

## Q&A from ACSA Webinar – Budget Briefing 2021

10 June 2021

The following ACSA member questions and responses are sorted into the 5 pillars of aged care reform:

- [Home care](#)
- [Residential aged care services and sustainability](#)
- [Residential aged care quality and safety](#)
- [Workforce](#)
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### Home care

**Member Query:** Can you tell me how many RC recommendations in total government are acting on with this response?

**Answer:** In summary, the Australian Government has accepted or accepted in principle 126 recommendations, or 85%. In addition, the Government supports instead an alternative approach on four of the recommendations. Twelve recommendations are subject to further consideration or noted in the Government response. Six were not accepted.

**Member Query:** When will the Home Care Packages approved now be committed/assigned by the Government?

**Answer:**

#### 2021-22

Level 1 - minus 5,000  
Level 2 – 19,000  
Level 3 – 20,000  
Level 4 – 6,000  
TOTAL – 40,000

#### 2022-23

Level 1 - 0  
Level 2 – 17,000  
Level 3 – 17,000  
Level 4 – 6,000  
TOTAL – 40,000

For each level, the number of packages to be released each week is expected to be the annual total of packages divided by the number of weeks in the year.

**Member Query:** Reference 24 pillar 2 that packages assigned to person not the home - is that right?

**Answer:** Packages are assigned to care recipients.

**Member Query:** Do we have any detail on support for informal carers from 2021? Also, any detail on connecting people with other healthcare supports from 2023? Many thanks

**Answer:** In response to the Aged Care Royal Commission, the Australian Government will invest \$798.3 million to increase support provided for informal and family carers of senior Australians, particularly for those caring for people living with dementia. Further information can be found in a specific [Budget Fact Sheet](#).

**Member Query:** There was a reference in the ACRC response about more funding for allied health in CHSP during 21-22 but it isn't clear where this is picked up in the Budget papers.

**Answer:** In our readings to date of the Budget papers, we have not identified this being picked up.

**Member Query:** Anything about the single assessment agencies?

**Answer:** Nothing specific noted in the Budget papers beyond references to 'improved assessment arrangements that are more consistent, more accurate, and recognise that not all consumers need intensive assessments' (*Budget Paper: Home Care – future design and funding*). More detail is needed on this measure.

**Member Query:** I noted extension of CHSP to 2023 and quiet small comment about introduction of payment for CHSP in arrears. Suggests an output-based claiming process! Is there any more detail available about this?

**Answer:** The CHSP measure is another one without detail available.

## Residential aged care services and sustainability

**Member Query:** With ACAR being abolished, how will beds be allocated?

**Answer:** From 1 July 2024, residential care places will be allocated according to consumers' preference, as opposed to bed licences, which will give them greater choice and control over which approved residential provider delivers their care. Government funding will be directed to the provider the consumer chooses.

**Member Query:** For clarification - is it \$10 per resident per day from July 1 plus indexation or inclusive of indexation?

**Answer:** The Department of Health has advised ACSA that the supplement of \$10 per resident per day from 1 July 2021 is in addition to the annual indexation arrangements that occur on 1 July. The percentage indexation amount from 1 July 2021 is not expected to be made available until sometime in June.

**Member Query:** When will they release the ANACC costs weighting?

**Answer:** ACSA consistently request this information from the Department of Health and will continue to do so.

**Member Query:** Response to ACRC Rec 86 says Govt has accepted the recommendation on minimum staffing levels. Text only talks about Oct 2023 200 mins (incl 40 mins RN). However, ACRC recommendation said additional 15 mins per resident per day would come in 2024. Has Govt endorsed that too?

**Answer:** We have not seen a reference to the extra '15 minutes'.

**Member Query:** Any further info around RN requirement for rural areas ie very small services? Plus the 40 minutes and the 16 hours on site.

**Answer:** The formal response to the 148 recommendations for Recommendation 86: Minimum staff time standard for residential care notes the Australian Government accepts the recommendation and that the new Aged Care Act will set minimum staff time standards for residential aged care. [See here for more information](#)

**Member Query:** What is in the definition of the 200 minutes? Is it direct care or will it include activity staff?

1. How will the calculation be determined and who is included?
  - a. Are they just the Registered Nurses (RNs) on the floor that deliver care directly or can you include Residential Manager and CCCs?
  - b. Is the calculation on 100% occupancy or will it vary with occupancy (or is it off bed licenses which may be higher than occupancy if offline places) – if it varies with occupancy how will they fund it as providers can't just jettison staff when occupancy is lower?
  - c. Are Food Service Assistants or Lifestyle included? (refer 2 below)
2. There is a risk that some homes will move to a home model or "requalify their staff to Personal Care Attendants (PCAs)" so that they are included in the minutes of care. If the Royal Commission / Government believes that the 200 minutes of care is required excluding these roles how does it ensure that this doesn't happen?
3. In one provider's case - they currently have per resident per day – based on 100% occupancy: 166 minutes of care (RN 19 mins, EENs 35 mins and PCAs 112 mins)
  - a. How will the government support (salary and costs to undertake) Endorsed Enrolled Nurses (EENs) retraining to RNs?
  - b. How will the government cover the costs of redundancies if they need to exit EENs for RNs?
  - c. Where are the additional RNs and PCAs going to come from?
  - d. What is the timing for a. to c. above?
  - e. There should also be transitional funding because providers can't just get the required staffing overnight on 1 July – it will take some homes around 6 months to get the necessary staff particularly as providers will all need them and there has to be a lot of training beforehand.
4. The government is mandating 16 hours per day for RN – surely it has to be 24 hours per day and it should be linked to number of residents (ie 1 RN for 45 up to 200+ - it must be managed but that may be achievable under the 40 mins per day).

