Australian Government

Department of Health and Aged Care

2022–23

Report on the Operation of the *Aged Care Act 1997*

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Title: 2022–23 Report on the Operation of the *Aged Care Act 1997*
ISBN: 978-1-74186-460-1
Online ISBN: 978-1-74186-461-8

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Contents

Minister's Foreword

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By the Minister for Aged Care
The Hon Anika Wells MP

We are pleased to release the 2022–23 Report on the Operation of the *Aged Care Act 1997*, my second report as Minister for Aged Care.

Our ambitious roadmap to transform aged care is already making a difference – we are making the system better for aged care providers, workers and older people accessing care.

In December 2022, we introduced Star Ratings to measure and improve the safety and quality for residential aged care. By May 2023, 95 per cent of aged care services were rated as acceptable or better and the number of services receiving just 1 or 2 stars had reduced by 5 per cent.

We invested $11.3 billion to fund the Fair Work Commission's decision of a 15 per cent pay rise for direct aged care workers—the largest increase to award wages in a work value case under the Fair Work Act. This came into effect on 1 July 2023 and is benefiting around 250,000 aged care workers.

We introduced a requirement for a registered nurse to be on site 24 hours, 7 days a week at all aged care homes, with residents now receiving on site nursing care when and where they need it.

To further improve the quality of care, a sector-wide average of 200 minutes of care per resident, per day has been mandatory from 1 October 2023. Since mid-2022, there is now an additional 1.8 million care minutes being delivered across the sector which equates to around 5,800 additional direct care staff.

We are working to improve outcomes for older people in Australia by introducing stronger Aged Care Quality Standards and developing a new 10-Year National Dementia Action Plan that will focus on all stages, from prevention to care.

Our greatest challenge is making aged care fair and equitable for everyone in Australia. To help us achieve this, we have established the Aged Care Taskforce. Its purpose is to provide a set of options and recommendations to the Government by the end of 2023. This work will form part of our capacity to deliver a sustainable future for aged care.

The outcomes of this work and other reform will help us create a system of thoughtfully designed regulatory mechanisms that protects and respects older people at every step of the care pathway.

Together we will continue to create an aged care system that is more equitable, sustainable and trusted by older people in Australia.

Anika Wells

Minister for Aged Care

Key Facts in Aged Care 2022–23

Nearly **57 per cent** of aged care expenditure was on residential aged care.

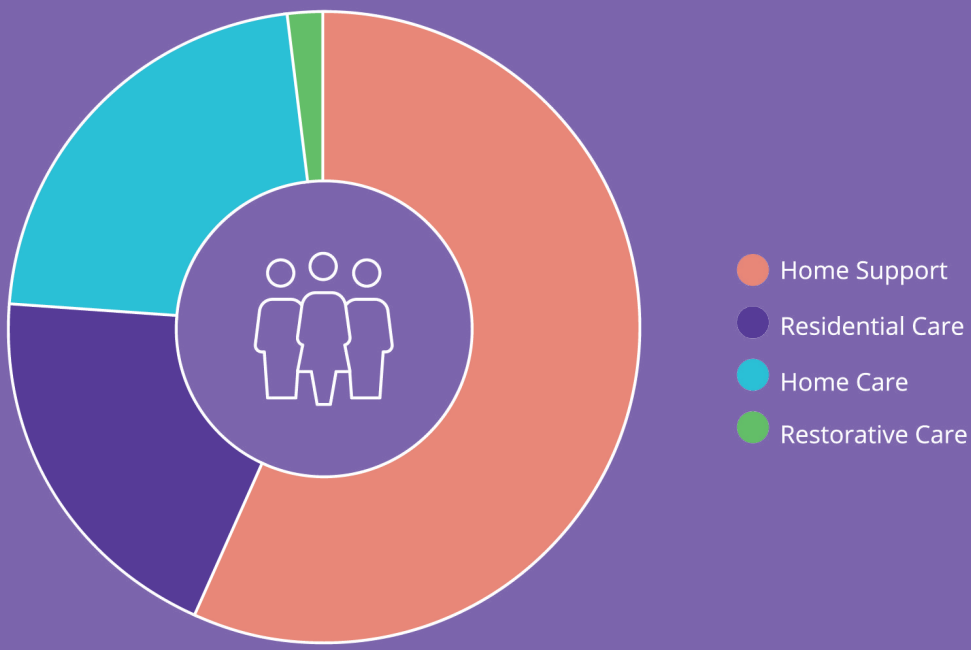
There were **764** approved providers of residential aged care and **923** approved providers of home care packages.

RESIDENTIAL CARE: **764** HOME CARE: **923** FLEXIBLE CARE: **133**

More than **1,330** organisations were funded to deliver CHSP services.

HOME SUPPORT: **1,334**

Almost **two thirds** of aged care recipients accessed basic support at home.



Introduction

Purpose of this report

This report details the operation of Australia's aged care system during the 2022–23 financial year. It is the twenty-fifth report in the series. The report is delivered to Parliament by the Minister in accordance with section 63-2 of the *Aged Care Act 1997 (the Act).*

Scope

In addition to meeting the reporting requirements specified in the Act, the report provides an overview of the components of the Australian aged care system (including those not governed by the Act), in order to present a comprehensive snapshot of the system as a whole during the 2022–23 financial year.

Structure of the report

Chapter 1 provides an overview of the structure, operation and funding of the aged care system in Australia.

Chapter 2 describes the systems and resources available to ensure older people in Australia have access to information about aged care services, and describes the processes through which they gain access to those services.

Chapters 3 to 7 describe the various types of service provision on a continuum from entry level community care to permanent residential care, including flexible care options and respite care.

Chapter 8 describes the provisions made to support people who are designated as having diverse needs.

Chapter 9 summarises the Australian Government's contribution to aged care workforce measures.

Chapter 10 gives an overview of the regulatory and prudential frameworks to ensure compliance by providers with the provisions of the Act, and to ensure older people in Australia receive quality services.

Appendix A addresses the reporting requirements specified in s63-2 of the Act.

Data sources

Data in this report was collected from departmental information systems and records.

Further data, reports and information can be accessed on the GEN Aged Care Data website.[1] GEN is Australia's only central, independent repository of national aged care data and is managed and regularly updated by the Australian Institute of Health and Welfare (AIHW). In 2021–22, AIHW launched a new Data improvements content page on GEN as a part of a program of strategic data work, and broader aged care reform engagement.

1 https://www.gen-agedcaredata.gov.au/

Approximately
1.5 million
recipients of aged care

233,369
operational residential and flexible places

$28.0 billion
in Australian Government expenditure

1

Overview of the Australian Aged Care System

1. Overview of the Australian Aged Care System

1.1. Introduction

The traditional image of aged care is often associated with residential care. While it is true that the majority of expenditure is in the residential care sector, in fact, the majority of people remain independent and stay in their home, connected to family and community, for the duration of their lives. For some, home support and home care provide the support they need to maintain independent living. Only a small proportion of older people in Australia are accessing residential care at any point in time.

The aged care system offers a continuum of care under three main types of service: Commonwealth Home Support Programme, Home Care Packages, and residential care. There are also several types of flexible care available to older people in Australia (and their carers) that extend across the spectrum from home support to residential aged care.

Commonwealth Home Support Programme

The Commonwealth Home Support Programme (CHSP) provides entry-level services focussed on supporting individuals to undertake tasks of daily living to enable them to be more independent at home and in the community. Services under the program are provided on an on-going or episodic basis, depending on need.

For more information on the CHSP, see Chapter 3.

Home Care

This is a more structured, more comprehensive package of home-based support, provided over four levels:

- Level 1 – to support people with basic care needs
- Level 2 – to support people with low level care needs
- Level 3 – to support people with intermediate care needs
- Level 4 – to support people with high care needs.

For more details on home care, see Chapter 4.

Respite Care

Respite care is an important support service for older people in Australia and their carers, and is provided in a number of settings to allow flexibility for users.

For more details on respite care, see Chapter 5.

Residential Care

Residential care provides support and accommodation for people who have been assessed as needing higher levels of care than can be provided in the home, and, where required, 24-hour nursing care. Residential care is provided on either a permanent, or a temporary (respite) basis.

For more information on residential care, see Chapter 6.

Flexible Care

Flexible care acknowledges that in some circumstances an alternative to mainstream residential and home care is required. There are five types of flexible care:

- Transition Care
- Short-Term Restorative Care
- Multi-Purpose Services
- National Aboriginal and Torres Strait Islander Flexible Aged Care
- Innovative Care.

For more information on flexible care, see Chapter 7.

Summary

While the components of the system represent a continuum of care from low-level (possibly temporary) to high-level, permanent care, a recipient's progression through the system is not necessarily linear.

When and where on the care-spectrum a person enters the system (and indeed whether they ever enter it), and their progression through it, is determined by the complex interaction of intrinsic and extrinsic factors. These include the social determinants of health, physical and mental health and well-being, social support and inclusion.

Each person's life experience is unique and therefore there is no 'typical' aged care recipient. The aged care system is designed to be flexible and responsive to these varying needs.

1.2. Managing supply and demand

Supply

The Australian Government's needs-based planning framework aims to grow the supply of aged care places in proportion to the growth in the aged population.

It also seeks to ensure balance in the provision of services between metropolitan, regional, rural and remote areas, as well as among people needing differing levels of care.

The Australian Government manages the supply of aged care places by specifying a national target provision ratio (the ratio) of subsidised aged care places. At 30 June 2023, the ratio is 72.8 operational aged care places for every 1,000 people aged 70 years and over.

While the overall target provision ratio comprises residential care, home care, and, since 2016, restorative care places, the reported 'operational provision ratio' refers only to places assigned to approved providers. Since the introduction of the Increasing Choice in Home Care reforms on 27 February 2017, Home Care Packages can no longer be defined as 'operational places' as they are not assigned to the provider, but to the recipient, and are therefore no longer included in the operational provision ratio.

As the number of places increases, the balance of care-types within the ratio will also change. The change in mix of care-types is intended to respond to the preference of older people in Australia to stay at home, where possible, and, to accommodate the inclusion of the Short-Term Restorative Care (STRC) program.

The Australian Government does not regulate the supply of home support services in the same way as it does home care and residential care, as these services are provided through grant-funding arrangements, although the supply is affected by overall funding levels.

Current provision

The total number of operational residential and flexible aged care places at 30 June 2023 was 233,369. This represents an increase of 1,637 residential and flexible aged care places since 30 June 2022.

At 30 June 2023, there were 258,374 people utilising a Home Care Package, an increase of 42,631 since 30 June 2022.

Allocation of residential aged care places

The Aged Care Approvals Round (ACAR) was a competitive application process that enabled prospective and existing approved providers of aged care to apply for a range of new Australian Government-funded aged care places (residential care places and STRC places). Following the 2021–22 Budget, it was announced that no further ACAR processes would be held following the conclusion of the 2020 round. Instead, from 1 July 2024, residential care places will be assigned directly to older people in Australia to give them more choice and control over which provider they judge can best meet their needs.

By fostering a more open market with stronger elements of choice, the success of individual providers will be determined by factors including the quality of their service and their ability to meet the individual needs of residents. Providers will also benefit by having more control over their business operations, rather than being restricted by obtaining places through the ACAR.

A Transition Strategy[2] is in place to address the supply of places in the absence of the ACAR in the lead up to 1 July 2024. This includes the ability for providers to apply directly to the department for an allocation of residential care places if they can deliver care immediately, but do not have allocated places to do so. Separately, an 'intention to develop' process is in place to ensure that new developments continue to progress over the transitional period.

Allocation of Home Care Packages

Under the *Aged Care Act 1997* (the Act), the Australian Government provides a subsidy to an approved provider of home care, chosen by the client, to coordinate a package of care, services and case management to meet their individual needs.

Individuals approved for a Home Care Package are placed on the National Priority System (NPS) until a package becomes available and is assigned to them. Individuals are placed on the NPS according to the date they were approved for home care, and their priority for home care services, ensuring a consistent and equitable national approach. They are assigned a package when they are the next eligible recipient on the NPS at a particular level and priority.

2 https://www.health.gov.au/our-work/places-to-people-embedding-choice-in-residential-aged-care

Table 1: Number of people utilising a Home Care Package on 30 June each year from 2019 to 2023, by state and territory

State/ territory	2019	2020	2021	2022	2023
NSW	35,863	48,270	59,283	74,704	83,768
Vic	27,776	39,425	50,011	55,711	66,674
Qld	21,562	27,560	32,389	41,026	53,631
WA	8,999	11,049	13,911	17,806	21,827
SA	7,758	10,254	13,597	18,127	22,889
Tas	2,626	3,428	4,060	5,150	6,115
ACT	1,464	1,810	2,079	2,262	2,396
NT	659	640	775	957	1,074
Australia	**106,707**	**142,436**	**176,105**	**215,743**	**258,374**

Note: Location of home care recipients is based on the physical address of the service delivering the care.

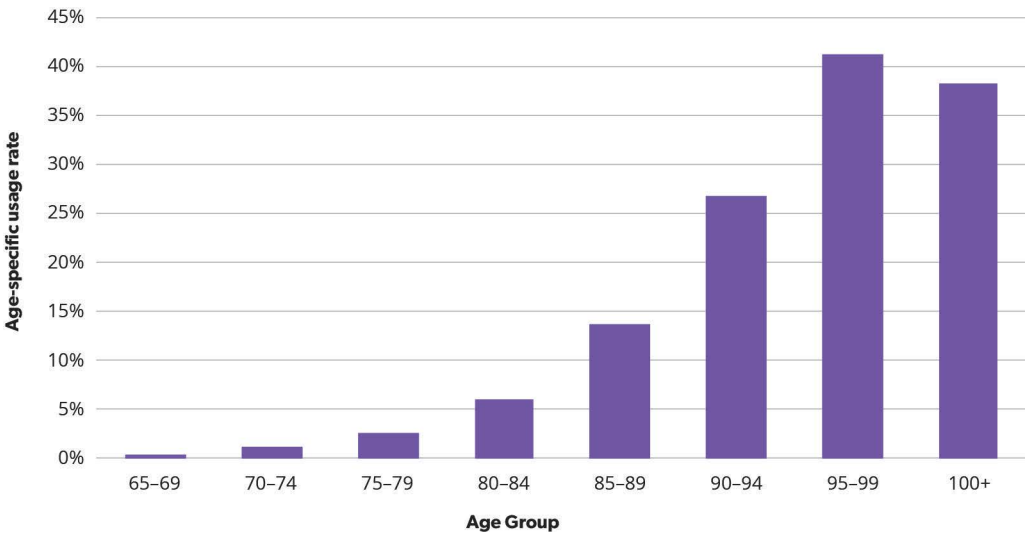
Demand

Age

The ageing of the population and the associated increasing number of people with dementia are the two main factors driving increased demand for aged care services.

As age increases, the likelihood of needing care increases, as shown in Figure 1.

Figure 1: Age-specific usage rates of residential aged care, 30 June 2023



At 30 June 2023, 16.7 per cent of Australia's population was aged 65 years and over (4.5 million people) and 2.1 per cent was aged 85 years and over (558,000 people). By 2033 it is estimated that 18.4 per cent of the population will be aged 65 years and over (5.7 million people) and 2.7 per cent (849,000 people) will be 85 years and over.[3]

While older age groups have greater utilisation of aged care services, it is not age per se that determines access, rather, assessed need.[4]

Access to home care and residential aged care services is through a comprehensive assessment performed by one of the 80 Aged Care Assessment Teams (ACAT) which operate in all states and territories. ACATs are funded by the Australian Government and administered by the relevant state/territory government. In 2022–23, a total of 206,890 ACAT assessments were administered.

Access to CHSP is through an assessment by a Regional Assessment Service (RAS).

3 Population Projections, Australia, 2017 (base) - 2066 | Australian Bureau of Statistics (abs.gov.au)

4 However certain age cohorts are typically used for planning purposes and are referenced in this report: 65 years plus (50 years plus for Aboriginal and Torres Strait Islander people) - is the 'traditional' definition of an older person and constitutes the aged care target population that the Australian Government has sole responsibility for funding; 70 years plus is used for planning purposes, such as determining ratios of residential care places; and 85 years plus is considered 'very old' and more closely reflects the target population of the high-end of aged care.

Dementia

The World Health Organization defines dementia as "a syndrome, which results in deterioration to cognitive function (the ability to process thought) beyond what is expected from the usual consequences of ageing". Dementia is the second leading cause of death and the third leading cause of disease-burden in Australia. It is the leading cause of death for Australian women.

Dementia usually occurs in people who are aged 65 and over. After the age of 65 the likelihood of developing dementia doubles every five years. Currently the prevalence of dementia in Australia is estimated at almost 8 per cent of people aged 65 and over, rising to 40 per cent of people 90 years and over.[5]

In 2023, there were an estimated 409,000 Australians with dementia, over 40 per cent of whom were aged 85 years and over. The number of people with dementia is anticipated to grow to around 802,900 by 2053.[6]

1.3. Legislative framework

The *Aged Care Act 1997*

Following the Royal Commission into Aged Care Quality and Safety (Royal Commission), changes are being made to the aged care system in Australia.

Supporting legislation is needed to implement many of the recommendations of the Royal Commission [and other system changes] which the Government is meeting both through amending existing aged care legislation and developing a completely new legislative framework to support broader reforms to the aged care system.

Further details can be found on the department's website.[7]

The Act and delegated legislation – Aged Care Principles and Determinations – provide the regulatory framework for Australian Government-funded aged care providers.

The legislative framework sets out the requirements for the allocation of aged care places, the approval and classification of care recipients, the responsibilities of approved providers, and the subsidies paid by the Australian Government. The framework also sets out the responsibilities of providers.

5 Australian Institute of Health and Welfare 2023. Dementia in Australia Cat no. DEM 2 Canberra: AIHW
6 https://www.aihw.gov.au/reports/dementia/dementia-in-aus/contents/population-health-impacts-of-dementia/prevalence-of-dementia
7 https://www.health.gov.au/our-work/aged-care-reforms/aged-care-legislative-reform

Aged Care Principles

Aged Care Principles are made under subsection 96–1 of the Act. The Act enables the Minister to make Principles that are required or permitted under the Act, or that the Minister considers necessary or convenient to carry out or give effect to a Part or section of the Act.

There are currently 16 sets of Principles made under the Act. In addition, the *Aged Care (Transitional Provisions) Principles 2014* were made under the *Aged Care (Transitional Provisions) Act 1997*. These Principles may be amended at any time.

Aged Care Quality and Safety Commission Act 2018

This Act provides for the establishment of the Aged Care Quality and Safety Commission (the Commission). The Commission is responsible for assisting the Aged Care Quality and Safety Commissioner (Commissioner) with their functions. *The Aged Care Quality and Safety Commission Rules 2018* (the Rules) give operational effect to the processes of the Commission. The Rules replaced a number of Principles including the *Quality Agency Principles 2013*.

