



COVID-19 response – Further support for aged care preparedness, workforce and viability

Since the start of the COVID-19 pandemic, the Australian Government has committed over \$2 billion in funding for aged care.

This significant investment continues to support the most vulnerable while the COVID-19 pandemic persists, ensuring that the aged care sector remains prepared, responsive and viable.

Since the Mid-Year Economic Fiscal Outlook in November 2020, the Australian Government has extended a number of critical measures to support the COVID-19 Emergency Health Response. These measures, extended until 31 December 2021, will provide financial support and relief to providers impacted by the direct costs of COVID-19, and keep senior Australians and aged care workers safe.

Measures include:

- continued support for the surge workforce and reimbursement of eligible COVID-19 related expenses for Aged Care COVID-19 preparedness and outbreak management, with a total of \$204.6 million invested since March 2020
- the continued Support for Aged Care Workers in COVID-19 (SACWIC) grant opportunity to cover the out of pocket costs associated with establishing single site workforce arrangements, and deliver COVID-19 safe care in the event of further COVID-19 outbreaks. A total of \$93 million has been committed to deliver this support since March 2020
- a new Refundable Accommodation Deposit (RAD) Support Loan Program, providing \$128.8 million in zero-interest loans to support eligible residential aged care providers to refund their RAD obligations to residents, and
- \$90 million to a Viability Fund, as announced on 1 March 2021, to assist residential aged care providers facing financial stress in order to ensure continuity of care for senior Australians. This is in addition to the \$25 million announced when the Viability Fund was first established.

Why is this important?

Australia's aged care sector was significantly impacted by the COVID-19 outbreaks in 2020, with the largest proportion of Australian deaths occurring among aged care residents.

The impact of this is continuing to be felt across the sector, as aged care providers also prepare for the necessary reforms to deliver generational change in response to the Aged Care Royal Commission.

Protecting the residents of aged care facilities is a priority for the Australian Government and a suite of measures aimed at infection prevention and control and limiting the risk of virus spread have been in place since the initial outbreak in Australia.

Aged care providers have also carried significant financial costs in managing COVID-19 outbreaks, including additional leave for staff and training requirements in hotspot locations. Providers have also experienced higher than usual RAD outflows during COVID-19, impacting their ability to meet RAD obligations. These measures provide continued support to aged care providers in the event of further outbreaks and longer term support to ensure the ongoing stability of providers.

Who will benefit?

Aged care providers will continue to be supported through future outbreaks of COVID-19 through the provision of a surge workforce and reimbursement of eligible out of pocket expenses in the event of a COVID-19 outbreak. It also ensures that vulnerable older Australians are supported and provided appropriate care in the event of a further outbreak. To date, 196 services have received over \$58 million in reimbursement for eligible expenses.

Continuing to provide access to funding when single site arrangements are introduced in hotspot and high risk locations as determined by the Commonwealth Chief Medical Officer ensures workers are not disadvantaged in the event of an outbreak, supporting them to maintain their connection to multiple employers without a penalty. Similarly, it supports providers by covering the cost of paid leave so that workers are not coming into facilities while potentially infectious. To date, over 85 services have received over \$10 million in funding through the SACWIC Grant opportunity.

Funding for aged care providers through the RAD Support Loan Program will assist those eligible providers who may face temporary liquidity issues and the risk of insolvency. This will provide flow on benefits for senior Australians with the RAD Support Loan Program helping to guarantee continuity of care and stability in the market.

Care recipients, aged care workers, service providers and the Australian community will benefit from the ongoing delivery of quality care and the stability of the sector delivered through the Viability Fund.

Funding will cover essential business or operating costs required to enable the continued provision of quality care to residents as providers continue to adjust to the longer-term effects of COVID-19 on the sector. Support may also be provided around sales or closures.

The Department of Health will determine how much funding individual providers are eligible for by conducting a targeted assessment of their needs against specific criteria. This ensures providers receive the right level of support to remain operational and care for their residents.

How much will this cost?

To date, more than \$2 billion has been committed to support the aged care sector through the COVID-19 pandemic.



Aged Care – Reforms to support people living with dementia and their carers

In response to the Aged Care Royal Commission, the Australian Government will invest \$229.4 million to improve quality of life and care for people living with dementia, while improving the sector's focus on this core part of aged care.