5. How does the 200 minutes sit with consumer directed care and Standard 1 if the resident would like to carry out own care or refuses care by staff? If a provider doesn't meet 200 minutes, then they don't comply with the Department of Health, but if they do too much and resident does not have a choice then providers do not comply with the Quality Commission – and risk losing funding.
6. What is the definition of “average” as in the 200 care minutes? Is this averaged over a week or 14 days?
7. How are care minutes calculated if the resident is on leave from the facility or transferred to hospital?
8. The star ratings take the 200 minutes into account and the star ratings come in prior to when the 200 minutes are mandatory. Will the star ratings be based on the 200 minutes prior to them being mandatory?

**Answer:** This Budget measure requires more detail, and we understand from a recent meeting with the Department of Health that detail is to follow over coming weeks and months. Our understanding is that the 200 minutes per resident refers to Registered Nurses, Enrolled Nurses and Personal Care Workers. How the 200 minute ‘average’ is to be calculated is as yet unclear. Likewise, how care minutes are to be calculated is also unclear. In relation to star ratings and when they will be applied from, we understand that they will come into effect from the end of 2022, noting that the 200-care minute requirement become mandatory from October 2023, some ten months later.

**Member Query:** Will the funding for the minimum staffing ratios come through the AN-ACC funding model?

**Answer:** This is another measure where more detail is required. Our understanding is that the average 200 minutes per day (including the 40 minutes of RN time and the minimum 16 hours per day RN time) will be delivered through an increase in the base funding component of AN-ACC.

**Member Query:** The \$3.9 billion to fund the increase in care staff (care minutes) - will this funding on be paid when the 200 minutes become mandatory, or will it be paid over the 4 years?

**Answer:** This is another measure where more detail is required. Our understanding is that it will be delivered through an increase in the base funding component of AN-ACC, and we are therefore assuming it will commence when AN-ACC commences. Another possibility is that it may be paid when care times become mandatory from October 2023.

**Member Query:** With regards to respite, will low and high respite be combined to fund this better otherwise how will more facilities provide more respite?

**Answer:** Whilst more detail is needed, Government has accepted recommendation 32 ‘Respite support category’. This recommendation contains within it a proposal for a ‘capital component’ albeit limited to areas where ‘supply is inadequate.’ We would argue that respite funding in the future contains an ‘accommodation component’ to incentivise residential aged care services to provide respite accommodation, thus removing the current disincentive to do so.

**Member Query:** Do we have any insight into what one NWAU will be worth under the AN-ACC model?

**Answer:** No, we continue to request more detail on the AN-ACC model including NWAU, it is likely the value of NWAU won't be set until closer to the commencement of AN-ACC (scheduled for October 2022).

We are aware many members have attended modelling by assuming what NWAU will be, with some basing this on the national average of ACFI.

**Member Query:** Is there any capital included in residential respite?

**Answer:** Whilst more detail is needed, Government has accepted recommendation 32 'Respite support category'. This recommendation contains within it a proposal for a 'capital component' albeit limited to areas where 'supply is inadequate.' We would argue that respite funding in the future contains an 'accommodation component' to incentivise residential aged care services to provide respite accommodation, thus removing the current disincentive to do so.

**Member Query:** The significant investment in BDF and increasing staffing minutes in residential care is welcomed however given there are associated increased costs with these investments is there anything which would be expected to materially address financial sustainability issues which much of the industry is facing? Appreciate the independent pricing may address this however the delay in establishing and then reviewing/revising pricing will likely see more providers leaving the market in the meantime.

**Answer:** The sustainability and viability measures that have been announced (the Basic Daily Fee supplement, funding the 200 care minutes through AN-ACC etcetera) are all well publicised. How well these address interim sustainability (given the current indexation arrangements remain in place for both July 2021 and July 2022) is open to debate. It is disappointing that government has not addressed indexation in the short term as the Royal Commission clearly identified that current indexation arrangements are inadequate.

**Member Query:** Any further info around Registered Nurse requirement for rural areas ie very small services? Plus the 40 minutes and the 16 hours on site.