Outside the Act

The operation of the CHSP is governed by the CHSP Program Manual 2022–23, and contracts with individual CHSP service-providers through grants.

The operation of the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program is governed by the NATSIFAC Program Manual 2023, the funding agreement and its terms and conditions.

1.4. Funding

The Australian Government is the major funder of aged care, with aged care recipients contributing to the cost of their care where able to do so.

Australian Government expenditure for aged care throughout 2022–23 totalled $28.0 billion, an increase of 12.9 per cent from the previous year.

Figure 2: Australian Government outlays for aged care, 2018–19 to 2022–23

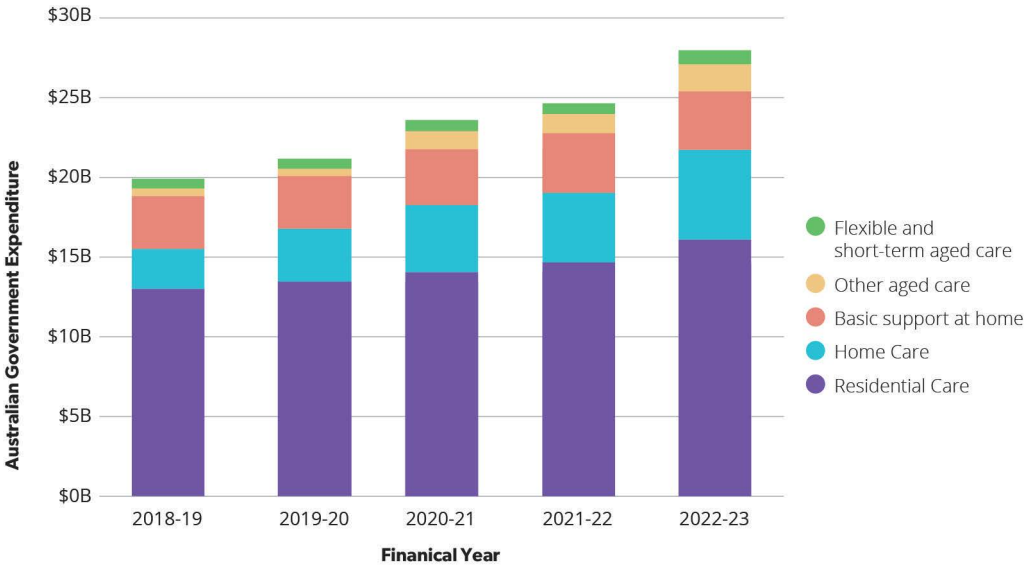
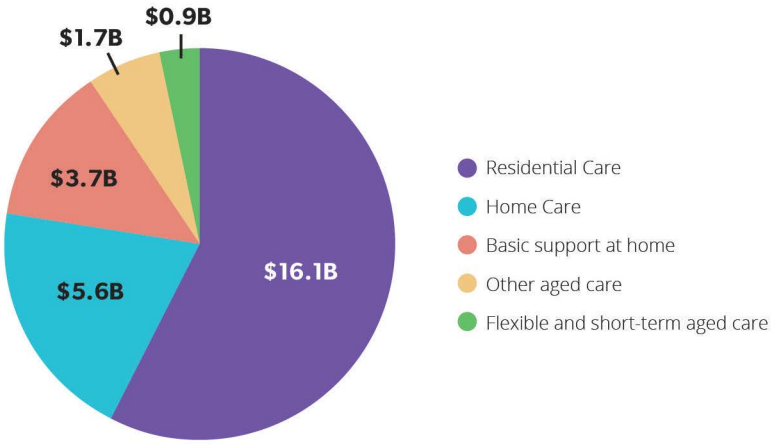


Figure 3: Australian Government aged care expenditure by type of care, 2022–23



Funding reform

The Australian National Aged Care Classification (AN-ACC) replaced the Aged Care Funding Instrument (ACFI) as the residential aged care funding model on 1 October 2022.

The AN-ACC is designed to provide equitable funding to approved residential aged care services by linking subsidy to the characteristics of services and residents that drive costs. The fundamental elements of the AN-ACC funding model include:

- three funding components: a fixed component (Base Care Tariff (BCT)), a variable component (AN-ACC classification funding) and a one-off adjustment payment when a new permanent resident enters a service
- separation of care-planning from funding assessments, with independent assessments informing AN-ACC classification (funding) decisions: resident assessments are completed by independent AN-ACC assessors from Assessment Management Organisations (AMO) contracted by the Department of Health and Aged Care
- pricing and model review: annual independent analysis by the Independent Health and Aged Care Pricing Authority (IHACPA), based on costing studies and other available data specific to the aged care sector, to inform changes in pricing such as refinements to BCTs, AN-ACC classifications and the AN-ACC price.

The AN-ACC funding model aggregates the funding formerly provided through the:

- Aged Care Funding Instrument (ACFI) basic subsidy
- homeless supplement
- viability supplement
- Basic Daily Fee supplement.

AN-ACC funding also incorporates additional funding for care-minutes to help providers manage their workforce to meet future care-minutes obligations.

From 1 July 2023, the Basic Daily Fee supplement will no longer be included in AN-ACC, and will instead be provided through a separate hotelling supplement.

More information on residential aged care funding reforms can be found on the departments website.[8]

8 https://www.health.gov.au/topics/aged-care/aged-care-reforms-and-reviews/residential-aged-care-funding-reform

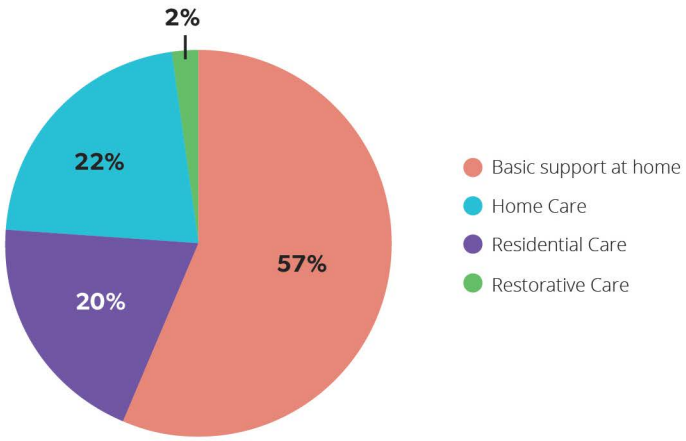
1.5. Aged care recipients

In 2022–23, approximately 1.5 million people received some form of aged care, the great majority receiving home-based care and support, while relatively few lived in residential care:

- 816,132 people received home support through the CHSP
- 314,971 people received care through a Home Care Package
- 79,544 people received residential respite care, of whom 47,593 (approximately 59.8 per cent) were later admitted to permanent care
- 250,273 people received permanent residential aged care.

People also accessed care through flexible-care programs and other aged care services. Some people received care through more than one program.

Figure 4: Recipients of aged care by service type, 2022–23



Average age on entry

The average age on admission to permanent residential aged care was 83.5 years for men and 85.3 years for women.

For people accessing a Home Care Package the average age was 81.2 years for men and 81.1 years for women.

People with diverse needs

Older people in Australia have the same diverse characteristics and life experiences as the broader Australian population. The Royal Commission into Aged Care Quality and Safety made it clear that being responsive to this diversity should be core business in aged care. The Government has a number of measures in place to build the capacity of mainstream services to cater for diversity, and there are also special provisions and funding mechanisms to ensure access to appropriate care.

For more information on provision of services for people with diverse needs, see Chapter 8.

1.6. Informed access for older people in Australia

My Aged Care provides a clear entry point to the aged care system through providing:

- information on the different types of aged care services available
- access to an assessment of needs to identify eligibility and the right type of care
- referrals and support to find service providers that can best meet the person's needs
- information about costs and how much you might need to pay towards the cost of care.

For more information on how older people in Australia can access information about aged care, see Chapter 2.

1.7. Support for older people in Australia

National Aged Care Advocacy Program

The Australian Government funds the National Aged Care Advocacy Program (NACAP) which provides free, confidential and independent advice to older people in Australia, their families and carers.

Community Visitors Scheme

The Australian Government funds community-based organisations to recruit volunteers to make regular visits to aged care recipients of Australian Government-subsidised residential aged care services and Home Care Packages.

National Dementia Support Program

The National Dementia Support Program (NDSP) is the Australian Government's principal community-based dementia support program which provides education, resources, counselling and support to people living with dementia, their families and carers, to help improve their lives and increase awareness and understanding about the disease.

For details of the support provided to older people in Australia by the NDSP, see Chapter 2.2.

1.8. Aged care workforce

The aged care workforce includes nurses, personal-care workers, and allied health professionals, as well as administrative and ancillary staff. Workforce training and education is a shared responsibility between government and industry, with providers having obligations under the Act to ensure that there are adequate numbers of appropriately skilled staff to meet the individual care-needs of older people in Australia. Volunteer workers also make a significant contribution across the sector.

For more information on the aged care workforce, see Chapter 9.

1.9. Regulatory, quality and prudential oversight

There are strict prudential requirements related to the accounting and handling of bonds and refundable accommodation deposits collected by approved providers. The department closely monitors how effectively providers are meeting these requirements and conducts an annual review of providers' prudential arrangements.

Providers of Australian Government-funded aged care services must comply with responsibilities specified in the Act and the Aged Care Principles. These responsibilities encompass quality of care, user-rights, accountability and allocation of places. The Aged Care Quality and Safety Commission monitors the compliance of aged care services against their responsibilities under the Act and the Rules.

For more information about governance and quality, see Chapter 10.

1.10. Independent Health and Aged Care Pricing Authority

The Independent Health and Aged Care Pricing Authority (IHACPA) is an independent government agency that assists the Australian Government to fund hospital and aged care services more efficiently by providing evidence-based price determinations and pricing advice.

On 12 August 2022, the *Aged Care and Other Legislation Amendment (Royal Commission Response) Act 2022* and the *Aged Care Legislation Amendment (Independent Health and Aged Care Pricing Authority) Instrument 2022* came into effect, amending the *National Health Reform Act 2011, Aged Care Act 1997* and *Fees and Payment Principles 2014 (No. 2)*. These legislative changes increased IHACPA's remit and transferred across the functions of the former Office of the Aged Care Pricing Commissioner.

Under these amendments, the Independent Hospital Pricing Authority was renamed the Independent Health and Aged Care Pricing Authority. In addition to its original functions, IHACPA is now required to:

- provide annual advice to the Australian Government on pricing and costing of aged care matters annually
- provide annual advice to the Australian Government on health care pricing or costing matters upon request
- approve higher maximum accommodation payment amounts and extra service fees as set out under section 52G–4 and 35–1 of the *Aged Care Act 1997*.

Further information on the IHACPA's operations for the year is available from the IHACPA's Annual Report.

1.11. Aged Care Quality and Safety Commission

On 1 January 2019, the Australian Government established an independent Aged Care Quality and Safety Commission. The Commission combined the functions of the former Australian Aged Care Quality Agency, and the former Aged Care Complaints Commissioner. The aged care regulatory functions of the Department of Health and Aged Care joined the Commission from 1 January 2020.

More information on the role and functions of the Commission can be found in Chapter 10.

1.12. Royal Commission into Aged Care Quality and Safety

In May 2022, the Government committed to a five-point plan to ensure older people in Australia get the care they deserve, including measures that will respond to key recommendations from the Royal Commission's Final Report. This included funding in the 2022–23 October Budget to improve safety, dignity and quality in the aged care sector.

The 2023–24 Budget is estimated to deliver an overall spend in aged care of $36 billion in that financial year and addresses, in full or in part, 44 recommendations from the Royal Commission into Aged Care Quality and Safety.

1.13. Aged care services and the COVID-19 pandemic

The Department of Health and Aged Care continues to support the aged care sector to respond to outbreaks.

Most of Australia's residential aged care homes experienced an outbreak in the 2022–23 financial year, during which, 2,619 facilities experienced one or more outbreaks. Of these, 508 facilities experienced one COVID-19 outbreak and 2,111 experienced two or more outbreaks.

COVID-19 has continued to impact the community and aged care settings during the 2022–23 financial year. For the 12-month period, there was a total of 94,133 resident cases, 43,781 staff cases and 2,885 resident deaths. These numbers are an increase on the previous financial year.

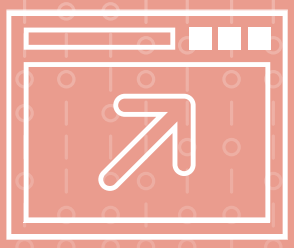
As a result of the continued COVID-19 case-load on the aged care sector, the Australian Government has provided the following supports to residential aged care homes:

- access to personal protective equipment (PPE) from the National Medical Stockpile (NMS) when commercial supplies are unavailable or insufficient
- pre-deployment of PPE summer and winter packs ahead of COVID-19 peak periods/waves to help prepare for an outbreak
- access to COVID-19 vaccination clinics to ensure residents have every opportunity to receive doses they are eligible for, including the 2023 booster dose to maintain protection from COVID-19. Vaccinations are primarily delivered through primary care channels
- a weekly supply of rapid antigen test (RAT) kits for screening staff and visitors prior to an outbreak and to increase daily testing during an outbreak

- facilitating access to in-reach PCR testing on site through Sonic Healthcare during an outbreak, noting that a negative RAT does not mean the absence of COVID
- access to supplementary workforce through contracted providers and by increasing access to a broader casual agency pool
- reimbursing providers for the costs associated with managing outbreaks including those associated with PPE and RATs procured through commercial suppliers, additional and replacement staff, and other infection prevention and control (IPC) activities
- access to COVID-19 antiviral medications, both direct to facilities and through community pharmacy
- Australian Defence Force (ADF) clinical personnel.

Similarly, supports for in-home aged care services has been provided throughout the pandemic, including:

- funding support, via the 2023 COVID-19 Aged Care Support Program grant, for Home Care Package (HCP) providers to transition towards managing the costs of COVID-19 outbreaks as part of their business-as-usual arrangements. This Program reimburses HCP providers to maintain preparedness for and respond to outbreaks in the 2023 calendar year
- reimbursing HCP providers, with one or more services directly impacted by COVID-19, via the COVID-19 Aged Care Support Program Extension, to deliver continuity of safe quality care for recipients
- funding support via the CHSP Ad hoc Proposals Extension grant to assist CHSP providers, enabling them to respond to unforeseen and exceptional circumstances that directly impact on existing service delivery arrangements that are beyond the control of the grant recipient.



Nearly 5.8 million
website visits and over
1.4 million
calls answered

Nearly 4.8 million
My Aged Care information products distributed

17 RAS organisations and 80 ACATs delivered assessment services

2

Informed Access to Aged Care

2. Informed Access to Aged Care

The Australian Government provides support to older people in Australia, their families, representatives and carers to access consistent, accessible, inclusive, reliable and useful information about the aged care system and aged care providers.

My Aged Care is the starting point to find information about and access to Government-subsidised aged care services. My Aged Care can be accessed online, over the phone or in-person.

2.1. Enabling people to make informed choices

The department continues to enhance My Aged Care in response to feedback.

Key improvements in the last year include:

- the introduction of Star Ratings for all residential aged care services. Star Ratings provide the ability for older people in Australia and their support networks to easily compare services and make informed choices about their care. Since their introduction in December 2022, residential aged care services have shown an improvement in Overall Star Ratings with 95 per cent rated acceptable or better in May 2023
- additional information about verification of provider claims on the My Aged Care website to offer specialised care to people from diverse backgrounds. The verification process helps ensure older people with diverse needs can find safe and inclusive care that best suits them
- new tools to help website users understand and compare Home Care Package pricing, including a quick cost-checker, cost comparison indicators and updated cost information. These tools reflect the capping of costs for care and package management, and the removal of costs for exiting a service along with third party service charges
- minor enhancements across the website to better assist users in navigating the website, including the virtual assistant, the online tools and the content and design of various pages
- publication of a range of Easy Read version of booklets and brochures to improve accessibility of information about aged care assessment and services
- expansion of SMS notifications to streamline the provision of information by the contact centre (e.g. links to the 'Find a Provider tool' on the website). Since commencement in 2022, over 234,000 SMS notifications have been sent

- introduction of a push prompt Interactive Voice Response (IVR) and skill-based routing to improve contact centre efficiency and client experience by directing caller enquiries to the most appropriate agent based on tenure and skillset
- launch of the new *My Aged Care Workforce Learning Strategy 2023* and underpinning *Quality Learning Framework* to better align the workforce training program to the varied job roles across My Aged Care
- launch of a new in-house learning management system, MAClearning and improved learning content to support implementation of the *My Aged Care Workforce Learning Strategy 2023* to ensure the My Aged Care workforce provides consistent and accurate information to older people in Australia
- launch of a new contact centre induction program that is efficient and versatile in the delivery approach – to support new starters to better understand their role, improve the training experience and reduce attrition.

The My Aged Care in-person service began rolling out in December 2021 and was fully implemented by December 2022. This consisted of 81 Aged Care Specialist Officers (ACSO) nationally, providing face-to-face appointments in select Services Australia service centres to support older people and their families. This included 10 outreach services in rural and regional areas. More broadly, staff in all Services Australia service centres can now help clients with accessing My Aged Care.

Calls, correspondence, website and appointments data

In 2022–23, the My Aged Care contact centre received 1,463,512 calls, and provided practical support by connecting services and providing information and advice.

The My Aged Care website had a total of 5,795,946 visits.

Since July 2021, new clients and/or their representatives who register on My Aged Care are sent personalised welcome packs. In 2022–23, 435,033 packs were distributed.

In 2022–2023, there were 18,544 My Aged Care in-person appointments delivered by ACSOs.

Publications

The department continues to disseminate a range of printed aged care materials, including information booklets and brochures for older people in Australia, their families and carers.

In 2022–23, nearly 4.8 million My Aged Care information products were distributed including:

- more than 455,000 brochures explaining the range of Australian Government-funded aged care services available and how to access them
- nearly 640,000 detailed booklets about accessing specific Australian Government funded aged care programs. This included the Charter of Aged Care Rights, which describes the rights of aged care recipients who receive Australian Government-funded aged care services
- more than one million Home Care Package letters.

These resources are regularly reviewed and updated to ensure the information remains accurate and is easy to understand. Translated versions of many of the resources, in 18 Culturally and Linguistically Diverse (CALD), and four Aboriginal and Torres Strait Islander languages, are also available to view and download.

2.2. Support for recipients

Aged Care System Navigator Extension measure

The Aged Care System Navigator Extension built on the original trials of community and information hubs, to help older people understand and engage with the aged care system. The Extension focused on delivering individual face-to-face services to vulnerable older people, both in their homes and in the community. More than 4,000 cases of individual navigation support were provided by 28 organisations across all states and territories in 2022–23. Learnings from these trials informed the design and implementation of the Care Finder Program.