These initiatives will support people living with dementia and their carers at every stage from diagnosis through to residential aged care. Together this will ensure people living with dementia are connected with the support they need post-diagnosis, are enabled to remain in their home for longer, and able to access high quality, dementia informed aged care services.

Key measures include:

- more support when a person is first diagnosed with dementia to help them access the services they need to maintain health, wellbeing and independence. Primary Health Networks will develop local dementia care pathways which support General Practitioners (GPs) to refer their patients to the support they need
- dementia training will be made available for an additional 1,000 GPs and GP registrars per year
- enhanced early support for people living with dementia in the community and their carers through a significant funding increase for evidence-based activities delivered under the National Dementia Support Program (NDSP). This is expected to provide around 30,000 people with more timely access to supports like counselling, education sessions, support groups, and peer mentoring that provides coaching, advice and support to carers
- an additional outreach capability for the National Dementia Helpline to stay in touch with people. This will allow senior Australians living with dementia and their carers to be connected to additional support as their situation evolves and help prevent them from reaching a crisis point
- improved connection between services so when a person living with dementia needs aged care services they will be supported and there will be a specific focus on dementia in aged care assessments and care planning
- an increase in the number of care minutes provided to people in residential aged care which will support the person-centred care practices that are essential for people living with dementia
- additional dementia training, including for 3,200 personal care workers to operate as leaders in dementia care in their organisations and improved access to dementia training in regional and rural areas

- up to 60 learning networks will support aged care workers in adopting better dementia care practices through the opportunity to share experiences and insights
- documented dementia training pathways to ensure health professionals and aged care workers will more easily be able to identify high quality dementia training that is relevant to them
- increased availability of respite places with respite providers supported to develop dementia specific respite plans through the engagement of a national provider to facilitate the introduction of this planning process and training will be available for up to 5,200 staff. These plans will help to reduce the stresses of the new environment which respite represents for people living with dementia and lessen the risk of further decline in their condition
- an expansion of care models which combine carer education and respite care to support 3,200 families caring for a person living with dementia
- improvements in aged care regulation which include:
 - improved regulation and transparency of information about provider performance
 - clearer regulations on the use of restraint (restrictive practices), including physical and chemical restraint only being used as a last resort after behaviour support strategies have been used
 - a review of the Aged Care Quality Standards, focusing on key areas of concern identified by the Royal Commission such as governance, dementia, and food and nutrition, and
 - supporting the adoption of dementia friendly building practices in residential aged care facilities.
- enhanced capability for positive approaches to behavioural and psychological symptoms of dementia and to minimise the use of restraint, if someone living with dementia starts to experience behavioural and psychological symptoms of dementia, whether living at home or in the community, there will be:
 - increased funding for the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams to support a further 13,000 referrals to these services per year on average, and
 - training for representatives of all aged care providers on managing behavioural and psychological symptoms of dementia.

These measures respond to *Recommendations 2, 8, 10, 15, 17–19, 22–25, 27–30, 32, 42, 43, 45–46, 75, 77–80, 86, 88–91 100, 104, 109, 112–114, 120–122 and 142* of the Royal Commission’s final report.

For further information, refer to the relevant fact sheets.

Why is this important?

Dementia is the second leading cause of death in Australia and the leading cause of death in women.

Coordinated dementia care management in the community has been shown to lower hospitalisations, increase quality adjusted life years and delay entry to residential care.

Dementia carers consistently report not knowing where to go or what is the next practical step following a dementia diagnosis.

Supporting people living with dementia to remain at home, including help with the management of treatment and care, medication management, and support and education for informal carers, improves the quality of life for both the person living with dementia and their informal or family carer. It will also delay the need for residential aged care.

Who will benefit?

It is estimated that in 2020 there are between 400,000 and 460,000 Australians with dementia.

It is estimated that currently there are almost 1.6 million people in Australia involved in the care of someone living with dementia, including aged care workers and informal carers such as families and loved ones.

The number of people living with dementia is expected to increase to between 550,000 and 590,000 by 2030.



Aged care – Reforms to support Aboriginal and Torres Strait Islander people

In response to the Aged Care Royal Commission, the Australian Government will invest \$557 million to ensure Aboriginal and Torres Strait Islander people receive quality and culturally safe aged care services, can access advice to make informed decisions about their care, and are treated with dignity and respect.

