13 June 2019:

- 91 submissions received

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