Care Finder Program

The care finder program was announced in response to Recommendation 29 of the Royal Commission into Aged Care Quality and Safety's Final Report. It focuses on vulnerable older people who need intensive support to access aged care and other services in the community. Primary Health Networks commissioned care finder services in 2022–23, with 115 organisations engaged nationally. Service delivery commenced from 1 January 2023.

National Aged Care Advocacy Program

The Australian Government funds the Older Persons Advocacy Network (OPAN) to deliver the National Aged Care Advocacy Program (NACAP) which provides free, confidential, and independent advice to older people in Australia, their families

and representatives. In response to Recommendation 106 of the Royal Commission into Aged Care Quality and Safety (the Royal Commission) to expand aged care advocacy services, funding for the NACAP was increased by $99.6 million in the 2021–22 Budget, bringing the total funding provided to $151 million over four years (2021–22 to 2024–25). In 2022–23, funding of $39.2 million was provided, during which time OPAN delivered 4,362 education sessions across home and residential aged care and provided 36,810 cases of information or individual advocacy.

Community Visitors Scheme

The Community Visitors Scheme (CVS) supports organisations to recruit volunteers to provide friendship and companionship through one-on-one visits to older people receiving Australian Government-subsidised home care or residential aged care who are socially isolated, or at risk of social isolation. In line with the Royal Commission's Final Report Recommendation 44.c to provide additional funding and expand the CVS, funding was increased by $34 million in the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO) Budget, bringing the total funding provided to $113 million over four years (2021–22 to 2024–25). During 2022–23 with funding of $24.4 million, approximately 9,122 volunteers conducted an estimated 135,977 visits. From 1 July 2023, the CVS will be renamed to the Aged Care Volunteer Visitors Scheme.

National Dementia Support Program

The National Dementia Support Program (NDSP), through Dementia Australia, provides people living with dementia or experiencing cognitive decline, with counselling, education sessions, support groups, and peer mentoring for carers, featuring coaching, advice, and support.

The program aims to:

- improve awareness and understanding about dementia
- empower people living with dementia, their carers, and families to make informed decisions about the support services they need
- ensure people living with dementia, their carers and families have access to support and advice.

The program can be accessed online, or, through a 24/7 National Dementia Helpline.

Under their current grant agreement, Dementia Australia will receive funding of $101.3 million to deliver the expanded NDSP until 30 June 2025.

In 2022-23, the National Dementia Helpline and referral service received over 42,500 contacts, with 91 per cent of referred clients taking up a program or service. More than 450,000 resources were downloaded, and dementia information kits were viewed over 100,000 times from the Dementia Australia national website. More than 10,000 hours of counselling and 361 education sessions, and over 8,700 hours of Post-Diagnostic Support were delivered.

The NDSP includes five elements:

Element 1: Information and Foundation Supports

This element aims to support people living with dementia, and their carers and support networks, to make informed decisions about their health and the ways they access medical and health-related services. It includes the National Dementia Helpline and website, and provision of advice about and to local service delivery and support networks.

Element 2: Early Intervention Supports

This element aims to help people to manage after receiving a diagnosis of dementia or experiencing symptoms of cognitive decline, and improve recipient dementia literacy and service navigation skills so people are better equipped to live well with dementia. Under this element, the NDSP provides education, counselling, planning support, and other psychosocial supports people living with dementia and help carers maintain their caring role as long as practical.

Element 3: Targeted Supports for Vulnerable Groups

This element aims to provide culturally appropriate education and support to help people from vulnerable communities (in particular, Aboriginal and Torres Strait Islander people and people from culturally and linguistically diverse backgrounds) adjust to a dementia diagnosis, and empower them to access, understand and use dementia services and supports.

Element 4: Awareness and Stigma Reduction Campaigns

This element aims to improve awareness and understanding of dementia, improve early diagnosis rates, and reduce the stigma associated with the condition. Activities under this element include recipient-focused and GP/health professional-focused awareness and stigma-reduction campaigns.

Element 5: Local Recipient Post-Diagnostic Pathways

Under this element, Dementia Australia works with Primary Health Networks (PHN) to develop a recipient-focused resource in each PHN area detailing the support available for people living with dementia, and their carers and support networks, including local, state, and federal government, private sector, and community-driven support.

In 2022–23, $27.2 million was allocated for activities under the five elements.

EnCOMPASS: Multicultural Aged Care Connector

The Government engaged the Federation of Ethnic Communities Councils of Australia (FECCA) to deliver the EnCOMPASS: Multicultural Aged Care Connector Program (EnCOMPASS). The program closed on 30 June 2023. The program enabled CALD recipients, their families and carers to understand and engage with the aged care system, including through My Aged Care, and access services that are appropriate to their needs.

FECCA engaged 29 partner organisations across Australia to deliver the program. Navigators employed by these organisations worked with CALD older people in Australia and their families to address language and cultural barriers that make it difficult for them to access culturally appropriate aged care services. CALD Navigators were from within the local communities, and were mostly bilingual and bicultural providing services to CALD older people in Australia of the same language or cultural background. More than 9,133 older people accessed one-to-one navigational support under EnCOMPASS over the life of the program, and 36,988 people participated in the information sessions across the 29 sites.

Elder Care Support Program

The Australian Government funds the National Aboriginal Community Controlled Health Organisation (NACCHO) to establish the Elder Care Support Program. Beginning in 2023, NACCHO will roll out a range of support services through its affiliates and Aboriginal Community Controlled Organisations (ACCO) to deliver the Elder Care Support Program. The program provides Aboriginal and Torres Strait Islander people, their families and carers with intensive face-to-face support to:

- understand how to access aged care services, navigate assessment processes and assist in choosing a provider
- advocate for older Aboriginal and Torres Strait Islander people by working with assessors and providers
- help older Aboriginal and Torres Strait Islander people while they receive aged care services.

A skilled workforce of up to 250 staff across Australia will be deployed over three phases to provide this support.

2.3. Access to subsidised care

Regional Assessment Service

The Regional Assessment Service (RAS) delivers assessments of people seeking entry-level support at home, provided under the CHSP. In 2022–23, the Australian Government allocated funding of approximately $118.8 million for 17 RAS providers to deliver assessment services in all states and territories. RAS providers completed 297,652 assessments (including reassessments) in 2022–23.

Aged Care Assessment Program

ACATs comprehensively assess the aged care needs of older people in Australia by building on the information collected in the My Aged Care contact-centre screening and home support assessment (if applicable). This process includes approving the person as eligible for Australian Government-subsidised aged care services funded under the Act, such as residential care, residential respite care, home care and/or flexible care services in the form of Short-Term Restorative Care and Transition Care. ACATs make referrals to aged care services or provide the person with a referral code for them to self-manage their referral. ACATs completed 206,890 assessments in 2022–23.

Assessments are conducted in accordance with the requirements for the approval of care recipients outlined in Part 2.3 of the Act and in the *Approval of Care Recipients Principles 2014.*

Table 2: ACAT assessments by state and territory, 2018–19 to 2022–23

State/ territory	2018–19	2019–20	2020–21	2021–22	2022–23
NSW	60,031	63,805	63,233	67,268	70,398
Vic	49,044	49,524	46,835	48,678	52,310
Qld	31,354	32,230	33,727	41,859	39,397
WA	15,026	16,945	16,896	17,953	19,221
SA	15,625	16,948	16,968	17,042	17,151
Tas	4,649	4,648	4,635	4,693	4,910
ACT	1,791	1,775	2,158	1,932	2,402
NT	843	1,016	1,153	1,137	1,101
Australia	**178,363**	**186,891**	**185,605**	**200,562**	**206,890**

The data includes reassessments.

Notes: Data was extracted from the Ageing and Aged Care Data Warehouse in July 2023. Future extracts of this data may change and thus alter final numbers. The table includes total number of assessments. Expanded data regarding completed assessments and approvals are published on the GEN Aged Care Data website and in the Productivity Commission Report on Government Services.

1,334
funded CHSP organisations

816,132
CHSP clients across 2022-23

$3.0 billion
for CHSP service delivery activities

3

Home Support

3. Home Support

The Australian Government provides a range of entry-level home support services designed to help people to continue living in their own homes for as long as they can.

Older people in Australia aged 65 years and over (50 years and over for Aboriginal and Torres Strait Islander people) are supported to age in their homes by having access to a range of Australian Government-funded entry-level home support services under the Commonwealth Home Support Programme (CHSP).

From November 2022, access to CHSP Goods, Equipment and Assistive Technology (GEAT) was expanded to approved Home Care Package (HCP) care-recipients who have insufficient funds (in monthly subsidy or in unspent funds) in their package budget, and approved recipients on the National Priority System, to provide essential equipment in emergency circumstances. HCP recipients can access up to $2,500 per year for GEAT which is provided by the CHSP National equipment provider, GEAT2GO.

CHSP providers have continued to access a national online CHSP reablement training program to help support workers, allied health professionals and team leaders to embed wellness and reablement into everyday service delivery approaches. A Community of Practice for CHSP providers is also available to increase awareness of the benefits of reablement practices across the sector.

As of January 2023, Assistance with Care and Housing (ACH) navigation services (previously known as Assessment - Referrals and Advocacy – Financial, Legal) are delivered and funded through the care-finder program. Additional information is available on the My Aged Care website. Hoarding and Squalor supports those who are living with hoarding-behaviour, or in a squalid environment to access the most appropriate range of services in order to meet their immediate and ongoing needs.

Hoarding and squalor services may include:

- developing a client plan
- one-off cleans
- care plan review
- linking clients to specialist support services.

To align with the broader in-home aged care reforms and implementation timeframes, in 2022–2023 CHSP providers transitioned to payment-in-arrears and nationally consistent unit prices, for most services.

In December 2022, the Serious Incident Response Scheme (SIRS) was also introduced to the program and requires providers to report incidents of abuse and neglect in connection with the care they provide.

3.1. What was provided?

The CHSP helps older people living in the community to maximise their independence through the delivery of timely, high quality entry-level support services taking into account each person's goals. CHSP support is underpinned by a wellness approach, which is about building on each person's strengths, capacity and goals to help them remain independent and to live safely at home.

Table 3: CHSP services by sub-programme and service type

	Sub-programme			
	Community and home support	Care relationships and carer support	Assistance with care and housing – hoarding and squalor	Sector support and development
Objective	To provide entry-level support services to assist older people in Australia to live independently at home and in the community.	To support and maintain care relationships between carers and clients, through providing good quality respite care for older people in Australia so that regular carers can take a break.	To support those who are living with hoarding behaviour or in a squalid environment who are at risk of homelessness or unable to receive the aged care supports they need.	To increase CHSP-provider capability and improve quality of service delivery through activities under a targeted range of primary focus areas.

Service types funded	• Allied health and therapy services
	• Domestic assistance
	• Goods, equipment and assistive technology
	• Home maintenance
	• Home modifications
	• Meals
	• Nursing
	• Other food services
	• Personal care
	• Social support-individual
	• Social support-group
	• Specialised support services
	• Transport
		• Centre-based respite:
		  - Centre based day respite
		  - Residential day respite
		  - Community access - group respite
		• Flexible respite:
		  - In-home day respite
		  - In-home overnight respite
		  - Community access – individual respite
		  - Host family day respite
		  - Host family overnight respite
		  - Mobile respite
		  - Other planned respite
		• Cottage respite (overnight community)
			Assistance with Care and Housing – Hoarding and Squalor activities are delivered to older people or prematurely aged who meet each of the following three criteria:
			• On a low income
			• Living with hoarding behaviour and/or in a squalid living environment
			• At risk of homelessness or unable to receive the aged care services they need.
				Sector support and development primary focus areas include:
				• Wellness and reablement
				• Workforce enhancements
				• Engagement on aged care reforms
				• Developing and promoting collaborative partnerships
				• Compliance and CHSP-provider service delivery and practices
				• Developing and disseminating information about the CHSP
				• Mainstream navigation services

3.2. Who provided care?

In 2022–23, a total of 1,334 aged care organisations were funded to deliver CHSP home support services to clients. CHSP providers include government, non-government and not-for-profit organisations.

3.3. Who received care?

The CHSP provided support to 816,132 clients through delivery of home support services. Access to CHSP services is coordinated through My Aged Care. For recipients this means entry and assessment through My Aged Care and referral to the RAS for a face-to-face assessment. In 2022–23, the average age of access to the CHSP was 80.3 years.

3.4. How were these services funded?

What the Australian Government pays

The CHSP is a grant-funded program. During 2022–23, the Australian Government provided $3.0 billion for the delivery of CHSP services to assist eligible clients to remain living independently in their homes.

The Australian Government also provided $53.4 million to initiatives in support of the CHSP. In total, Australian Government expenditure for the program in 2022-23 was $3.0 billion.

Table 4: Australian Government expenditure for CHSP services in 2022–23, by state and territory

State/territory	2022–23 $M
NSW	842.9
Vic	582.5
Qld	653.1
WA	299.1
SA	224.2
Tas	63.5
ACT	33.5
NT	20.9
Australia	**2,963.1**

Note: Total may not sum exactly and includes expenditure that cannot be attributed to an individual state or territory.

What the recipient pays

The Client Contribution Framework and the National Guide to the CHSP Client Contribution Framework were implemented in October 2015. The Framework outlines a number of principles that CHSP providers should adopt in setting and implementing their own client contribution policy. The principles are designed to introduce fairness and consistency, with a view to ensuring that those who can afford to contribute do so, while protecting the most vulnerable. Client contributions support the financial sustainability of the program and CHSP providers to grow and expand their business. It is expected that contributions towards the cost of care will move towards a nationally consistent approach over time.

From July 2022 indicative client contributions for each service type were provided to help older people in Australia understand the costs of their CHSP services.

923
operational home care providers

258,374
home care recipients at 30 June

$5.6 billion
in home care subsidies and supplements

4

Home Care

4. Home Care

The Australian Government recognises that people want to remain living independently in their own home for as long as possible and as long it is safe to do so. To support this, the Government subsidises Home Care Packages (HCPs) to provide complex home-based care that can improve quality of life for older people in Australia and help them to remain active and connected to their communities. Commonwealth Home Support Program (CHSP), HCP and residential care form the three tiers of support.

To access a HCP, people are first assessed by an Aged Care Assessment Team (ACAT), which determines eligibility. Once assessed as eligible for home care, a person is placed on the National Priority System and is offered a HCP when one becomes available.

On 1 January 2023, the Australian Government implemented price caps for package management and care management in the HCP program. Package management was capped at 15 per cent of the package level and care management was capped at 20 per cent of the package level.

Package management is a service that supports delivery of a HCP, and can cover administrative activities that providers must do:

- establishing and managing home care budgets
- coordinating and scheduling services and workers
- preparing invoices and monthly statements
- complying with regulatory and assurance activities.

Care management is a mandatory service and providers must:

- regularly assess the needs, goals and preferences of a care recipient
- review home care agreements and care plans with care recipients
- ensure the care and services align with other supports
- partner with the care recipient and their family or carers about their care
- ensure the care and services are culturally safe
- identify and address risk to safety, health and wellbeing.

From 1 January 2023, providers were no longer able to charge exit charges or to charge separately for costs associated with third party services.

These measures were to ensure the reduction of excessive charges and improve the ability for care-recipients to compare prices between providers whilst ensuring more funding is made available for care and services.

4.1. What was provided?

The HCP Program provides four levels of support:

- Home Care Level 1 – to support people with basic care needs
- Home Care Level 2 – to support people with low level care needs
- Home Care Level 3 – to support people with intermediate care needs
- Home Care Level 4 – to support people with high care needs.

Under a HCP, a range of services are provided: care services, support services, care management and clinical services. These services are tailored to meet the assessed care needs of the individual receiving care. A summary list of the types of services is available on the My Aged Care website[9] and program manual.

4.2. Who provided care?

HCPs are delivered by home care service providers who have been approved under the Act by the Aged Care Quality and Safety Commission. This approval requires providers to comply with conditions relating to quality of care, recipient rights and accountability.

Between 30 June 2022 and 30 June 2023, the number of operational approved providers of home care grew from 916 to 923, representing a 0.8 per cent increase.

At 30 June 2023, there were 258,374 people who were in HCP (Table 5). The not-for-profit provider group (comprising religious, charitable and community-based providers) delivered care to 58.5 per cent of people, while for profit providers delivered care to 36.5 per cent, and government providers delivered care to 5.0 per cent.

9 https://www.myagedcare.gov.au/help-at-home/home-care-packages

Table 5: Number of people utilising a HCP, by provider type and state and territory, at 30 June 2023

State/ territory	Religious	Charitable	Community based	For profit	State/ territory and Local govt	Total
NSW	8,755	20,354	17,479	36,238	942	83,768
Vic	11,705	12,132	12,191	21,708	8,938	66,674
Qld	15,776	7,949	8,925	20,532	449	53,631
WA	3,515	7,924	1,933	8,120	335	21,827
SA	3,498	8,916	2,292	6,257	1,926	22,889
Tas	690	2,932	1,440	1,032	21	6,115
ACT	538	1,005	549	304	-	2,396
NT	281	-	435	150	208	1,074
Australia	**44,758**	**61,212**	**45,244**	**94,341**	**12,819**	**258,374**
% of Total	**17.3**	**23.7**	**17.5**	**36.5**	**5.0**	**100.0**

Note: Location of home care recipients is based on the physical address of the service delivering the care.
Totals may not sum exactly, due to rounding.
- Nil or rounded to zero

4.3. Who received care?

There were 258,374 people utilising a HCP at 30 June 2023 (Table 6), an increase of 42,631 (or 19.8 per cent) from 30 June 2022 (215,743).

In 2022–23, the average age of people accessing a HCP was 81.1 years.

Table 6: Number of people utilising a HCP, by current care level and by state and territory, at 30 June 2023

State/ territory	Level 1	Level 2	Level 3	Level 4	Total	% of Total
NSW	6,319	36,523	27,536	13,390	83,768	32.4
Vic	3,214	28,843	20,402	14,215	66,674	25.8
Qld	2,386	20,802	18,981	11,462	53,631	20.8
WA	417	5,730	7,860	7,820	21,827	8.4
SA	817	8,267	9,092	4,713	22,889	8.9
Tas	245	2,317	2,393	1,160	6,115	2.4
ACT	41	816	792	747	2,396	0.9
NT	-	378	391	305	1,074	0.4
Australia	**13,439**	**103,676**	**87,447**	**53,812**	**258,374**	**100.0**
% of Total	**5.2**	**40.1**	**33.8**	**20.8**	**100.0**	

Notes: Location of home care recipients is based on the physical address of the service delivering the care. Totals may not sum exactly, due to rounding.

- Nil or rounded to zero

4.4. How were these services funded?

What the Australian Government pays

The Australian Government is the main contributor to the cost of HCPs. Government assistance is predominantly provided in the form of a subsidy to providers with the amount increasing as the level of package rises (from Level 1 to Level 4).