The 2021–22 Budget invests in targeted measures to improve the experience of older Aboriginal and Torres Strait Islander people, increase capability and viability of Aboriginal and Torres Strait Islander organisations, and grow a skilled and culturally safe workforce.

Key measures include:

- \$106 million for a workforce of 250 Indigenous people to provide trusted face to face support and assist Aboriginal and Torres Strait Islander people better navigate and access care. This workforce will also sit alongside Aboriginal and Torres Strait Islander people while Regional Assessment Service (RAS) and Aged Care Assessment Teams (ACATs) assess their care needs upon entry and while in care
- \$396.9 million will be made available for aged services to upgrade existing buildings, constructing purpose built care services, including to connect residential facilities with communities On Country and provide essential staff housing. This funding will also support health and disability services to expand into aged care delivery, and assist Aboriginal Community Controlled Organisations to expand into aged care
- \$61.6 million in additional service delivery funding for the 43 National Aboriginal and Torres Strait Islander Flexible Care Services. This will contribute to improved health outcomes for Aboriginal and Torres Strait Islander people and promote connection to community and culture
- \$8 million to assist Indigenous organisations with governance, business, training and leadership
- Improved access to translation and interpreting services for older Aboriginal and Torres Strait Islander people by increasing the availability of Indigenous interpreters and providing information and support on aged care services in a range of community languages
- A dedicated Aboriginal and Torres Strait Islander assessment workforce for Aboriginal and Torres Strait Islander people, will help to increase the proportion of Aboriginal and Torres Strait Islander people in aged care,

addressing historical low take up rates. It will also result in training and employment opportunities for Aboriginal and Torres Strait Islander people

- A minimum of 15 additional post-graduate scholarships in the Aged Care Nursing Scholarship Program each year, for three years, for Aboriginal and Torres Strait Islander nurses to commence and complete formal qualifications in areas of need in the aged care sector
- A minimum of 5 new post-graduate scholarships each year, for three years, for Aboriginal and Torres Strait Islander allied health professionals with a focus on dementia qualifications
- Expansion of the Aged Care Transition to Practice Program to include Aboriginal and Torres Strait Islander services in its design
- Support will also be available for Aboriginal and Torres Strait Islander people to complete a Certificate III qualification for positions such as Personal Care Workers, and
- Incentives will be available to assist with the recruitment and retention of a skilled and appropriate workforce to meet the needs of older Australians, including Aboriginal and Torres Strait Islander peoples.

For further information, refer to the relevant fact sheets.

Why is this important?

These investments will not only ensure culturally safe aged care services are available and accessible, they will result in a more skilled, supported workforce as well as boosting local economic activity. There will be an increase in capability and viability of Indigenous organisations to deliver care and Aboriginal and Torres Strait Islander people will be better informed, supported and empowered to make decisions about their aged care needs.

It will also contribute to closing the health and life expectancy gap between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians within a generation.

Collectively, these measures implement *Recommendations 29, 30, 45–48, 50–51, 53 and 53-1c* of the Royal Commission's final report.

Who will benefit?

Approximately 166,000 Aboriginal and Torres Strait Islander people nationally will benefit from these measures. Aged care providers and staff delivering care to Aboriginal and Torres Strait Islander peoples, will directly benefit from the funding assistance to deliver increased services, undertake capital works to improve quality and live in appropriate staff accommodation.

Aboriginal and Torres Strait Islander communities will experience flow-on benefits through the creation of local jobs and increased future service delivery.



Aged care – Reforms to support people from diverse backgrounds

In response to the Aged Care Royal Commission, the Australian Government will invest \$585.7 million in making safe, quality aged care accessible for people with a wide range of personal experiences and circumstances and from diverse backgrounds, through its once in a generation aged care reforms.

The Government will work to realise the Royal Commission’s finding that ‘diversity should be core business in aged care¹’ including ensuring their voices are heard with representation on advisory bodies and that diversity is actively considered in program design and regulatory decisions.