**Answer:** Budget paper: *Residential aged care services and sustainability- Mandatory care time standards and reporting* describes the \$3.92 billion Budget measure to introduce the average 200 minutes per day (including the 40 minutes of RN time and the minimum 16 hours per day RN time) will be delivered through an increase in the base funding component of AN-ACC. The paper does not address RN time for rural services. Recommendation 86 of the Royal Commission's Final Report (7 (c)) talks of the ability for providers to seek an exemption from the quality and safety standard relating to staff mix including for regional rural and remote providers, where the provider is able to demonstrate it has been unable to recruit sufficient numbers of staff 'with the requisite skills.' Government has indicated in its response document that it 'accepts' this recommendation, but we do not have the detail yet on this matter.

## Residential aged care quality and safety

**Member Query:** In pillar 3 in 2024 it refers to new independent regulatory authority - know if that will replace the commission?

**Answer:** Yes, the Australian Government response to Recommendation 10 – Aged Care Safety and Quality Authority notes that ‘A new independent Aged Care Safety and Quality Authority will be established. This will be informed by the outcomes of the capability review of the Aged Care Quality and Safety Commission to be undertaken in 2023 (see recommendation 104).

The recommendation as prepared by the Royal Commission includes a proposal for grounds for granting an exemption to include regional, rural and remote residential aged care facilities, where the approved provider can demonstrate it has been unable to recruit sufficient numbers of staff with the requisite skills.

However, the relevant [Budget Fact Sheet](#) does not specify detail around possible exemptions.

ACSA will be following up this issue as part of its advocacy for regional, rural and remote aged care.

**Member Query:** Will Prudential and Financial oversight stay with the Q&S commission?

**Answer:** The Royal Commission recommended (R130) that the System Governor should be given by status the role of the Prudential Regulator. Government has indicated it accepts-in-principle this recommendation. It said in its response document that it will consider ‘which prudential regulation and financial oversight functions should sit with relevant bodies.’ This leaves the outcome on this question open.

## Workforce

**Member Query:** Any detail on how the training of additional staff will be managed or allocated and to who?

**Answer:** This is another measure that requires more detail. The Budget papers talk of training for personal care workers ensuring they have the skills required to ‘deliver safe and quality care.’ The papers also describe Government funding the work of the Aged Care Workforce Industry Council to lead the implementation of the Aged Care Workforce Strategy (\$103 million). A range of funding measures around skills and qualifications is also outlined. No content yet though about how the measure will be implemented.

**Member Query:** Is there anything further around the content of the Cert 3 - just adding 40k more places does not mean the training is in any way improved and staff more prepared and ready to start in aged care

**Answer:** This is another measure that requires more detail. The Budget papers talk of training for personal care workers ensuring they have the skills required to ‘deliver safe and quality care.’ The papers also describe Government funding the work of the Aged Care Workforce Industry Council to lead the implementation of the Aged Care Workforce Strategy (\$103 million). A range of funding measures around skills and qualifications is also outlined. No content yet though about improving the ‘quality’ of training programs.

**Member Query:** What does surge locum workforce capacity mean in practical terms?

**Answer:** Budget paper: *COVID-19 response – Further Support for aged care preparedness, workforce and viability* makes mention of continued funding (until 31 December 2021) for the surge workforce and reimbursement of eligible COVID-19 related expenses. However, we are currently unable to find any further detail in the papers on specifics relating to the surge workforce.

**Member Query:** Any info re \$3,700 RN retention grant?

**Answer:** No further detail is available at this stage beyond what is outlined in Budget paper: *Workforce – Growing a skilled and high quality workforce to care for senior Australians* where the \$3,700 bonus for full time staff (\$2,700 for part time) will be paid as an annual bonus over two years.

## Governance

**Member Query:** Any detail on board structure and composition direction/requirement?

**Answer:** That specific detail is not clear at this stage although Recommendation 90: A new governance standard has been accepted by the Australian Government and the recommendation itself had references to several proposals including ‘a care governance committee, chaired by a non-executive member with appropriate experience in care provision, to monitor and ensure accountability for the quality of care provided, including clinical care, personal care and services, and supports for daily living’. The Budget Fact Sheet refers to ‘building leadership in corporate and clinical governance’ – [see here for more information](#)

**Member Query:** You mentioned the aged care standards are being reviewed? this is the 2019 standards?

**Answer:** Yes. The formal response to the 148 recommendations for Recommendation 19: Urgent review of the Aged Care Quality Standards; Recommendation 20: Periodic review of the Aged Care Quality Standards; and Recommendation 21: Priority issues for periodic review of the Aged Care Quality Standards notes the Australian Government accepts recommendations 19-21 saying:

*‘The Government announced a review of the Aged Care Quality Standards on 1 March 2021. The review will be completed by December 2022 and will inform the subsequent implementation of strengthened quality standards. The review will consider all matters raised by the Royal Commission in recommendation 19. The review will also inform the scheduling, scope, and frequency of periodic reviews. Periodic reviews will include consideration of whether the standards are continuing to effectively meet the needs of individuals with diverse characteristics and life experiences and people living with dementia, and the priority issues identified by the Royal Commission in recommendation 21. Separately, the review of clinical care standards for aged care will be the responsibility of the Australian Commission on Safety and Quality in Health Care (ACSQHC) from 1 July 2021. The ACSQHC currently reviews its standards every five years.’*

[See here for more information](#)