The Minister determines the rates for home care subsidies and supplements to be paid from 1 July each year. The current rates are available on the department's website.[10]

10 https://www.health.gov.au/resources/publications/schedule-of-subsidies-and-supplements-for-aged-care

Table 7: Home care supplements available in 2022–23

Supplement type	Description
Primary supplements	
Oxygen supplement	A supplement paid on behalf of eligible care recipients to reimburse costs associated with provision of oxygen therapy.
Enteral feeding supplement	A supplement paid on behalf of eligible care recipients to reimburse costs associated with provision of enteral feeding.
Dementia and cognition supplement	A supplement paid on behalf of eligible care recipients assessed as having cognitive impairment due to dementia or other conditions.
Veterans' supplement in home care	A supplement paid on behalf of care recipients with a mental health condition related to their service. Eligibility for the supplement is determined by the Department of Veterans' Affairs.
EACHD top-up supplement	A supplement paid on behalf of care recipients formerly in receipt of an Extended Aged Care at Home Dementia (EACHD) package prior to 1 August 2013, to ensure no disadvantage in funding as a result of the transition to the HCP Program.
Other supplements	
Hardship supplement	A supplement paid on behalf of post-1 July 2014 care recipients in financial hardship who are unable to pay their aged care costs.
Viability supplement	A supplement paid on behalf of eligible care recipients living in regional and remote areas to assist with the extra costs of providing services in those areas.

Table 8: Australian Government expenditure for Home Care Packages 2018–19 to 2022–23, by state and territory

State/ territory	2018–19 $M	2019–20 $M	2020–21 $M	2021–22 $M	2022–23 $M
NSW	753.1	1,025.1	1,241.2	1,414.5	1,813.5
Vic	605.0	820.8	1,027.3	1,131.5	1,418.7
Qld	469.2	636.5	796.7	892.5	1,154.5
WA	308.7	418.8	524.1	397.2	509.9
SA	177.8	241.2	301.9	394.9	497.0
Tas	61.7	83.8	104.8	105.6	136.3
ACT	56.8	77.1	138.4	50.3	65.1
NT	34.6	46.9	58.7	15.5	20.8
Australia	**2,469.3**	**3,350.1**	**4,193.1**	**4,401.9***	**5,615.9***

Note: The totals may include expenditure that cannot be attributed to an individual state or territory.
*2021–22 and 2022-23 data are not directly comparable to prior years due to changed payment arrangements.

What the recipient pays

Recipients who have taken up a Home Care Package on or after 1 July 2014 can be asked to pay:

- a basic daily fee – depending on the HCP level, the current maximum basic daily fee ranges between 15.68 per cent and 17.50 per cent of the single rate of the basic age pension
- an income tested care fee – if the recipient is assessed as having sufficient income to contribute to the cost of their care, they will be required to pay this fee. The income tested care fee reduces the amount of the subsidy paid by the Australian Government to the provider
- amounts for additional care and services that the HCP would not otherwise cover, as negotiated between the recipient and their service provider.

The basic daily fee is indexed on 20 March and 20 September each year, at the same time as changes are made to the age pension.

There are annual and lifetime limits on how much a recipient pays in income tested care fees. Once these limits have been reached, the Australian Government will pay the recipient's share of income tested care fees to the provider.

These fee arrangements do not apply to recipients who were receiving a HCP on or before 30 June 2014. Further information on the fee arrangements under the HCP Program can be found on the department's website.[11]

11 https://www.health.gov.au/initiatives-and-programs/home-care-packages-program/charging-for-home-care-package-services

550 funded CHSP organisations and **2,592** residential aged care homes delivered respite care

38,752 CHSP respite clients and **79,544** residential respite clients across 2022-23

$327.4 million in CHSP grants and **$705.0 million** in residential subsidies and supplements

5

Respite Care

5. Respite Care

The Australian Government recognises the vital role that carers play by providing care and support to family and friends who are frail-aged, disabled, or have a mental or physical illness. Respite care is an important support service for frail people and their carers, and is provided in a number of settings to allow greater flexibility for carers and recipients.

5.1. What was provided?

Residential respite care

Residential respite provides short-term care in Australian Government-subsidised aged care homes, with the primary purpose of giving a carer, or the person being cared for, a break from their usual care arrangements. Residential respite may be used on a planned or emergency basis. To access residential respite a person must be assessed as eligible by an ACAT. Eligible people may receive residential respite in aged care homes for up to 63 days in each financial year, with the possibility of extension, where approved by an ACAT.

An ACAT will determine whether a person is eligible for high-care or low-care residential respite. The determination of care levels does not affect the type of care provided but can impact the applicable fees and government subsidies. People receiving residential respite are entitled to receive the same services as someone receiving permanent residential aged care.

Commonwealth Home Support Programme

The CHSP provides a range of in-home and centre-based respite services to support the carer relationship by giving them a break. The types of respite services include:

- Flexible respite – in-home day or overnight respite
- Cottage respite – overnight respite in a community setting
- Centre-based respite – day-based activities and supports in a centre or community club.

5.2. Who provided care?

Residential respite care

Residential respite is delivered through permanent residential aged care places. It is a matter for the provider as to what mix of respite and permanent residential care places they deliver within the financial year. In 2022–23, there were 2,592 residential aged care homes who provided residential respite services.

Table 9: Residential respite service facilities 2022–23, by state and territory

State/territory	Residential respite facilities
NSW	851
Vic	733
Qld	457
WA	206
SA	237
Tas	70
ACT	26
NT	12
Australia	**2,592**

Commonwealth Home Support Programme

In 2022–23, 550 aged care organisations were funded to deliver CHSP respite services to clients. These providers range from small not-for-profit organisations to government and non-government organisations.

5.3. Who received care?

Residential respite care

The number of residential respite days used in 2022–23 was 2.8 million, an increase of 308,384 days from 2021–22. On average, each recipient received 1.2 episodes of residential respite care, and their average length of stay per episode was 30.2 days.

Table 10: Residential respite days, during 2022–23, by state and territory

State/territory	Respite days
NSW	1,045,486
Vic	736,401
Qld	503,017
WA	110,059
SA	354,293
Tas	51,488
ACT	25,143
NT	11,662
Australia	**2,837,549**

Note: in previous reports, this table split respite days into high and low care, however this distinction ceased with the commencement of AN-ACC on 1 October 2022.

Commonwealth Home Support Programme

In 2022–23, 38,752 clients received CHSP respite services and there were 94,411 admissions to residential respite care.

5.4. How were these services funded?

What the Australian Government pays

Residential respite care

In 2022–23, the Australian Government provided aged care subsidies and supplements totalling $705.0 million to service providers who delivered residential respite care.

Prior to 1 October 2022, the respite care basic subsidy was paid at different rates for low-level and for high-level respite care. The respite supplement paid with the respite care basic subsidy was also paid at different rates for low-level and for high-level respite care. The amount of the high-level respite supplement also took into account whether the actual proportion of respite care provided through the residential care service was equal to or more than 70 per cent of the specified proportion of respite care for the approved provider of the service over a rolling twelve-month period.

From 1 October 2022, changes to residential respite care came into effect with the commencement of the new AN-ACC-aligned residential respite funding model, which consists of 2 components:

- fixed funding or Base Care Tariff (BCT) to reflect the characteristics of the service, identical to BCT funding for permanent residents
- variable funding based on the resident's respite class.

There are 3 levels of variable funding for respite residents:

- Respite Class 101 – for respite residents who are independently mobile
- Respite Class 102 – for respite residents who require assisted mobility
- Respite Class 103 – for respite residents who have limited mobility.

A respite supplement is also payable for each day a respite resident was in care.

In addition, from 1 October 2022, the respite supplement paid to approved providers of residential respite care is paid at a rate to equal the maximum rate of accommodation supplement payable for eligible permanent care recipients in the same service (without means testing or application of the 40 per cent supported resident rule). The respite supplement helps cover the accommodation costs of the residential respite care recipient.

The respite supplement is only payable for days on which respite care basic subsidy is payable.

Commonwealth Home Support Programme

In 2022–23, the Australian Government provided grant funding of $327.4 million to service providers who delivered respite services under the CHSP.

What the resident pays

Residential respite care

The Australian Government sets the maximum level of the basic daily fee that providers may ask residential respite care recipients to pay, which equates to 85 per cent of the single rate of the basic age pension. The basic daily fee is indexed on 20 March and 20 September each year, at the same time as changes to the age pension.

A booking fee may be charged to secure a period of respite care which is deducted from the daily fees once the respite care recipient enters care. The booking fee cannot exceed whichever is lower of:

- one week's fee for respite care
- 25 per cent of the fee for the proposed period of respite care.

Commonwealth Home Support Programme

CHSP service providers can charge a client contribution for respite services in accordance with a client contribution framework and the National Guide to the CHSP client contribution framework. CHSP service providers are responsible for setting their own client contribution policies, with a view to ensuring those who can afford to contribute do so, while protecting the most vulnerable.

From 1 July 2022 a CHSP reasonable client contribution range was introduced for each service type, including respite services. These ranges were developed along with the unit prices and have been provided as a guide to assist CHSP providers to implement or review their client contribution policy.

764
operational residential aged care providers

185,127
permanent residents at 30 June

$16.1 billion
in residential care subsidies and supplements

6

Residential Care

6. Residential Care

Residential aged care services provide 24-hour care and accommodation for older people who are unable to continue living independently in their own home and need assistance with everyday tasks.

A person who has been assessed as eligible to receive residential aged care may be admitted to any residential aged care home of their choice, provided that the aged care home has an available place, agrees to admit them, and is able to meet the required care needs of that person.

6.1. What was provided?

Under the *Quality of Care Principles 2014*, approved providers of residential aged care are required to provide a range of care and services to residents, whenever they may need them. The type of care and services provided include:

- hotel-like services (e.g. bedding, furniture, toiletries, cleaning, meals)
- personal care (e.g. showering, dressing, assisting with toileting)
- clinical care (e.g. wound management, administering medication, nursing services)
- social care (e.g. recreational activities, emotional support).

All care and services are required to be delivered in accordance with the resident's care needs and clearly outlined in their resident agreement and care plan.

6.2. Who provided care?

Approved providers of residential aged care can be from a range of sectors, including religious, charitable, community, for-profit and government. All providers must be approved under the Act and are required to adhere to the Aged Care Quality Standards when delivering care. At 30 June 2023, there were 2,639 residential aged care services, operated by 764 approved residential aged care providers.

In order to deliver care and services, an approved provider must have an allocation of residential aged care places. Places may have been obtained by allocation through a previous Aged Care Approvals Round (ACAR), by transfer from another provider or by allocation through the non-competitive 'bed-ready' process (the ACAR process has now been discontinued).

Places obtained through an ACAR were allocated on a provisional basis until they can be made operational. At 30 June 2023, there were 18,452 provisionally allocated residential aged care places and 221,467 operational places, with an occupancy rate of 86.1 per cent through 2022–23. This does not include flexible aged care places.

Table 11: Operational residential care places, other than flexible care places, by provider type, at 30 June 2023, by state and territory

State/ territory	Religious	Charitable	Religious/ charitable	Community based	For profit	State/ territory govt	Local govt	Total
NSW	16,834	19,309	-	9,560	25,585	309	417	72,014
Vic	7,314	8,601	84	7,554	30,939	4,814	90	59,396
Qld	12,667	6,727	-	3,198	19,867	992	20	43,471
WA	4,590	4,580	-	2,224	8,263	56	174	19,887
SA	5,113	5,392	-	2,396	4,289	783	214	18,187
Tas	1,583	1,668	-	1,232	668	57	-	5,208
ACT	719	1,105	-	508	413	-	-	2,745
NT	85	-	-	339	135	-	-	559
Australia	**48,905**	**47,382**	**84**	**27,011**	**90,159**	**7,011**	**915**	**221,467**
% of Total	**22.1**	**21.4**	**0.0**	**12.2**	**40.7**	**3.2**	**0.4**	**100.0**

Note: Totals may not sum exactly, due to rounding.
- Nil or rounded to zero

6.3. Who received care?

In 2022–23:

- 250,273 people received permanent residential aged care at some time during the year, an increase of 4,554 from 2021–22
- the average age (on entry) was 83.5 years for men, 85.3 years for women
- the average completed length of stay was 35.3 months.

On 30 June 2023, there were 185,127 people receiving permanent residential care.

Table 12: Number of permanent residents on 30 June 2023, by state and territory

State/territory	Permanent residents
NSW	59,298
Vic	47,677
Qld	37,701
WA	17,207
SA	15,909
Tas	4,459
ACT	2,386
NT	490
Australia	**185,127**

6.4. How were these services funded?

The cost of residential aged care is met by both public (Australian Government) and private (individual) funding. The arrangements for funding are set out in the Act or in the Transitional Provisions, with some of the arrangements differing depending on when a person entered care.

Typically, residential aged care homes fund their operational and capital expenses from pooled public and private funding received on behalf of all residents in the service.

What the Australian Government pays

During 2022–23, the Australian Government paid $16.1 billion for residential care subsidies and supplements, an increase of 9.6 per cent over the previous year.

Table 13: Australian Government recurrent residential care funding, 2018–19 to 2022– 23, by state and territory

State/ territory	2018–19 $M	2019–20 $M	2020–21 $M	2021–22 $M	2022–23 $M	% change 2021–22 to 2022–23
NSW	4,270.3	4,376.7	4,575.4	4,715.6	5,195.3	10.2
Vic	3,465.5	3,573.2	3,630.1	3,760.8	4,065.0	8.1
Qld	2,465.8	2,592.3	2,790.8	2,977.3	3,287.6	10.4
WA	1,120.0	1,168.3	1,251.4	1,311.5	1,443.5	10.1
SA	1,194.0	1,208.6	1,273.6	1,311.8	1,423.5	8.5
Tas	312.0	318.4	342.2	353.8	391.9	10.8
ACT	144.3	146.5	157.3	167.5	186.1	11.1
NT	42.6	45.7	52.6	50.4	58.0	15.1
Australia	**13,014.5**	**13,429.7**	**14,073.4**	**14,648.7**	**16,051.0**	**9.6**

Note: Totals may not sum exactly, due to rounding. This table includes funding through the Department of Veterans' Affairs. This table presents recurrent funding to residential care providers using accrual-based reporting. Due to accrual adjustments, for smaller jurisdictions, this can lead to significant year-on-year variations. Based on claims data between 2021–22 and 2022–23, the growth in recurrent funding for each state and territory ranged from 8.0 per cent to 15.8 per cent.

Subsidies and supplements

The Minister determines the rates for aged care subsidies and supplements to be paid from 1 July each year, and the rates for aged care fees and charges on 20 March and 20 September each year. The current rates of payment are available on the department's website.[12]

Most of Australian Government funding is through the basic subsidy, which, for permanent residential care is determined by the appraised care-needs, or assessment, of a resident. Between 1 July 2022 and 30 September 2022, the Aged Care Funding Instrument (ACFI) was the appraisal mechanism. The ACFI consists of 12 questions about assessed care needs, some of which are supported by specified assessment tools and two diagnostic sections. The questions are rated by the aged care home on a scale of A, B, C, or D then used to determine an individual's ACFI score. In addition to the subsidy determined by the ACFI, supplements may be payable.

12 https://www.health.gov.au/resources/publications/schedule-of-subsidies-and-supplements-for-aged-care

From 1 October 2022, the AN-ACC funding model became the assessment mechanism through which the Government funds approved providers of residential aged care. The AN-ACC funding model has three components:

- a variable component based on the care recipient's AN-ACC classification
- a fixed component (Base Care Tariff) to account for shared costs across all residents which vary by location and type of provider (specifically services that specialise in caring for the homeless and Aboriginal and/or Torres Strait Islander care recipients)
- the initial entry adjustment, a one-off adjustment payment for new residents to cover the costs associated with transitioning into a new care environment.

Table 14: Supplements available for residential aged care 2022–23

Supplement type	Description
Primary supplements	
Respite supplement	A supplement paid to residential care services for each day that respite care basic subsidy is payable to help to cover the residential respite care- recipients' accommodation costs. The method of calculating this supplement changed from 1 October 2022 with the implementation of AN-ACC.
Oxygen supplement	A supplement paid to residential care services on behalf of eligible care recipients to reimburse costs associated with providing oxygen therapy.
Enteral feeding supplement	A supplement paid to residential care services on behalf of eligible care recipients to reimburse costs associated with providing enteral feeding.
Other supplements	
Accommodation supplement (maximum)	A means-tested supplement paid to residential care services on behalf of care recipients who entered care on or after 20 March 2008 who are eligible for assistance with their accommodation costs. The 40 per cent supported resident rule that applies to the accommodation supplement was simplified from 1 October 2022 so that it now applies on a month as a whole basis instead of being calculated on an individual daily basis.
Hardship / Hardship accommodation supplement	A supplement paid on behalf of care recipients in financial hardship who are unable to pay their aged care costs.
The Veterans' supplement in residential care	A supplement paid on behalf of residents with a mental health condition related to their service. Eligibility for the supplement is determined by the Department of Veterans' Affairs.

Supplement type	Description
Viability supplement	A supplement that was paid to aged care services in rural and remote locations to assist with the extra cost of delivering services in those locations up until 30 September 2022. This supplement ceased from 1 October 2022, and funding was rolled into the AN-ACC which provides additional funding for rural, remote, and very remote services; and for remote and very remote services that specialise in caring for indigenous care recipients.
Homeless supplement	This supplement was paid to aged care services that specialise in caring for people with a history of, or who are at risk of, homelessness up until 30 September 2022. This supplement ceased from 1 October 2022, and funding was rolled into the AN-ACC which provides additional funding for services that specialise in caring for homeless care recipients.
Concessional resident supplement	A means-tested supplement paid on behalf of concessional and assisted residents who entered residential care between 1 October 1997 and 19 March 2008 who are eligible for assistance with their accommodation costs. The 40 per cent supported resident rule that applies to the concessional resident supplement was simplified from 1 October 2022 so that it now applies on a month as a whole basis instead of being calculated on an individual daily basis.
Transitional supplement	This supplement was paid up to 30 September 2022 on behalf of pre-2008 reform care recipients who were residents in an aged care home on 30 September 1997 or who entered the service after 30 September 1997 but before it was certified, and who had remained in the same aged care home. From 1 October 2022, the concessional resident supplement is instead paid for care recipients who had been receiving the Transitional supplement on 30 September 2022.