Specific measures include:

- \$93.7 million in additional funding to introduce a network of up to 500 local Community Care Finders to improve engagement with vulnerable senior Australians (such as people who are homeless), building on existing navigation supports to provide intensive face-to-face assistance to access aged care services and connect with other relevant health and social supports.
- \$65.2 million to increase translating and interpreting services to address gaps and the under utilisation of these services for diverse older Australians, including interpreting services in assessment planning and review; for Care Finders; and for translating key documents into community languages. This will assist more than 75,000 older people from culturally and linguistically diverse backgrounds.
- \$9.6 million to certify providers where specific services are offered that meet diverse needs, for example cultural and linguistic services. This will help consumers select providers that meet their specific needs.
- \$6.2 million to provide assistance to aged care providers to understand the diversity of the community they are serving and assess whether actual usage of their service reflects any barriers to access which must be rectified.
- A new Aged Care Act to underpin the fundamental and generational reform across aged care. The new Act will place older people, in all their diversity, at the centre of the reformed aged care system.
- \$396.9 million over five years for capital investment through the *More equitable access to Aged Care for First Nations and Special Needs Groups* measure to enable aged care providers to make needed improvements to their buildings and build new services in areas where senior Australians currently do not have access, or where staff caring for their needs do not have suitable housing. First

¹ Royal Commission Final Report Volume 1 Summary and recommendations, page 98.

Nations peoples, homelessness providers and rural and remote areas will be initial priority areas to benefit from this measure from 2022-23.

- The expansion of the Serious Incident Response Scheme (SIRS) from residential care into home and community care. This initial \$14 million from 1 July 2022 will provide greater protections to consumers receiving home and community aged care services, including older people who are more vulnerable such as those who are socially disadvantaged.
- A National Aged Care Data Strategy to identify, improve and better use aged care data to inform current and future service demand, workforce, health interface interaction, quality and safety and outcomes of care, including for people with diverse needs through better data collection and use of diversity identifiers.
- Other measures to support First Nations people will improve consumer experience by assisting older First Nations people to be better informed and understand all the services available through the aged care system. The measures will increase capability and viability of Aboriginal and Torres Strait Islander organisations and increase a skilled and culturally safe workforce.

An additional measure will indirectly support vulnerable people and assist providers to address diversity as core business in the aged care system:

- \$3.9 billion to increase the care time for residents to an average of 200 minutes per day, including 40 minutes of registered nurse (RN) time; and fund the provision of a registered nurse on site for a minimum of 16 hours per day. This will particularly benefit older people with diverse backgrounds and life experiences who may require more care or will benefit from more time to build trust and rapport with their carers.

These measures respond to *Recommendations 1–3, 7, 9, 12, 15, 17, 22–24, 27, 29–30, 45–48, 50, 52–55, 67, 75, 80, 86, 94, 100, 106, 108, 114 and 122* of the Royal Commission’s final report.

For further information, refer to the relevant fact sheets.

Why is this important?

The Royal Commission found that *‘the aged care system often struggles to provide appropriate care to people with diverse needs’ [and yet it] ‘should be equally welcoming and supportive of everyone needing care.’* It also found *‘there can be a lack of understanding and respect for people’s culture, background and life experiences.’*²

These measures will help embed a focus on diversity in the aged care system, deliver quality aged care services to people from diverse groups and provide more equitable access to services for vulnerable populations, providing greater support for senior Australians to access and navigate the aged care system with a level of support commensurate to their needs.

² Final Report page 71.

Who will benefit?

Many older Australians have diverse characteristics and backgrounds and will benefit from these measures. These include many older people in the following groups, noting that a person can have attributes and experiences in multiple groups:

- over 100,000 older people from Aboriginal and Torres Strait Islander communities in Australia
- over 36 per cent of older Australians were born outside of Australia and one in three older people were born in a non-English speaking country
- more than one in 10 people have diverse sexual orientation, gender identity or intersex characteristics
- almost 15,000 older Australians experience homelessness or are at risk of homelessness
- one in 10 Australians aged over 65 lives with cognitive impairment and dementia
- more than 80 per cent of older Australians report an affiliation to a religion
- over half of older Australians experience some sort of disability
- more than one in 10 older Australians live in regional, rural and remote communities
- one in 12 older Australians experience significant financial or social disadvantage
- one in 12 older Australians have four or more chronic diseases
- there are over 150,000 older Australian veterans
- there are half a million care leavers in Australia who are now between 40 and 90 years of age, with the numbers of parents separated from their children by forced adoption or removal still unknown.



Home Care (Pillar 1 of the Royal Commission response) – Immediate investment to address critical need

In response to the Aged Care Royal Commission, the Australian Government will invest over \$6.5 billion to address the critical need for home based care for senior Australians – the single largest investment in home based care ever.

The investment includes:

- \$6.5 billion to release 80,000 additional Home Care Packages (40,000 in 2021–22 and an additional 40,000 in 2022–23). It means those currently waiting for a Home Care Package will get access to the care they are assessed as needing. By June 2023, there will be 275,600 Home Care Packages available to senior Australians every year, and
- a further \$36.7 million in the Aged Care Quality and Safety Commission, to increase resourcing for quality and safety checks for Home Care Packages. This will enable more than 750 additional Quality Reviews and Assessment Contacts from 2022–23 to 2023–25.

Why is this important?

Home care provides senior Australians with support to live independently in their own homes for as long as possible. Increasingly, senior Australians are seeking support to stay at home longer, rather than moving to residential aged care.

Funding for the Aged Care Quality and Safety Commission will ensure the Commission can increase its compliance activity to match the increase in Home Care Packages. This will ensure the Aged Care Quality and Safety Commission has the capability to address any failures in care by providers of Home Care Packages, ensuring senior Australians are receiving safe, high quality Home Care services. This will include conducting more than 750 additional Quality Reviews and Assessments Contacts from 2022–23 to 2023–25.

These measures support *Recommendation 39* of the Royal Commission's final report.

Who will benefit?

This measure will provide access to all those currently waiting for a package in line with their assessed care needs by June 2023. As at 18 April 2021, there were 86,797 senior Australians waiting for a Home Care Package at their assessed level, most of whom already have either a lower level Home Care Package or are eligible to get assistance through the Commonwealth Home Support Programme.

Additional resourcing for the Aged Care Quality and Safety Commission will protect the integrity of our home care system and the safety of home care recipients as the system grows.

How much will this cost?

The Australian Government is investing \$6.5 billion over 4 years, from 2021–22.



Home Care (Pillar 1 of the Royal Commission response) – Future design and funding

In response to the Aged Care Royal Commission, the Australian Government will invest \$10.8 million to develop a new support at home program in consultation with senior Australians and community stakeholders, and commencing in July 2023. The program will replace the Commonwealth Home Support Programme (CHSP), Home Care Packages, Short-Term Restorative Care, and residential respite programs.

A new support at home program will mean better targeted services for almost one million older people who currently receive care at home or residential respite services.

\$10.8 million will support the new program design, which will offer better support to senior Australians as their needs change, including people living with dementia and people with complex needs who would prefer to stay at home.

The Government will consult on critical design elements, including:

- improved assessment arrangements that are more consistent, more accurate, and recognise that not all consumers need intensive assessments
- a modern classification and funding system to ensure the support senior Australians receive aligns with their assessed care needs
- an increased choice of provider/s across all types and levels of aged care
- a dedicated focus on care management in assessment and funding arrangements
- better support for informal carers, and
- more support for early interventions to help people to remain independent at home for longer.

To prepare for these future reforms, CHSP grant agreements will be extended for one year from 1 July 2022 to 30 June 2023, with most CHSP providers transitioning to payment in arrears.

Why is this important?

Senior Australians want to age independently in their own homes. A new support at home program will be designed to better target services to eligible senior Australians' assessed care needs.

Implementing a change of this size requires a careful, measured approach to avoid disrupting services to senior Australians. The Government is committed to developing a

new support at home program in consultation with senior Australians and community stakeholders.

This measure implements in full or in part *Recommendations 25, 28, 30, 31, 32, 33, 34, 35, 36, 40, 41, 42, 72, 117, 118, 119, and 124* of the Royal Commission's final report.

Who will benefit?

A new support at home program would mean more better focused services for more than one million older people who currently receive Commonwealth Home Support Programme, the Home Care Packages, Short-Term Restorative Care, or residential respite programs. It would give senior Australians greater choice when it comes to their care and deliver improved outcomes as support will be based on their assessed needs.

Existing and new providers and residential respite aged care homes will have simpler funding arrangements.

The move to payments in arrears for CHSP will align CHSP funding arrangements with those for home care and related sectors such as the NDIS.

How much will this cost?

The Australian Government is investing \$10.8 million over one years, from 2021–22.