Supplement type	Description
Charge exempt supplement	This supplement was paid up to 30 September 2022 on behalf of residents who were in high care on 30 September 1997 and who have subsequently moved to another aged care home where they would be eligible to pay an accommodation charge. From 1 October 2022, the concessional resident supplement is instead paid for care-recipients who had been receiving the Charge exempt supplement on 30 September 2022.
Transitional accommodation supplement	A supplement paid on behalf of residents who entered low level care between 20 March 2008 and 19 September 2011, to ensure no financial disadvantage from changes to the accommodation supplement introduced on 20 September 2011.
Accommodation charge top-up supplement	A supplement paid on behalf of high care residents who entered care from 20 March 2008 to 19 March 2010 and who were receiving an income support payment.
2012 basic daily fee supplement	A supplement paid on behalf of certain care recipients who were in permanent care on 1 July 2012 to ensure no financial disadvantage resulting from the increase of the basic daily fee from that date.
Pensioner supplement	A supplement payable for pre-March 2008 reform residents who either have a dependent child or receive an income support payment but have not agreed to pay a large accommodation bond.
2021 basic daily fee supplement	This supplement was paid for eligible residential care and residential respite care recipients from 1 July 2021 up to 30 September 2022 who were receiving care in residential services that met quarterly reporting requirements on food and nutrition expenditure, and the quality of daily living services provided to care recipients. This supplement ceased from 1 October 2022 and funding was rolled into the AN-ACC.

A detailed breakdown of the payments for each of these subsidies and supplements in 2022–23 is shown in Table 23 in Appendix A.

The following information relates to residents who entered care on or after 1 July 2014 (new residents). For information on the payment arrangements for those who entered care prior to that date (continuing-care residents) please see section 7.4 of the 2014–15 Report on the Operation of the *Aged Care Act 1997* (the Act).

Figure 5: Process for determining the payments for care recipients

New residents are subject to the arrangements outlined in the Act. The Act sets out the following process for determining the payments for care recipients (as illustrated in Figure 5):

- a basic subsidy amount determined, for permanent residents:
  - up to 30 September 2022 by the resident's classification under the ACFI or, for respite residents, by the resident's ACAT approval
  - from 1 October 2022 by the resident's AN-ACC classification variable component; plus for permanent care recipients, the fixed component (Base Care Tariff) of the service where they are receiving care, plus an initial entry one-off payment for new permanent residents.
- plus any primary supplements including respite, oxygen and enteral feeding
- less any reductions in subsidy:
  - up to 30 September 2022 that resulted from adjusted subsidies for government owned aged care homes (the adjusted subsidy reductions for government owned aged care homes ceased to be applied from 1 October 2022)
  - or the receipt of a compensation payment.
- less any reduction resulting from the income and asset testing of residents who entered residential care on or after 1 July 2014
- plus any other supplements, including the accommodation supplement, viability supplement, veterans' supplement, homeless supplement and the hardship supplement (the last of which reduces fees and accommodation payments for residents who would otherwise experience financial hardship).

What residents pay

Depending on their income and assets, residents may be asked to make a contribution to their care and accommodation costs. The following information explains these arrangements for new residents.

Fees

Basic daily fee

All residents in an aged care home can be asked to pay a basic daily fee, which equates to 85 per cent of the single rate of the basic age pension. The basic daily fee is indexed on 20 March and 20 September each year, at the same time as changes to the age pension. The Australian Government sets the maximum levels for the basic daily fee that providers can ask residents to pay.

Means-tested care fee

Means-tested care fees are calculated based on a means assessment (combined income and asset assessment). Significant safeguards, including annual and lifetime caps on the means-tested care fees payable by residents, apply to the post 1 July 2014 fee arrangements to limit the amount a person can be asked to pay.

Extra services fee

The extra service fee is the maximum amount a provider can charge a resident for receiving extra services in a residential aged care home which has been approved for extra service status.

Extra service status in residential aged care involves the provision of additional hotel-type services, including a higher standard of accommodation, food and services than the average provided by residential aged care homes which do not have extra service status. A residential aged care service can have extra service status for the whole service or a distinct part, or parts, of the service.

Additional services fees

An approved provider may also offer a resident the option to purchase additional services (e.g. hairdressing) for an additional service fee, where the provider can demonstrate the services are not otherwise required to be provided, or are substantially better than the standard that must be provided, under the *Quality of Care Principles 2014*. The amount of any charge for additional services must be agreed with the resident before the additional services are delivered, with an itemised account given to the resident once the services have been provided. Additional service fees cannot be charged unless the resident receives direct benefit or has the capacity to take up or make use of the additional services.

Payments

Accommodation payments

Accommodation payments are a contribution to the cost of accommodation in an aged care home. Accommodation payments are means tested. Residents with income below $31,140.20 and assets below $57,000.00 (single rate, at 30 June 2023) are not required to make an accommodation contribution. In these circumstances, the Australian Government pays the full accommodation cost for the resident.

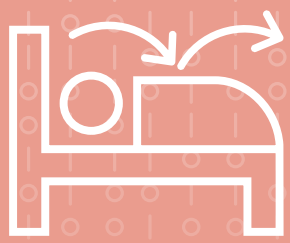
Some residents pay an accommodation contribution, with the Australian Government paying the remainder. Those residents with higher levels of income/assets, are required to pay the full cost of their accommodation through an accommodation payment which is negotiated with the provider.

Residents have the option of paying for their accommodation as:

- a lump-sum refundable deposit or
- a daily payment or
- a combination of both.

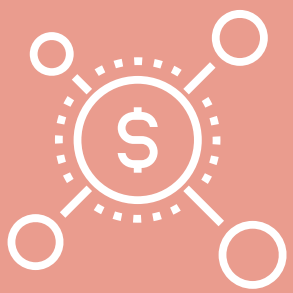
Australian Government contributions towards accommodation costs are by way of accommodation supplements. There is a range of accommodation supplement rates set by Ministerial determination. At 30 June 2023, the highest of these, the maximum accommodation supplement amount, was $65.49 per day for new homes or those which have been significantly refurbished since 20 April 2012.

Providers determine the maximum prices they wish to charge for their accommodation (for residents who do not receive any government assistance with the cost of their accommodation) and publish these prices, along with information about the key features of the room, on My Aged Care, on their own website and in their printed materials.



11,902 operational flexible care places across five programs

16,616 people received transition care and **9,013** received Short-Term Restorative Care



$792.1 million in Australian Government funding

7

Flexible Care

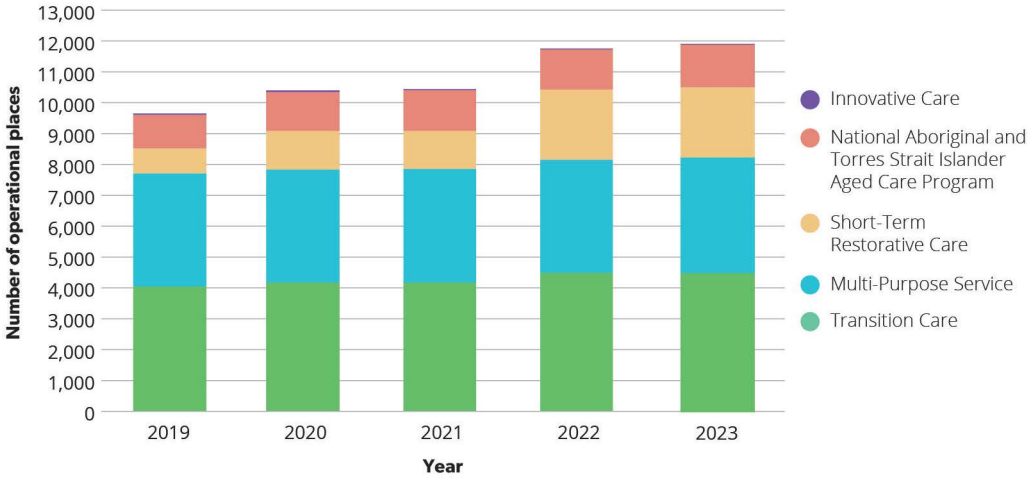
7. Flexible Care

The aged care needs of older people in Australia vary and will often require different care approaches to those provided through residential aged care or home care. To accommodate this range of needs, there are five different types of flexible care:

- Transition Care
- Short-Term Restorative Care
- Multi-Purpose Services
- National Aboriginal and Torres Strait Islander Flexible Aged Care[13]
- Innovative Care.

At 30 June 2023, there were 11,902 operational flexible care places. In 2022–23, Australian Government funding across these programs totalled $792.1 million.

Figure 6: Operational flexible care places at 30 June each year between 2019 and 2023



13 Services funded under this program are administered outside the *Aged Care Act 1997*.

7.1. Transition Care

The Transition Care Programme (TCP) provides short-term care that seeks to optimise the functioning and independence of older people after a hospital stay. Transition care is goal-oriented, time-limited and therapy-focused. The TCP seeks to enable older people to return home after a hospital stay rather than to prematurely enter residential aged care.

What was provided?

Older people in Australia may receive transition care for up to 12 weeks (with a possible extension of another six weeks) in either a community setting, such as their own homes, or a residential care setting, or a combination of both. To be assessed for TCP support, a person must be admitted to hospital at the time of the assessment. Once a client enters the TCP, they receive a package of services that includes low-intensity therapy, such as physiotherapy and occupational therapy, as well as social-work, and nursing support, or personal care, to maintain and improve physical and/or cognitive functioning.

Who provided care?

Transition care service delivery is managed by state and territory governments, who are the approved providers of the programme.

At 30 June 2023, there were 4,493 operational transition care places nationally.

Table 15: Number of operational transition care places at 30 June 2023, by state and territory

State/territory	Operational transition care places
NSW	1,485
Vic	1,025
Qld	783
WA	551
SA	388
Tas	134
ACT	78
NT	49
Australia	**4,493**

Who received care?

At 30 June 2023, 3,099 people were receiving transition care. During 2022–23, a total of 16,616 people received transition care.

Table 16: Number of transition care recipients by state and territory, at 30 June 2023 and during 2022–23

State/ territory	Number of people receiving transition care at 30 June 2023	Number of people who received transition care during 2022–23
NSW	1,161	5,772
Vic	709	3,845
Qld	573	2,892
WA	299	1,872
SA	180	1,329
Tas	81	450
ACT	59	284
NT	37	181
Australia	**3,099**	**16,616**

How were these services funded?

The TCP is jointly funded by the Australian Government and state and territory governments. Australian Government funding is provided in the form of a flexible care subsidy, payable on a per-client, per-day basis for each TCP place.

The daily rate for the subsidy in 2022–23 was $218.03. In 2022–23, the Australian Government provided $295.2 million in funding for the TCP.

In addition, TCP service providers can charge clients a daily care fee, if the client is in a financial position to be able to contribute to their care. Client contributions are calculated as follows:

- 85 per cent of the age pension for care delivered in a residential setting
- 17.5 per cent of the age pension for care delivered in a home.

7.2. Short-Term Restorative Care

The Short-Term Restorative Care (STRC) programme is an innovative flexible care programme which provides early intervention care that aims to reverse and/or slow functional decline in older people and improve overall health and wellbeing. Through a tailored package of services, STRC enables older people to regain independence and autonomy, thereby delaying their need for more intensive aged care supports such as a home care or residential aged care.

What was provided?

Each episode of STRC delivers a time-limited, multidisciplinary package of services, for a period of eight weeks. The care plan and range of services is designed by a team of three allied health professionals in consultation with the client, and can include such things as physiotherapy, minor home modification, nursing support, personal care and the provision of assistive technologies. STRC can be delivered in either a community setting, such as the client's own home, a residential care setting, or a combination of both.

Who provided care?

At 30 June 2023, there were 2,269 operational STRC places being delivered by 66 approved providers through 129 STRC services.

Table 17: Number of operational STRC places by state and territory, at 30 June 2023

State/territory	Number of operational STRC places
NSW	628
Vic	563
Qld	494
WA	262
SA	135
Tas	74
ACT	68
NT	45
Australia	**2,269**

Who received care?

At 30 June 2023, 1,374 people were receiving STRC. During 2022–23, 9,013 people received care in the STRC program.

Table 18: Number of STRC recipients by state and territory, at 30 June 2023, and during 2022–23

State/ territory	Number of people receiving STRC at 30 June 2023	Number of people who received STRC during 2022–23
NSW	370	2,266
Vic	291	2,097
Qld	380	2,460
WA	165	1,075
SA	78	531
Tas	40	284
ACT	38	186
NT	12	116
Australia	**1,374**	**9,013**

How were these services funded?

The STRC program is funded through a flexible care subsidy payable to the provider on a per-client, per-day basis for each STRC place. The daily rate for the subsidy in 2022–23 was $218.03. The Australian Government contributed $102.5 million for STRC services in that period.

In addition, STRC service providers can charge clients a daily care fee, if the client is in a financial position to be able to contribute to their care. Client contributions are calculated as follows:

- 85 per cent of the age pension for care delivered in a residential setting
- 17.5 per cent of the age pension for care delivered in the home.

7.3. Multi-Purpose Services

The Multi-Purpose Services (MPS) Program plays an important role in rural and remote aged care delivery by providing integrated health and aged care services in small rural and remote communities in all states, the Northern Territory and Norfolk Island, thereby allowing people to stay in their communities. The MPS is a long-standing joint initiative between the Australian Government and state and territory governments. In 2022–23, total funding of $247.0 million funded 3,741 places across 181 services.

Table 19: Number of operational Multi-Purpose Services and places, at 30 June 2023, by state and territory

State/ territory	Multi-purpose services with operational places	Operational high care residential care places	Operational low care residential care places	Operational home care places	Total operational places
NSW	64	1,117	1	116	1,234
Vic	11	267	92	19	378
Qld	38	361	118	161	640
WA	38	346	265	158	769
SA	26	531	67	14	612
Tas	3	66	15	21	102
ACT	-	. .	. .	. .	. .
NT	1	4	0	2	6
Australia	**181**	**2,692**	**558**	**491**	**3,741**

*Note: Reflecting the partnership with Queensland to deliver state services, MPS services on Norfolk Island are included in the Qld total.

- Nil or rounded to zero

. . Not applicable

How were these services funded?

The program is jointly funded by the Australian Government and state and territory governments. There was continued growth in Australian Government expenditure for the MPS, from $238.9 million in 2021–22 to $247.0 million in 2022–23. These funds included $11.3 million in expenditure in 2022–23 for the Basic Daily Fee food and nutrition supplement.

Table 20: Australian Government expenditure for Multi-Purpose Services from 2018–19 to 2022–23, by state and territory

State/ territory	2018–19 $M	2019–20 $M	2020–21 $M	2021–22 $M	2022–23 $M	% Increase 2021-22 to 2022–23
NSW	64.5	73.2	77.7	78.9	84.3	6.8
Vic	15.6	17.5	18.8	22.5	22.9	1.9
Qld	28.1	31.7	34.1	38.8	40.2	3.5
WA	30.5	34.5	37.8	48.5	48.4	-0.2
SA	34.0	38.3	41.2	44.4	45.2	1.9
Tas	4.4	4.7	4.9	5.4	5.6	4.6
ACT	. .	. .	. .	. .	. .	. .
NT	0.4	0.4	0.4	0.4	0.4	2.8
OT	. .	. .	1.6*	. .	. .	. .
Australia	**177.3**	**200.2**	**216.5****	**238.9**	**247.0**	**3.4**

*Note: Due to administrative reasons, in all years prior to 2022–23, the funding for services provided on Norfolk Island are included under NSW totals, except for 2020–21, where funding for these services were grouped separately as Other Territories (OT). From 2022–23, Norfolk Island is included in QLD totals.

. . Not applicable.

**Some small differences may apply in totals.

7.4. National Aboriginal and Torres Strait Islander Flexible Aged Care Program

In addition to flexible care provided through the legislative arrangements, the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) Program funds organisations to provide culturally safe aged care services to Aboriginal and Torres Strait Islander people close to home and community. Services funded under this program are currently administered outside the Act.

In 2022–23, 44 aged care services were funded to deliver 1,384 aged care places under the NATSIFAC Program. The total expenditure for this program in 2022–23 was $146.9 million.

Table 21: Number of operational National Aboriginal and Torres Strait Islander Flexible Aged Care Program services and places at 30 June 2023, by state and territory

State/ territory	Operational services	Operational residential care places	Operational home care places	Total operational places
NSW	2	13	14	27
Vic	2	55	69	124
Qld	6	91	72	163
WA	6	62	109	171
SA	7	108	146	254
Tas	2	-	17	17
ACT	-	. .	. .	. .
NT	19	160	468	628
Australia	**44**	**489**	**895**	**1,384**

- Nil or rounded to zero

. . Not applicable.

7.5. Innovative care services

Innovative care was originally established in 2001-02 to pilot new approaches to providing aged care. The current innovative care program is an extension of pilots established in 2003 to support people with aged care needs who lived in state or territory-funded supported accommodation homes, who were at risk of entering residential aged care.

At 30 June 2023, there were seven projects, delivered through two services in New South Wales, two in South Australia, and one each in Tasmania, Victoria and Western Australia. No new clients have been accepted into the program since 2006, so their number is gradually decreasing as people leave.

At 30 June 2023, there were 15 operational innovative care places, compared to 20 operational innovative care places at 30 June 2022.

Throughout 2022–23, the Australian Government provided $0.5 million for these services, in the form of a flexible care subsidy specific to each service.

All people treated with dignity and respect, with their identity, culture and diversity valued

The viability supplement was incorporated into the Australian National Aged Care Classification funding model

$18.3 million
in hardship supplements

8

Support for People with Diverse Needs

8. Support for People with Diverse Needs

The Royal Commission into Aged Care Quality and Safety noted that the needs of people with diverse characteristics and life experiences are too often not being met.

The Australian Government is investing to improve aged care infrastructure and services that support older Aboriginal and Torres Strait Islander people, older people in Australia from diverse communities, those living with dementia and people living in regional areas, and assist in developing a more skilled, supported workforce. A total of $26.1 million over four years from 2022–23 is being invested in specific aged care homes and providers. This investment is funding the implementation of the Government's election commitments to support providers in NSW (Sydney), Victoria (Reservoir and Mulgrave), NT (Darwin) and regional Tasmania.

It is a requirement of the Aged Care Quality Standards and Charter of Aged Care Rights that every person is treated with dignity and respect, with their identity, culture and diversity valued. In addition to this requirement, an aged care provider may provide specialised care for people who identify with one or more of the groups defined as having special needs in the *Aged Care Act 1997* (the Act). To claim specialisation, providers must deliver care for these cohorts which goes beyond the minimum standard and basic expectations of inclusive, person-centred care under these standards.

Since June 2022, independent verification has been undertaken of claims made by providers on their My Aged Care provider profile to deliver specialised care. Specialised care refers to efforts by providers to provide a dedicated model of care that reflects excellence in meeting the needs of a specific group of people which goes beyond the core requirements of the Aged Care Quality Standards. On 27 February 2023, unverified specialisation claims were removed from My Aged Care. Only specialisation claims that have been verified by the third-party assessor, and where providers have completed all steps in the application process are visible to recipients on My Aged Care. Since verification became a requirement, 927 specialisation claims from 732 aged care outlets have been verified.

Since the initiative's inception, many aged care providers have opted to have one specialisation claim verified across the 9 diverse-needs groups, accounting for 78 per cent of verified specialisations. This is consistent with the intent of demonstrating excellence in providing care to a specific group. The provision of

services for people with culturally and linguistically diverse backgrounds was most frequently selected by aged care providers. No applications for care-leavers and parents separated from children by forced adoption were verified under the initiative in the 2022–23 financial year.

This is part of a broader suite of measures aimed at making safe, quality aged care more accessible for older people in Australia. The changes will support older people to exercise choice within the aged care system by providing more reliable and trusted information about aged care providers that specialise in providing care to recipients identifying with the groups referred to in the Act.

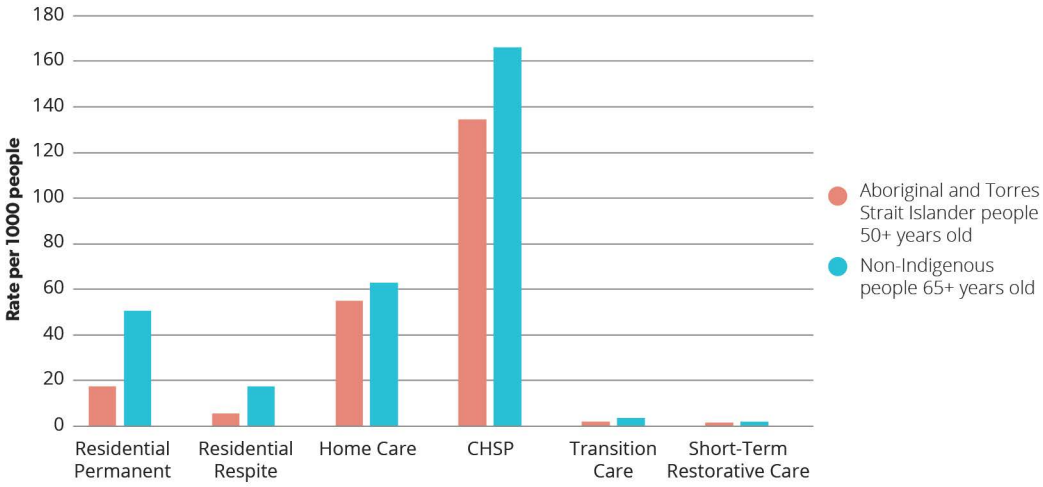
Assisting Aged Care Providers and services to plan for diversity

The Planning for Diversity Workshops project commenced in 2021 to assist and improve aged care providers' organisational capacity to identify and respond respectfully to the diversity of their local community. The Older Persons' Advocacy Network (OPAN) has been engaged to manage a network of diversity advisors to educate aged care providers, across all aged care delivery types. Advisors provide aged care services with local-level data on the diversity of their community and assess whether actual service-usage reflects this diversity and assist providers to identify and address any barriers to access. Providers are also being encouraged to collect, monitor and analyse other sources of data to better identify the diverse needs of older people in their communities seeking or receiving aged care. Advisors also help providers understand how to meet their requirements for inclusive service delivery under the Aged Care Quality Standards, and how to integrate inclusive service delivery into their ongoing quality improvement processes and organisational plans. The project is due to end on 30 June 2025.

8.1. People from Aboriginal and Torres Strait Islander communities

Broadly speaking, older Aboriginal and Torres Strait Islander people have proportionally lower representation in non-flexible residential care and home care services, relative to the total aged care target population.

Figure 7: Access to aged care services for older people from Aboriginal and Torres Strait Islander backgrounds, 30 June 2023



Note: Client proportions measured at 30 June 2023 for all programs except CHSP, which is measured across the financial year.

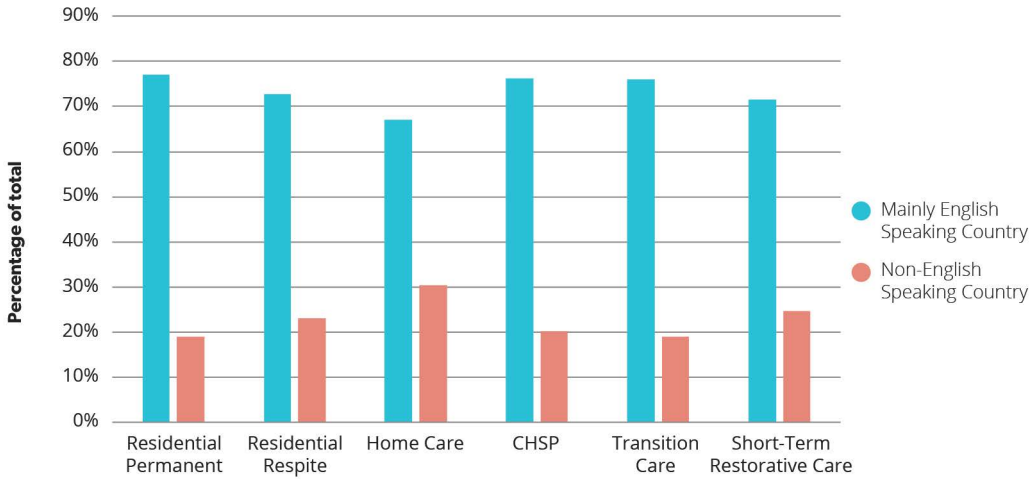
To improve equity of access and increase representation of older Aboriginal and Torres Strait Islander people in the aged care system, a new national support service for older Aboriginal and Torres Strait Islander people, the Elder Care Support Program, began in 2023. The program provides intensive face-to-face support to older Aboriginal and Torres Strait Islander people, their families and carers to help them access care that meets their physical and cultural needs. The program also ensures that older Aboriginal and Torres Strait Islander people are involved and empowered to make informed decisions about the care they receive.

The National Aboriginal Torres Strait Islander Ageing and Aged Care Council (NATSIAACC), the peak body for Aboriginal and Torres Strait Islander aged care, have been working closely with the Australian Government to develop cultural safety frameworks and guidance materials. This work aims to embed principles of culturally safe, trauma-aware and healing-informed care across aged care to better meet the needs of older Aboriginal and Torres Strait Islander people.

8.2. People from culturally and linguistically diverse backgrounds

The 2021 Census found that almost half of Australians have a parent born overseas (48.2 per cent) and the population continues to be drawn from around the globe, with 27.6 per cent reporting a birthplace overseas. The Census also highlighted the significance of aged care for specific migrant groups with 73 per cent of people born in Greece, 68 per cent of people born in Italy and 65 per cent of people born in the Netherlands now aged 65 or over. Broadly speaking, people from CALD backgrounds have proportionally higher representation in home care services and proportionally lower representation in residential care services.

Figure 8: Access to aged care services for older people in Australia from CALD backgrounds, 30 June 2023



Note: Client proportions measured at 30 June 2023 for all programs except CHSP, which is measured across the financial year.

The Australian Government continues to fund the long-standing Partners in Culturally Appropriate Care (PICAC) program, which provides guidance, resources and training to assist aged care providers to respond to the needs of older CALD care-recipients. In 2022–23, $2.2 million was provided for the program.

Additionally, the Australian Government also funds the Federation of Ethnic Communities Councils of Australia (FECCA) to provide aged care policy advice to the Government, contribute to the aged care sector reform agenda and promote the views and aspirations of the constituencies of aged care recipient peak bodies

with respect to ageing and aged care. FECCA received $0.4 million in 2022–23. As discussed in Chapter 2, the department also engaged FECCA to deliver the EnCOMPASS program to enable people from CALD backgrounds and their families and carers to understand and engage with the aged care system and access services that are appropriate to their needs. This program concluded on 30 June 2023.

The Australian Government offers interpreting support to people from CALD backgrounds accessing aged care via the Translating and Interpreting Service (TIS National), which is fully funded by the Government. The services are available 24 hours a day, seven days a week, and can be accessed by aged care providers at no cost, by telephone or in face-to-face sessions. The Australian Government covers the cost of TIS National interpreting services for approved providers of government-subsidised aged care for all discussions between service users and prospective service users and their care-recipients, to participate more fully in daily social and cultural activities such as weddings, funerals, family reunions, theatre, seniors' activities and clubs or social groups.

During 2021–22, the department established the groundwork for aged care providers to translate eligible communication materials into languages other than English and other accessible formats such as Auslan. The Government has funded a specialist communication agency to prepare these translations for aged care providers, with the service being made available from May 2022. This will further enhance the capacity of aged care providers to communicate with people whose preferred language is not English.

8.3. People who live in rural or remote areas

Access to aged care is challenging for many older people in rural and remote areas of Australia, and for the providers that deliver their care. The challenges vary depending on the location and often relate to workforce (e.g. attraction, retention, increased wages costs, staff accommodation), higher infrastructure costs, inadequate public transport, higher freight/transport costs (e.g. food and materials shipped/flown in, tradespeople flown in), and other socioeconomic factors.

The Australian Government continues to support people in rural and remote areas to access aged care services, and strengthen the viability of locally-based services in several ways.

These include:

- the viability supplement scheme helped approved providers with the higher cost of providing aged care services in remote and very remote areas. On 1 October 2022 the viability supplement funding for residential care was incorporated into the Australian National Aged Care Classification (AN-ACC) funding model. Under AN-ACC, residential aged care services are funded based on the location of the service, with higher payments for services located in small rural towns, remote communities and very remote communities. The supplement continues to be paid for eligible home care recipients, and to Multi-Purpose Services. It is indexed on 1 July each year
- flexible aged care programs such as the Multi-Purpose Services Program and the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (see Chapter 7)
- funds provided through the Dementia and Aged Care Services (DACS) Fund, including the Remote and Aboriginal and Torres Strait Islander Aged Care Service Development Assistance Panel program (see Chapter 9)
- the Aged Care Capital Assistance Program to support new infrastructure (including staff accommodation) to increase access to quality aged care services for Aboriginal and Torres Strait Islander people and older people living in rural and remote locations of Australia
- the Rural Locum Assistance Program for aged care to assist aged care services affected by high staff turnover or sudden departures of key personnel in rural and remote areas (see Chapter 9)
- Integrated Care and Commissioning trials aim to strengthen the care and support sectors to improve outcomes focusing primarily on rural and remote areas across aged, disability, veterans and Aboriginal and Torres Strait Islander care.

8.4. People who are financially or socially disadvantaged

Arrangements established under the Act mean that older people in Australia can access residential care, irrespective of their capacity to make accommodation payments. Assistance is provided to low-means, supported, concessional and assisted residents, and certain residents approved under the hardship provisions. An accommodation supplement is payable for people who are unable to pay all or part of their accommodation costs. To receive the maximum amount of accommodation supplement payable for a supported resident, a service must have a supported-resident ratio (counting all residents defined as relevant residents as per the *Subsidy Principles 2014*, but excluding extra service places) of more than 40 per cent of total residents. If a service does not meet this ratio, then the amount of accommodation supplement paid is reduced by 25 per cent.

Financial hardship assistance provisions under the Act cater for the minority of people who have difficulty paying fees and/or accommodation costs. Applicants for financial hardship assistance may seek assistance with their contribution to their aged care costs. Hardship assistance is payable if the person can demonstrate to Services Australia that they are in financial hardship as a result of paying their aged care fees and essential expenses. The Australian Government provided $18.3 million in hardship supplements for residential care and home care during 2022–23.

8.5. Veterans

The Department of Veterans' Affairs issues gold and white treatment cards to veterans, their war widows and widowers and dependents, and offers programs to ensure that veterans have access to health and other care services that promote and maintain self-sufficiency, well-being and quality of life. There were 7,073 gold or white treatment card holders in residential care at 30 June 2023, a decrease of 1,127 from 30 June 2022.

8.6. People who are homeless or at risk of becoming homeless

For older people in Australia who are homeless, or at risk of becoming homeless, there are aged care services that can provide support and help deal with housing problems. These services were funded through the Commonwealth Home Support Programme and care-finder program (see Chapter 3) and residential aged care (see Chapter 6).

8.7. Care-leavers

A Care Leaver is a person who spent time in institutional settings as a child (under the age of 18). Between the 1920s and 1980s, more than 500,000 children in Australia were placed in institutions (for example, orphanages) and out-of-home care arrangements, through no fault of their own. They may be known as Care Leavers, Forgotten Australians, Former Child Migrants or Stolen Generations. Approximately 440,000 were non-Indigenous children called the Forgotten Australians; an estimated 50,000 were Indigenous children, some from the Stolen Generations; and up to 10,000 were former child migrants from Britain, Ireland and Malta.

Many in this group experienced social isolation, neglect, control, emotional, physical and sexual abuse, and had their basic rights taken from them, and as a result, many suffer lifelong consequences. Many are now reaching an age where they may require aged care services, and they may have significant anxieties about entering aged care.

The department is funding Helping Hand Aged Care for a project aimed at building the capability of the aged care system to provide individualised, trauma-informed and person-centred aged care to Care Leavers. It also supports Care Leavers to access aged care services, understand their rights, access resources, and form networks where they can inform and support each other. The second phase of this project will run from June 2022 and funded activities will end in June 2024.

The project builds on an information package launched by the Australian Government in 2016 for aged care providers to help them understand and support Care Leavers caring for Forgotten Australians, Former Child Migrants and Stolen Generations.

8.8. Parents separated from their children by forced adoption or removal

A large proportion of the Australian population has been exposed to Australia's historical adoption practices. Many of them still experience the wide-ranging impacts — mothers, fathers, adopted persons and other family members who were directly involved, as well as subsequent partners, children, extended family and later generations. In the past, adoption of children of unwed mothers was common. Approximately 150,000 adoptions occurred during the peak period 1951–1975 (although forced adoption is not limited to this period). Unwed pregnant women had little or no choice about what would happen to their babies. Many of these adoptions were arranged without willing or informed consent, were unethical, dishonest and in many cases illegal and are therefore considered "forced".

On 21 March 2023, the Australian Government announced an additional $700,000 to ensure that aged care providers and Forced Adoption Support Services providers can offer trauma-informed care targeted to people who experienced forced adoptions as mothers or children. Funding has been provided under the 2023–24 Budget Measure Forced Adoption Support Services – 10 year anniversary funding, which will be used to develop online training modules. The Government intends to broaden the range of trained providers and build their capacity to offer trauma-informed services to those affected by forced adoption.

8.9. Lesbian, gay, bisexual, transgender and intersex people

It is recognised that people who identify as LGBTIQ+ have specific needs, particularly as they age, stemming from decades of inequitable treatment and isolation because of stigma, prejudice, discrimination and social exclusion, which rendered them invisible.

Funding is provided to LGBTIQ+ Health Australia of $1.4 million in 2022–23 to undertake national co-ordination and support activities to promote the well-being of older LGBTIQ+ people and deliver national LGBTIQ+ aged care awareness training. LGBTIQ+ Health Australia provides guidance and support to aged care providers to build their capacity to implement and embed the LGBTI+ Action Plan developed under the Aged Care Diversity Framework and meet their obligations under the Aged Care Quality Standards. LGBTIQ+ Health Australia provides a range of resources and relevant information to aged care providers, both at the managerial and workforce level, including by making resources available online.

$11.3 billion
announced for wage increase for Aged Care Workers

SBRTs provided long-term case management for 2,339 cases

$79.7 million
spent by the Australian Government on the Dementia and Aged Care Services Fund

9

Aged Care Workforce and Dementia Support

9. Aged Care Workforce and Dementia Support

A skilled and supported workforce is essential to delivering quality care across the care and support sector and the Australian Government is committed to growing and supporting the workforce across the sector. The need to grow the aged care workforce is particularly acute to meet the requirements of important sector reforms, including requirements for 24/7 nursing and care minutes in residential care.

The Australian Government is committed to helping to attract, retain and support the aged care workforce and has funded a number of programs across 2022–23. These include the 15 per cent interim pay rise for direct care workers, nursing scholarships, migration activities and clinical placements.

9.1. Aged care workforce and health workforce activities funded in 2022–23

In 2022–23 implementation of the Rural Locum Assistance Program (Rural LAP) Aged Care continued. $25.1 million was provided in the 2021–22 Budget, over three years, to expand Rural LAP to aged care. Rural LAP Aged Care is available to assist aged care providers affected by high staff turnover, sudden departures of key personnel in rural and remote areas or staff taking leave, by providing access to a temporary locum workforce. The program also includes an incentive scheme for permanent placements in rural and remote areas to increase staff retention.

In line with its commitment to support better and fairer pay to attract and retain aged care workers, in May 2023 the Australian Government announced $11.3 billion to fund the largest increase to award wages in a work value case under the Fair Work Act. This award wage increase is expected to benefit around 250,000 registered nurses, enrolled nurses, assistants in nursing, personal care workers, head chefs and cooks, recreational activities officers (lifestyle workers) and home care workers. These changes come into effect from the start of the employee's first full pay period on or after 30 June 2023.

The Government is also supporting nurses, allied health professionals and personal care workers with career progression opportunities with mentoring programs, clinical placements and scholarships.

In the 2022–23 Budget, $14.9 million was committed over two years (2022–23 and 2023–24) to increase clinical placements for nurses in the care and support sector.

The Aged Care Nursing Clinical Placements Program will support up to 5,250 Bachelor/Master of Nursing students, with a target of 2.86 per cent Aboriginal and Torres Strait Islander students, with high-quality clinical placements in aged care. Students will be supported throughout their placements by a nursing clinical facilitator and access to an online resource hub. The program is delivered nationally by five suppliers until December 2024.

In 2022–23, the Aged Care Transition to Placement program was expanded to increase the number of places in the program and to provide additional supports to participants and mentors in the program who identify as Aboriginal and/or Torres Strait Islander. The Program (originally announced in 2021–22) aims to support new aged care registered nurses and enrolled nurses by developing their knowledge, skills and competences in the delivery of quality aged care services. Since the program was established, over 900 nurses have commenced the program and over 300 have completed it.

In 2022–23, implementation of the Aged Care Nursing Scholarships Program continued. In the 2021–22 Budget, $26.2 million was provided to include more aged care nursing scholarships and introduce Allied Health Scholarships with a focus on dementia care, over three years from 2021–2022 to 2023–24. In cohort 2022, 390 scholarships were offered and 290 places were accepted. For cohort 2023, 354 places were accepted from 400 offers.

An extra round was opened on 2 May 2023, with all remaining nursing scholarship places from the 2022 and 2023 cohorts being filled. The Allied Health component is continuing to accept applications until all places are filled. An application round for the 2024 cohort will open for scholarship application in August 2023.

The Aged Care Registered Nurses' Payment program aims to attract and retain registered nurses and reward their clinical skills and leadership. To date over 1,260 applications have been approved under Round 1, totalling $132.4 million. This funding will be provided to over 34,000 nurses. Round 2 is due to open in November 2023.