Home Care (Pillar 1 of the Royal Commission response) – Enhanced program oversight in Home Care Packages

In response to the Aged Care Royal Commission, the Australian Government will invest an additional \$18.4 million over 4 years in measures that put downward pressure on home care administrative costs through improved program integrity and pricing transparency. This action will ensure senior Australians receive full value for money and are not charged unreasonable or excessive administration charges.

This investment is critical to empowering consumers to exercise choice through better visibility of pricing information. There will also be:

- an annual risk-based program of assurance reviews of home care providers
- a focus on assuring value for money of home care package funds
- funding of continuous improvement of providers through a community of practice, and
- funding for enhanced fraud management and investigation capability within the Department of Health.

This measure will benefit the almost 170,000 home care recipients currently receiving a package, as well as all new care recipients who will receive home care packages from now on.

Why is this important?

Increasing numbers of Australians are choosing to remain within their own homes as they age, and there is rising demand for home care services to support this choice. The Department will work with service providers through an ongoing annual program of reviews of a maximum of 500 providers per year, to guarantee prices being charged are justified, fair and consistent with the care recipient's funding agreement.

This is essential to ensure the maximum possible amount of the Government's subsidy for home care packages goes towards directly supporting senior Australians to remain in their own homes for as long as possible.

Care recipients will be empowered, through enhanced pricing transparency through the My Aged Care website, to be better informed and take action about home care charges they are not satisfied with. At present, all providers are required to report their pricing schedule through My Aged Care, where care recipients can compare the price of a particular service with up to three providers. New tools on My Aged Care will include a cost calculator and pricing comparator against like services for all relevant providers at a geographic level.

A community of practice will be established in recognition of the importance of supporting home care providers to deliver better value for money and continuously improve. This will allow providers to engage with each other and the Department, to share lessons learnt, including from the annual program of reviews, share best practice, and better understand and deliver to program requirements.

This measure will also provide increased dedicated in-house staffing to address fraud in home care, as well as funding to support procurement of expert advice to build best practice program assurance capabilities and strengthen the Department's approaches to home care fraud.

These measures build on the Government's existing work to improve transparency and comparability of home pricing information. Together, these new and existing measures should drive unfair costs out of the system, minimise fraud risks, support providers to deliver to program requirements and engender better services for our senior Australians.

This measure supports *Recommendations 27, 115 and 118* of the Royal Commission's final report.

Who will benefit?

This measure will benefit all current and future care recipients under the program; there are currently just under 170,000 people receiving a home care package.

Care recipients will benefit from increased cost transparency and value for money for their package funds. They will be empowered through information to secure the best value for money for their individual needs, or change providers to achieve a better pricing outcome. The Australian taxpayer will benefit from more value for money from the Government's investment on their behalf in the Home Care Program.

These changes will also benefit the entire industry, by improving community confidence in the many home care providers offering quality and safe services with fair costs and administration charges.

How much will this cost?

The Australian Government is committing \$18.4 million over 4 years, from 2021–22.



Home Care (Pillar 1 of the Royal Commission response) – Connecting senior Australians to aged care services

In response to the Aged Care Royal Commission, the Australian Government will invest \$272.5 million to support senior Australians to access the aged care services they need and navigate through the system.

Investment will support new face-to-face services for senior Australians to make it easier for people to use My Aged Care – a familiar platform for Australians who already interact with the aged care system – by improving the connection between the various ways people receive information and service referrals. This will ensure services work together so senior Australians get the help and care they need regardless of whether they access the web site, call centre, or the new face-to-face services.

- Key measures for senior Australians who need minor assistance include:
 - a new government face-to-face aged care service will be available in up to 325 Services Australia service centres in all states and territories, to provide information on aged care services and assist people to use online channels*
 - Services Australia and My Aged Care call centres will be linked so callers can be easily transferred between the two services*, and
 - \$9.6 million to certify providers where specific services are offered that meet diverse needs, for example cultural and linguistic services. This will help consumers select providers that meet their specific needs.
- Key measures for senior Australians who need additional help or prefer to access support through face-to-face services include:
 - new face-to-face aged care specialists will be available in 70 Services Australia service centres in all states and territories, and include mobile service centres to reach rural and regional areas. These specialists will connect consumers with local services, financial information services, social workers, interpreters and advocates*
 - \$7.2 million to provide advocacy organisations with visibility of where consumers are in their aged care journey, to enable these organisations to better represent the people they provide advocacy services for, and
 - \$65.2 million to provide greater access to translating and interpreting services for culturally and linguistically diverse people.