In February 2022, the University of Tasmania was engaged to establish and host the skills development program for aged care staff. The Equip Aged Care Learning Packages provides training to nurses, personal care workers and allied health workers to help ensure they have the skills required to deliver quality care in contemporary aged care settings. This training is also available to volunteers, informal carers and others who have an interest in aged care. In 2022–23, hosting of the learning modules was extended for an additional 12 months to September 2024 to continue supporting aged care workers, including new workers to the sector. As of 30 June 2023, thirteen of the fourteen learning modules are available, with over 5,000 people having completed one or more modules.

While recruiting and retaining Australian workers is the priority, the Government recognises that migration can help address workforce shortages. The Aged Care Industry Labour Agreement was introduced by the Government in May 2023 and will streamline the recruitment of qualified direct care workers to work in the aged care sector. Based on sector demand for overseas workers, it has been estimated that between 1,500 and 5,000 visas may be granted to personal-care workers under the Aged Care Industry Labour Agreement each year. The Labour Agreement is managed by the Department of Home Affairs.

In addition, the Government's Pacific Australia Labour Mobility (PALM) scheme allows aged care providers to sponsor workers in low and semi-skilled positions across rural and regional Australia for up to four years. There are currently just over 600 PALM scheme workers in Australia's aged care sector, with a further 500 PALM scheme workers are expected to be supported in 2023 to complete their Certificate III in Individual Support (Ageing). The Government has provided $4.25 million over two years for the Aged Care Expansion of the PALM scheme. The PALM scheme is managed by the Department of Foreign Affairs and Trade and Department of Employment and Workplace Relations.

Understanding the aged care workforce is important to ensure that the Government has the most up to date information on this critical sector. The Aged Care Provider Workforce Survey 2022–23 was conducted during May and July 2023. The survey captured critical information about the aged care workforce, including workforce size and attributes, employment arrangements and wages, and recruitment and retention. The results of the survey will be published in early 2024. This survey will be conducted every two years in line with Royal Commission recommendations to obtain up-to-date data that will inform workforce policy.

Promotion of the significant role that care and support workers play in supporting vulnerable people in Australia is also important and in February 2023 the Australian Government re-launched the 'A Life Changing Life' campaign. This campaign highlights the many, varied and sustainable job opportunities in the care and support sector. The campaign, and its website, feature real care and support workers, as well as their clients. Between February and May 2023, the social media ads reached over 4 million people within the campaign's target audiences.

9.2. Dementia and Aged Care Services Fund

In 2022–23, the Australian Government spent $79.7 million on the Dementia and Aged Care Services (DACS) Fund. The DACS fund provides support for existing and emerging priorities in dementia care, special measures to support Aboriginal and Torres Strait Islander people, and initiatives to ensure people from diverse backgrounds receive the same quality of aged care as other older people in Australia.

Three key initiatives funded through DACS are the National Dementia Support Program ($27.2 million in 2022–23), which is outlined in further detail in Chapters 1 and 2, the Dementia Training Program ($21.7 million in 2022–23), and the Dementia Behaviour Management Advisory Service ($24.3 million in 2022–23).

The Dementia Training Program

The Dementia Training Program (DTP) is aimed at building the capacity of the aged and health care workforce to improve the quality of care provided to people living with dementia. The DTP offers a national approach to accredited education, upskilling, and professional development in dementia care and in 2022–23 the Australian Government provided $21.7 million for the program. Informed by the findings of the Royal Commission into Aged Care Quality and Safety, current priority activity for the program includes development and delivery of more training on understanding and managing the behavioural and psychological symptoms of dementia (BPSD) and how to prevent the use of restraint, (restrictive practices) through appropriate behaviour supports. Additional areas of focus include improving access to training in rural and regional locations, providing more training for GPs and GP Registrars, and progressing the development of a Dementia Training and Education Standards Framework and training pathways.

In 2022–23, the DTP provided more than 15,452 occasions of dementia training for staff in residential and in-home care, as well as in the acute and primary care health sectors.

The Dementia Behaviour Management Advisory Services

The role of the Dementia Behaviour Management Advisory Service (DBMAS) is to provide support and advice to service providers and individuals caring for people living with dementia where mild to moderate behavioural and psychological symptoms of dementia impact care or quality of life. DBMAS aims to understand the causes and triggers of behaviours and develop strategies to optimise function, reduce pain or other unmet need and improve engagement.

The DBMAS continues to manage growing demand from both residential and community aged care service providers and individuals who are caring for a person with dementia. During 2022–23, funding continued to support increased demand with the Australian Government providing $24.3 million for the DBMAS.

DBMAS provided support to 16,254 cases, which was a 22.6 per cent increase on the previous year (13,260).[14]

14 A revision of Dementia Support Australia's KPI Data Dictionary occurred during 2022 and adjusted how DBMAS and SBRT KPIs are reported from 1 July 2022 onwards

9.3. Severe Behaviour Response Teams

Complementing DBMAS, the Severe Behaviour Response Teams (SBRT) support residential aged care providers with residents experiencing more severe behavioural and psychological symptoms of dementia.

In 2022–23, the Australian Government provided $19.3 million for the SBRT. This funding supported increased demand for SBRT services which involve a mobile workforce providing detailed clinical assessment and recommendations for intervention across multiple on-site visits.

The SBRT service provided case management to 2,339 cases. This was a 16.2 per cent increase on the previous year (2,013).[15]

Approximately 74 per cent of referrals received were from major cities and 26 per cent from regional and remote areas.

Quality satisfaction is monitored via self-reported surveys with 97 per cent of clients indicating they were satisfied with DBMAS and SBRT services.

9.4. Specialist Dementia Care Program

The Specialist Dementia Care Program (SDCP) provides specialised care to people with very severe behavioural and psychological symptoms of dementia, with the aim of reducing or stabilising symptoms so that people can move into less intensive care settings.

The care-setting for the SDCP is a dedicated dementia friendly environment, operating as a unit within a larger residential aged care facility, and therefore operates under the *Aged Care Act 1997*. Clinical in-reach to support the units is facilitated through agreements with the state and territory governments.

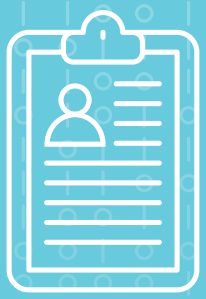
As at 30 September 2023, 15 units have been established across Australia since 2019, with a further five units anticipated to commence across 2023 and 2024. Further approaches to market will be undertaken to establish units in the remaining 31 Primary Health Network regions.

The SBRT assesses the eligibility of referrals made to the program. There have been 535 eligible referrals made to June 2023 since the program's commencement in September 2019, with 242 of these referrals placed within SDCP units.

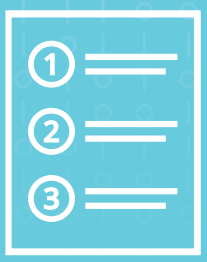
15 A revision of Dementia Support Australia's KPI Data Dictionary occurred during 2022 and adjusted how DBMAS and SBRT KPIs are reported from 1 July 2022 onwards

9.5. Improving respite care for people with dementia and their carers program

Complementing other supports for people with dementia, the Improving respite care for people with dementia and their carers program is a new program, which commenced in 2022–23 and for which the Australian Government provided $14.1 million in 2022–23. The program aims to increase supports for informal carers of older people in Australia, particularly those caring for a person living with dementia at home, through access to dementia-specific respite care and training. In 2022–23, the program supported a total of 254 participants (includes people with dementia and carers) across 25 programs, delivered nationally.



Aged care regulatory functions transferred to the Aged Care Quality and Safety Commission



Six new quality indicators introduced in residential aged care

December 2022 - Star Ratings system introduced in residential aged care

10

Quality and Regulation

10. Quality and Regulation

10.1. Approved provider regulation

In order to receive Australian Government funding for the provision of aged care services, an organisation must be approved to provide that care; and residential and flexible aged care services must hold an allocation of places.

On 1 January 2020, legislative authority for the approval of approved providers of aged care, and compliance arrangements, transferred from the Secretary of the Department of Health and Aged Care to the Commissioner of the Aged Care Quality and Safety Commission (the Commission). More information is available from the Commission's Annual Report.[16]

10.2. The Aged Care Quality and Safety Commission

The Commission operates independently and objectively in performing its functions and exercising its powers, as set out in the *Aged Care Quality and Safety Commission Act 2018* (ACQSC Act) and the *Aged Care Quality and Safety Commission Rules 2018* (the Rules).

The Commission's roles

As the national regulator of Australian Government-subsidised aged care services, the Commission's role is to:

- approve providers' entry to the government-subsidised aged care sector
- engage with recipients and providers on an ongoing basis to provide relevant, accessible information, guidance and education which has been developed with their input
- accredit, monitor, assess and investigate aged care services against quality, safety and prudential requirements
- hold providers to account for meeting their obligations through the proportionate use of a range of compliance and enforcement powers.

The Commission seeks to resolve complaints about aged care services and to provide education and information about its functions. It also engages with older people in Australia to understand their experiences, and to provide advice to providers about working with older people in designing and delivering best-practice care.

16 https://www.agedcarequality.gov.au/about-us/corporate-documents#annual-reports

The Commission regulates individual aged care workers and governing persons of providers to ensure that they act in a way that is consistent with the behaviours set out in the Code of Conduct for Aged Care.

The Commission delivers regulation that is proportionate, risk-based, responsive and intelligence-led. The Commission's regulatory approach enables it to focus activities on the areas of greatest risk to the safety, health and well-being of older people in Australia, and on those providers providing care and services that fall short of legislated standards.

The Commission uses education, information and targeted communications to support its regulatory objectives, including publishing outcomes of regulatory activities to promote greater transparency and accountability, and highlighting best practice.

The Commission's functions

The Commission's functions are set out in the ACQSC Act and the Rules and drive its priorities under the Corporate Plan.[17] The functions of the Commission are to:

- inform older people in Australia accessing aged care and their representatives about their right to quality and safe care and services
- educate and guide providers on their responsibilities to deliver quality and safe care and services
- educate and guide providers on their obligations under the Prudential Standards in relation to liquidity, records, governance and disclosure
- deal with complaints or information given to the Commissioner about a provider's responsibilities under the *Aged Care Act 1997* (the Act) or funding agreement
- approve providers of aged care
- regulate aged care providers by accrediting residential services, conducting quality reviews with home services and monitoring the quality of care and services
- regulate aged care workers and governing persons through monitoring compliance with the Code of Conduct for Aged Care and considering suitability of key personnel, including taking enforcement action such as making banning orders
- deal with reportable incidents under the Serious Incident Response Scheme
- regulate aged care providers' compliance with the Prudential Standards
- monitor aged care providers' financial viability and taking proactive engagement activity to build sector financial resilience
- respond to non-compliance by providers with their aged care responsibilities and taking regulatory and enforcement action as appropriate.

17 https://www.agedcarequality.gov.au/about-us/corporate-documents#corporate-plan

10.3. National Aged Care Mandatory Quality Indicator Program

From 1 July 2019, the *Aged Care Legislation Amendment (Quality Indicator Program) Principles 2019* took effect, with all government-subsidised residential aged care services required to collect and submit data against all quality indicators to the department under the National Aged Care Mandatory Quality Indicator Program (QI Program).

From July 2021, the QI Program was expanded to include five quality indicators:

- pressure injuries
- physical restraint
- unplanned weight loss
- falls and major injuries
- medical management.

From 1 April 2023, a further six new quality indicators were introduced to residential aged care, bringing the total to 11. These indicators measure important areas of care affecting older people's health and wellbeing. The six new quality indicators included:

- activities of daily living
- incontinence care
- hospitalisation
- workforce
- recipient experience
- quality of life.

Quality indicators measure aspects of service provision which contribute to the quality of care and services given by the provider, and care recipients' quality of life and experiences. They relate to care events where improvement in the quality of care can be made and measured. The objectives of the QI Program are for providers to have robust, valid data to measure and monitor their performance and support continuous quality improvement; and over time, to give older people in Australia transparent, comparable information about quality in aged care to aid decision making. The QI Program de-identified data is published quarterly by provider, at a national, state and territory level on the GEN Aged Care Data website by the Australian Institute of Health and Welfare (AIHW).[18]

18 https://www.gen-agedcaredata.gov.au/Topics/Quality-in-aged-care

10.4. Compliance

Approved providers of Australian Government-funded aged care services must comply with responsibilities specified in the Act, the associated Aged Care Principles, and the Rules. These responsibilities encompass quality of care, user-rights, accountability and allocation of places.

When non-compliance is identified, appropriate regulatory action is taken to prompt providers to address the shortcomings as quickly as possible and ensure their compliance. This action may include imposing sanctions or issuing various formal notices.

Access to compliance information

In December 2022, the department introduced the Star Ratings system for residential aged care services. One of the sub-categories of the overall Star Rating is the Compliance Star Rating, which is based on a residential service's compliance performance and history with a number of government regulations and standards. It is updated when non-compliance decisions are issued and resolved. Star Ratings are available on the My Aged Care website. Information about the Compliance Star Rating is available on the Commission's website.[19]

Information is also available on the My Aged Care website in relation to specific compliance action taken against aged care providers of residential and/or home care services by the Commission. Information about compliance action taken by the Commission in 2022–23 is available in its Annual Report[20] and Sector Performance Reports.[21]

Star Ratings and compliance information is published so that older people in Australia can make informed choices about their care needs and having these needs met.

19 https://www.agedcarequality.gov.au/consumers/star-ratings
20 https://www.agedcarequality.gov.au/about-us/corporate-documents#annual-report
21 https://www.agedcarequality.gov.au/sector-performance

10.5. Protecting residents' safety

Serious Incident Response Scheme

On 1 April 2021, the Serious Incident Response Scheme (SIRS) came into effect for residential aged care services. The SIRS complements existing provider obligations under the Act and strengthens responsibilities for providers to prevent and manage incidents, focusing on the safety and wellbeing of older people in Australia. It requires providers to use incident data to drive quality improvement, and to report serious incidents to the Commission.

On 1 December 2022, the Serious Incident Response Scheme was extended to encompass home care and flexible care delivered in a home or community setting. This includes providers of Home Care, Short-Term Restorative Care at home, Commonwealth Home Support Programme (CHSP), National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC), Multi-Purpose Services Program and Transition Care Program services.

Aged care providers are required to prevent incidents and manage those that do occur effectively. Reportable incidents include:

- unreasonable use of force
- unlawful sexual contact or inappropriate sexual conduct
- psychological or emotional abuse
- unexpected death
- stealing or financial coercion by a staff member
- neglect
- inappropriate use of restrictive practices
- unexplained absence of a resident or missing recipient.

Information about the number of serious incidents reported to the Commission in 2022–23 is available in its Annual Report[22] and Sector Performance Reports.[23]

10.6. Prudential

An approved provider is required under the Act to comply with the Prudential Standards as set out in the *Fees and Payments Principles 2014 (No. 2)*. The four Prudential Standards (Liquidity, Records, Disclosure, and Governance) seek to:

22 https://www.agedcarequality.gov.au/about-us/corporate-documents#annual-report
23 https://www.agedcarequality.gov.au/sector-performance

- protect Refundable Accommodation Deposits (RADs) (which include accommodation bonds and/or entry contributions) paid by care recipients to providers, through measures to ensure they are refunded to care recipients
- support the sound financial management of approved providers
- enable relevant information about the financial management of approved providers to be provided to current and future care recipients, and to the Government.

The sound financial management of providers and protection of RADs are accomplished by requiring providers to:

- systematically assess their future RAD refund obligations and ensure they have sufficient cash (or equivalents) available to meet these obligations
- establish and document governance arrangements for the management and expenditure of RADs so that they are only used for permitted uses and are refunded to care recipients as required by law
- establish and maintain a register that records information about who the provider owes RADs to, and the value of each RAD owed.

The Prudential Standards enable effective monitoring of approved providers' prudential compliance by the Aged Care Quality and Safety Commission. The Disclosure Standard requires relevant providers to submit an audited Annual Prudential Compliance Statement (APCS) within four months of the end of their financial year (31 October for most providers). The APCS discloses the provider's RAD holdings, its compliance with charging, managing and refunding RADs against the prudential requirements and its broader prudential compliance. In 2021–22, 830 providers were asked to complete and lodge an APCS by 31 October 2022.

Finally, the Prudential Standards promote public transparency of providers' financial management by requiring providers to disclose relevant financial information, including on prudential compliance and RAD management, to current and future care recipients, their families and carers.

Financial Monitoring and Business Assistance Program

The Financial Monitoring and Business Assistance Program (viability monitoring program) was established within the department to work with aged care providers experiencing financial viability issues. The program has helped providers to identify and address emerging financial risks, to operate in a financially sustainable way and to minimise the risks of a service having to close. During 2022–23, the program worked closely with around 250 providers to understand their financial issues, plan and develop options to manage these issues and reduce risks, and maintain contact with those providers to monitor their ongoing performance.

On 1 July 2023, the monitoring of residential aged care provider financial viability functions transferred from the department to the Commission.

Structural Adjustment Program

The Structural Adjustment Program supports residential aged care providers to improve operations and viability to meet the demands of a strengthened aged care market, and consists of two grant opportunities:

- The Business Improvement Fund – Round 2 was a targeted competitive grant opportunity that resulted in nearly $25 million in funding in 2022–23 to support 52 providers and adds to the $100 million allocated to 201 residential aged care providers funded under Round 1 in 2020–21 and 2021–22. Funding was prioritised for small to medium sized residential aged care providers in regional, rural and remote locations facing financial pressures which may impact on their ability to offer care to residents. Grant funding supports providers to implement business improvements to improve longer term sustainability and ensure that safe, high-quality care continues to be delivered for older people in Australia
- The Structural Adjustment Fund, which closed on 30 June 2023, was designed to support providers to exit the market through transitioning ownership to a new approved provider or wind down operations in an orderly closure. Since commencement, funding support has been given to 14 residential aged-care providers caring for 1,087 residents. This involved 11 grants for transition or sale to new providers and three grants to assist with an orderly closure of the aged care facility.

COVID-19 Viability Fund

The COVID-19 Viability Fund, which closed on 30 June 2023, was designed to ensure that eligible residential aged care service providers were able to continue to provide quality aged care services as they managed risks to the safety and/or continuity of care recipients and/or staff throughout the COVID-19 pandemic. Under this program, 20 providers received support to avoid displacement of residents and disorderly closures.

From 1 July 2023, the Market Adjustment Program replaced the Business Improvement Fund, COVID-19 Viability Fund and Structural Adjustment Fund. The program provides funding to avoid premature aged care service closures and, in appropriate situations, to support orderly exits and service consolidation. In addition, the program may also fund initiatives aimed at improving business capability (to reduce likelihood of deteriorating performance). Eligible providers will be invited to apply.

Accommodation Payment Guarantee Scheme

The Accommodation Payment Guarantee Scheme (Guarantee Scheme) was established under the *Aged Care (Accommodation Payment Security) Act 2006*. The Guarantee Scheme ensures the Commonwealth refunds residents their Accommodation Deposits, with interest if applicable, if an approved provider becomes bankrupt or insolvent. The residents' rights to pursue the defaulting provider for recovery of the accommodation deposits transfers to the Commonwealth.

In the event the Commonwealth cannot recover the full amount from the defaulting provider, the Minister may levy all providers holding accommodation payment balances to recoup the shortfall (this instrument has not been used to date). The department has implemented risk mitigation strategies by offering financial supports through other programs (such as grants to assist with business improvements, sales or closures) which may reduce the risk of insolvency and thereby activation of the Guarantee Scheme.

At 30 June 2023, the Guarantee Scheme had been activated 17 times since its introduction, with refunds of approximately $178.9 million (including interest) made to 538 residents. The Guarantee Scheme was activated twice in 2022–23, with refunds totalling approximately $8.7 million to 23 residents.

Validation of providers' appraisals under the Aged Care Funding Instrument

Up until 30 September 2022, approved providers received Australian Government funding for aged care service-provision based on ACFI appraisals of their care recipients' level of care need. To protect public expenditure, the department conducted 78 reviews of ACFI claims in 2022–23. Of these reviews, 39 (50 per cent) resulted with no increases to funding.

If a provider was dissatisfied with the outcome of a review decision, they were able to request a reconsideration. In 2022–23, providers requested reconsiderations of six review decisions, which were finalised in the financial year. The outcomes of these finalised reconsiderations were: two (33.33 per cent) confirmed the department's review decision; three (50 per cent) reinstated the provider's original classification; one (16.66 per cent) resulted in a new decision that reduced the original classification.

Validation of independent assessors under the Australian National Aged Care Classification (AN-ACC)

With the introduction of AN-ACC on 1 October 2022, independent assessments are continually monitored for anomalous patterns, outliers and trends of assessors, facilities, Assessment Management Organisations, classifications and other demographic details to ensure and maintain integrity and consistency of the AN-ACC model. Anomalies are investigated for learnings, continuous improvement, compliance and consistency. AN-ACC assessments continue to be monitored for quality assurance.

Ernst & Young (EY) has supported the department to identify and analyse trends, anomalies and patterns in AN-ACC assessments which may be of concern in the assessment process and to support ongoing quality assurance of AN-ACC assessments.

EY presented results of inter-rater reliability (IRR) analysis conducted on 656 dual assessments (DA) involving 1,312 individual assessments for 656 residents occurring in November and December 2022. Across all dual assessments, assessors assigned residents to the same mobility category in 97.6 per cent of assessments, the same level 2 category (Mobility: Cognition/Function/Pressure Sores) in 89.9 per cent of assessments and the same final AN-ACC classification in 86.6 per cent of assessments. When also treating classification to adjacent categories as an agreement, the agreement rates increased to 100 per cent, 98.2 per cent and 92.8 per cent respectively.

AN-ACC assessments continue to be monitored monthly for quality assurance.

Appendix A

Appendix A: Report against s63-2 of the *Aged Care Act 1997*

The Act specifies the following annual reporting requirement:

63-2 Annual report on the operation of the Act

(1) The Minister must, as soon as practicable after 30 June but before 30 November in each year, cause to be laid before each House of the Parliament a report on the operation of this Act during the year ending on 30 June of that year.

(2) A report under subsection (1) must include information about the following matters:

(a) the extent of unmet demand for places; and

(b) the adequacy of the Commonwealth subsidies provided to meet the care needs of residents; and

(c) the extent to which providers are complying with their responsibilities under this Act and the Aged Care (Transitional Provisions) Act 1997; and

(ca) the amounts of accommodation payments and accommodation contributions paid; and

(cb) the amounts of those accommodation payments and accommodation contributions paid as refundable deposits and daily payments; and

(d) the amounts of accommodation bonds and accommodation charges charged; and

(e) the duration of waiting periods for entry to residential care; and

(f) the extent of building, upgrading and refurbishment of aged care facilities; but is not limited to information about those matters.

63-2 (2) (a) the extent of unmet demand for places

Data is not available which provides an accurate measure of any unmet demand for residential aged care places.

As part of ongoing aged care reforms, a new residential aged care system will commence from 1 July 2024, with a person-centred approach and the cessation of bed licences. Residential care places will be assigned directly to older people in Australia to give them more choice and control over which provider they judge can best meet their needs. In the interim, a Transition Strategy is in place to address the supply of places. Future reporting on this measure will also change.

To ensure that people living in regional/remote areas and those with diverse needs are adequately catered for, the Australian Government provides a range of subsidies.

From June 2011 to June 2023, residential aged care occupancy in Australia has fallen from 93.1 per cent to 86.1 per cent.

63-2 (2) (b) the adequacy of the Commonwealth subsidies provided to meet the care needs of residents

The average level of Australian Government payments for permanent residents in aged care in 2022–23 was $77,700 per resident, an increase of 5.9 per cent per resident from 2021–22.

Table 22: Average Australian Government payments (subsidies plus supplements) for each permanent aged care resident 2018–19 to 2022–23

2018–19	2019–20	2020–21	2021–22	2022–23	% Change 2021–22 to 2022–23
$69,100	$69,055	$71,900	$73,400	$77,700	5.9

Note: The arrangements for the calculation of the subsidy differ for continuing care recipients (pre-1 July 2014) and new residents (post-1 July 2014).

Table 23: Summary of Australian Government payments by subsidies and supplements for residential aged care, 2018–19 to 2022–23

Type of payment		2018–19 $M	2019–20 $M	2020–21 $M	2021–22 $M	2022–23 $M
Basic subsidy	Permanent	11,947.4	12,012.7	12,392.20	12,623.9	9,006.1
	Respite	348.8	371.3	401.6	439.9	302.9
	Fixed	-	-	-	-	5,650.9
Primary Care Supplements	Respite	-	-	-	-	155.3
	Respite Incentive	40.6	46.8	51.9	64.6	21.9
	Oxygen	18.3	16.8	16.1	14.7	11.6
	Enteral Feeding	5.2	5.0	4.5	3.9	3.0
Hardship	Hardship	3.9	6.5	15.7	16.9	15.9
	Hardship Accommodation	2.5	1.9	1.6	1.0	2.2
Accommodation Supplements	Accommodation Supplement	1,134.2	1,225.1	1,277.9	1,271.0	1,352.5
Supplements subject to grandfathering	Basic Daily Fee	0.3	0.1	0.1	0.1	171.0
	Concessional	51.3	40.2	33.8	26.2	25.4
	Pension	20.7	12.8	10.1	8.0	6.4
	Transitional Accommodation Supplement	7.6	5.4	3.8	6.1	1.8
	Transitional	3.8	2.6	2.2	1.7	0.3
	Charge Exempt	1.8	1.4	1.2	1.1	0.3
	Accommodation Charge Top-up	1.0	0.4	0.3	0.2	0.2

Type of payment		2018–19 $M	2019–20 $M	2020–21 $M	2021–22 $M	2022–23 $M
Other Supplements	Viability	62.0	82.3	99.7	99.9	24.9
	Homeless	9.8	13.3	18.4	18.0	4.8
	Veterans	1.7	1.5	1.3	1.2	1.0
Adjustment	AN-ACC Initial Entry	-	-	-	-	65.3
Manual Adjustment	Other	-	-	-	-	6.6
Reductions	Means Tested Reductions	-627.2	-648.2	-655.2	-681.3	-801.0
	Compensation Payment	-	-	-	-	-3.4
	Extra Service	-	-	-	-	-0.7
	Other	-9.1	231.7	396.2	731.6	25.8
Total ($M)		**13,014.5**	**13,429.7**	**14,073.4**	**14,648.7**	**16,051.0**

Note: the commencement of the Australian National Aged Care Classification (AN-ACC) funding model on 1 October 2022 involved the commencement of new subsidy and supplement categories and the cessation of others, which requires consideration when comparing the distribution of funding by subsidy and supplement type between financial years.

Table 24: Summary of Australian Government payments by subsidies and supplements for home care, 2018–19 to 2022–23

Type of payment		2018–19 $M	2019–20 $M	2020–21 $M	2021–22 $M	2022–23 $M
Subsidy	Home care subsidy	2,586.0	3,498.4	4,389.0	5,468.9	7,010.7
Supplements	Oxygen	3.7	4.5	5.4	5.9	7.1
	Enteral Feeding	0.9	0.8	0.9	1.0	1.1
	Dementia and Cognition	36.2	49.5	62.0	74.5	85.6
	Veterans	0.4	0.5	0.7	0.8	0.9
	Hardship	0.2	0.1	0.2	0.2	0.1
	Viability	18.1	25.1	33.3	32.0	40.0
Reductions	Income testing reduction	-48.8	-65.9	-73.3	-94.6	-117.7
	Other	-127.4	-163.1	-225.0	-1,086.7	-1,411.8
Total ($M)		**2,469.3**	**3,350.1**	**4,193.1**	**4,401.9**	**5,615.9**

Note: Since 1 September 2021, changes were implemented to the way providers of Home Care Packages were paid. The 2022-23 financial year represents the first full year of these Improved Payment Arrangements: accordingly, 2021-22 and 2022-23 payment figures for Home Care Packages are not directly comparable to one another nor to previous financial years.

In 2022-23, $7.0 billion in Government Subsidy was made available, plus supplements, but less the Income tested care fee. In addition, unspent or saved package funds may have accrued in Home Care Accounts, which are managed by Services Australia, whilst some providers continued to hold a balance of unspent funds which had accumulated prior to 1 September 2021 and are used to meet care recipient needs, but do not further accrue with new funds. For more detail about unspent funds and home care account balances, refer to the Financial Report of the Australian Aged Care Sector.

In this table, unspent funds balances and funds returned from providers to the Australian Government upon people exiting the program both are accounted in the 'Other' category. Once all these variables were factored in, in 2022-23, $5.6 billion in home care payments was expensed to providers.

63-2 (2) (c) the extent to which providers are complying with their responsibilities under this Act and the *Aged Care (Transitional Provisions) Act 1997*

Providers funded by the Australian Government to deliver aged care services must continue to meet legislative and funding agreement/contract responsibilities. If a provider is not meeting its obligations, the Commission may take regulatory action.

Providers who have charged RADs are required to complete and submit an Annual Prudential Compliance Statement (APCS) within four months from the end of their financial year. In 2021–22, 830 providers were asked to complete and lodge an APCS by 31 October 2022.

The ACQSC is responsible for the regulation of approved providers in relation to their prudential responsibilities. Historical APCS outcomes for 2020–21 and earlier are reported in the relevant ROACA.

63-2 (2) (ca) the amounts of accommodation payments and accommodation contributions paid

The closing balance of RADs held by providers at 30 June 2022 was $35.0 billion. There was a $1.4 billion (4.3 per cent) increase in RADs held by aged care homes across the 2021–22 financial year.

63-2 (2) (cb) the amounts of those accommodation payments and accommodation contributions paid as refundable deposits and daily payments

In 2021–22, a total of $2.3 billion was paid to providers in accommodation payments and accommodation contributions.

A total of $833 million was received in Daily Accommodation Payments (DAPs)/Daily Accommodation Contributions, and approximately $1.4 billion was received in net RADs. The 805 providers who held RADs at 30 June 2022 reported through their APCS that they held a total of 100,010 RADs with a total value of approximately $35.0 billion. These figures include the RADs held by five providers who reported on an alternate financial year. This is an increase of almost 2,483 RADs. The average RAD holding per provider was 124 RADs valued at $43.5 million.

63-2 (2) (d) the amounts of accommodation bonds and accommodation charges charged

The average accommodation price agreed with a new non-supported resident in 2021–22 was a RAD of $478,978, equivalent to a DAP of $53.41 at 30 June 2022.

Thirty nine per cent of non-supported residents chose to pay by RAD, 37 per cent by DAP, and 24 per cent by combination of both.

63-2 (2) (e) the duration of waiting periods for entry to residential care

Table 25 shows the proportion of residents placed in permanent residential care within a specified time period after assessment (and recommendation for residential care) by an ACAT.

This entry period is not a proxy for waiting time for admission to a residential aged care service. The ACAT recommendation is simply an option for that person. Many people who receive a recommendation for residential care may also receive and accept a recommendation for a Home Care Package, or, they may simply choose not to take up residential care at that time. The increased availability of home care, restorative care and respite care has a significant effect in delaying entry to residential care.

Table 25: Proportion of new entrants to permanent residential care entering within a specified period after an ACAT assessment during 2022–23

2 day or less	7 days or less	Less than 1 month	Less than 3 months	Less than 9 months
1.4%	4.3%	17.4%	42.6%	60.8%

63-2 (2) (f) the extent of building, upgrading and refurbishment of aged care facilities

Estimated building works completed during 2021–22, or in progress at June 2022, exceeded $3.8 billion, down from $4.7 billion in 2020–21. Data for the 2021–22 building works can be found in the 2021–22 Financial Report on the Australian Aged Care Sector.[24]

When available, 2022–23 data will be published on GEN, in the 2022–23 Financial Report on the Australian Aged Care Sector and in the 2023–24 ROACA.

24 https://www.health.gov.au/resources/publications/financial-report-on-the-australian-aged-care-sector-2021–22?language=en

Table 26: Consolidated building activity report 2017–18 to 2021–22

		2017–18	2018–19	2019–20	2020–21	2021–22
Building work	Estimated building works completed during the year or in progress at June 30 ($M)	$4,912.0	$5,334.0	$5,661.3	$4,684.7	$3,818.1
	Proportion of homes that completed any building work during the year	19.2%	19.4%	14.7%	9.8%	8.5%
	Proportion of homes with any building work in progress at the end of the year	13.9%	14.5%	10.0%	8.9%	6.8%
New building work	Proportion of homes that completed new building work during the year	2.6%	1.7%	1.5%	1.0%	0.7%
	Proportion of homes with new building work in progress at the end of the year	2.3%	1.7%	1.8%	1.7%	1.5%
	Estimated new building work completed during the year ($m)	$1,243.0	$1,721.2	$1,468.0	$1,006.6	$600.8
	Estimated new building work in progress at the end of the year ($m)	$1,086.0	$1,005.8	$1,739.8	$1,549.0	$1,518.8
	Proportion of homes that were planning new building work	2.7%	2.7%	1.5%	1.4%	0.8%

		2017–18	2018–19	2019–20	2020–21	2021–22
Rebuilding work	Proportion of homes that completed rebuilding work during the year	0.9%	0.7%	0.8%	0.4%	0.4%
	Proportion of homes with rebuilding work in progress at the end of the year	1.2%	1.6%	1.2%	1.1%	0.7%
	Estimated rebuilding work completed during the year	$497.0	$353.0	$398.5	$268.6	$276.1
	Estimated rebuilding work in progress at the end of the year ($m)	$649.0	$932.2	$1,037.1	$962.5	$777.0
	Proportion of homes that were planning rebuilding work	1.8%	1.2%	0.7%	0.7%	0.5%
Upgrading work	Proportion of homes that completed upgrading work during the year	16.2%	11.5%	12.6%	8.6%	7.5%
	Proportion of homes with upgrading work in progress at the end of the year	10.8%	5.3%	7.3%	6.5%	4.6%
	Estimated upgrading work completed during the year ($m)	$666.0	$638.9	$384.1	$436.8	$228.0
	Estimated upgrading work in progress at the end of the year ($m)	$770.0	$691.9	$633.7	$461.2	$417.5
	Proportion of homes that were planning upgrading work	5.4%	5.3%	3.9%	3.5%	2.7%

Note: the 2021–22 data includes the SACH data from those providers with a December year end.

Glossary

Glossary

Term	Definition
ACAR	Aged Care Approvals Round
ACAT	Aged Care Assessment Team
ACCO	Aboriginal Community Controlled Organisations
ACFI	Aged Care Funding Instrument
ACH	Assistance with Care and Housing
ACQSC Act	*Aged Care Quality and Safety Commission Act 2018*
ACSO	Aged Care Specialist Officer
Act, the	*Aged Care Act 1997*, the primary legislation governing the provision of aged care services
ADF	Australian Defence Force
Aged Care Principles	Subordinate legislation made by the Minister under subsection 96 1 (1) of the Act
AIHW	Australian Institute of Health and Welfare
AMO	Assessment Management Organisations
AN-ACC	Australian National Aged Care Classification
APCS	Annual Prudential Compliance Statement
BCT	Base Care Tariff
BPSD	Behavioural and psychological symptoms of dementia
CALD	Culturally and Linguistically Diverse
CHSP	Commonwealth Home Support Programme
Commission, the	Aged Care Quality and Safety Commission
CVS	Community Visitors Scheme
DACS	Dementia and Aged Care Services
DAP	Daily Accommodation Payment

DBMAS	Dementia Behaviour Management Advisory Services
department, the	The Department of Health and Aged Care
DTP	Dementia Training Program
EACHD	Extended Aged Care at Home Dementia
EY	Ernst & Young
FECCA	Federation of Ethnic Communities Councils of Australia
Guarantee Scheme	Accommodation Payment Guarantee Scheme
GEAT	Goods, Equipment and Assistive Technology
HCP	Home Care Package
IHACPA	Independent Health and Aged Care Pricing Authority
IPC	Infection prevention and control
IVR	Interactive Voice Response
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender, Intersex, Queer and other diverse sexualities
Minister, the	The Minister for Aged Care
MPS	Multi-Purpose Services
MYEFO	Mid-Year Economic and Fiscal Outlook
NACAP	National Aged Care Advocacy Program
NACCHO	National Aboriginal Community Controlled Health Organisation
NATSIAACC	National Aboriginal Torres Strait Islander Ageing and Aged Care Council
NATSIFAC	National Aboriginal and Torres Strait Islander Flexible Aged Care
NDIS	National Disability Insurance Scheme
NDSP	National Dementia Support Program
NMS	National Medical Stockpile
NPS	National Priority System
OPAN	Older Persons Advocacy Network

PALM	Pacific Australia Labour Mobility
PHN	Primary Health Network
PICAC	Partners in Culturally Appropriate Care
PPE	Personal Protective Equipment
QI Program	National Aged Care Mandatory Quality Indicator Program
RAD	Refundable Accommodation Deposit
RAS	Regional Assessment Service
RAT	Rapid Antigen Test
ROACA	Report on the Operation of the *Aged Care Act 1997*
Rural LAP	Rural Locum Assistance Program (Rural LAP) Aged Care
SBRT	Severe Behaviour Response Teams
SDCP	Specialist Dementia Care Program
SIRS	Serious Incident Response Scheme
STRC	Short-Term Restorative Care
TCP	Transition Care Programme
TIS	Translating and Interpreting Service

List of Tables and Figures

List of Tables and Figures

Tables

Figures

22
23