- Key measures for senior Australians who need specialist support include:
 - \$93.7 million in additional funding to introduce a network of up to 500 local Community Care Finders to improve engagement with vulnerable senior Australians (such as people who are homeless)
 - building on existing navigation supports, it will provide intensive face-to-face support to access aged care services and to connect with other relevant health and social supports, and
 - \$7 million to extend the Aged Care System Navigator services from July 2021 to December 2022 to continue face-to-face support until Community Care Finders start.

Why is this important?

These changes will provide greater support for senior Australians to access and navigate the aged care system with a level of support commensurate to their needs.

Previously, there has been limited availability of face-to-face support making it difficult for consumers to access, understand and navigate aged care services. By increasing local, personalised and face-to-face support, senior Australians will have better access and support to navigate aged care and articulate their needs.

This measure implements *Recommendations 29 and 30* of the Royal Commission's final report.

Who will benefit?

Senior Australians, their representatives and aged care providers will benefit from a better approach to accessing and navigating the aged care system.

- Senior Australians who need just minor assistance, will be able to access digital assistance and basic information through approximately 325 Services Australia service centres.
- Senior Australians who need additional help or prefer to access support through face to face services, will be supported by Aged Care Specialist Officers in 70 Services Australia service centres.
- Vulnerable senior Australians who need specialist support, will have access to a network of up to 500 Community Care Finders, who will provide face to face assistance to access and navigate aged care services and other supports at the local community level (such as health and social supports).

How much will this cost?

The Australian Government is investing \$272.5 million over 4 years, from 2021–22.



Home Care (Pillar 1 of the Royal Commission response) – Support for informal carers

In response to the Aged Care Royal Commission, the Australian Government will invest \$798.3 million to increase support provided for informal and family carers of senior Australians, particularly for those caring for people living with dementia.

Strengthening the support available will improve carer wellbeing, maintain the care relationship, and avoid crises that may jeopardise the relationship between the carer and the person in their care.

New supports include:

- \$441.4 million for residential respite by aligning funding arrangements with the new residential aged care funding model to give providers increased incentives to offer residential respite services, which will benefit about 67,000 recipients per year
- \$134.9 million for the Commonwealth Home Support Programme (CHSP) respite services for both flexible respite and centre-based respite, which will enable about 8,400 additional clients to access respite services each year from January 2022
- \$53 million, in addition to the existing \$49 million investment, for enhanced early support for dementia carers, through:
 - increasing early intervention assistance after diagnosis for the approximately 15,000 people diagnosed with dementia every year and their carers. This includes additional outreach capability for the National Dementia Helpline (NDH) so carers can stay in touch with services, and increased funding for other National Dementia Support Program activities, such as counselling and carer education
 - clarifying and simplifying dementia care pathways between the NDH and GPs, memory clinics, My Aged Care, Carer Gateway, and aged care assessment teams - for carers and people living with dementia
- \$60.1 million to increase outcome quality for people using respite through:
 - Engaging a national provider to prepare respite care plans for people living with dementia, developed with the individual and their informal carer at home.
 - training for residential care providers and staff to put respite care and activity plans into action for people living with dementia, and

- increasing access to carer education in the early period after diagnosis for people caring for a person living with dementia using dementia respite.
- \$103.4 million for early referrals to Carer Gateway services by aged care assessors for assistance such as counselling, coaching, peer support, and skills training. This will support approximately 134,000 informal carers, and
- referring the impact of amending the National Employment Standards to provide for additional entitlement to unpaid carer's leave to the Productivity Commission to examine.

Why is this important?

Informal carers are those providing help to older family members, friends and people in their social network who require help with everyday tasks. They make a significant contribution to caring for older Australians and as the proportion of older people receiving care in their homes increases, support for their informal carers is increasingly important.

Respite services are an important part of the aged care system, providing necessary care and support to senior Australians in a targeted way when it is needed, and supporting the wellbeing of informal and family carers.

Supporting people living with dementia to remain at home, including help with the management of treatment and care, medication management, and support and education for informal carers, improves the quality of life for both the person living with dementia and their informal or family carer. It will also delay the need for residential aged care.

This measure supports *Recommendations 15, 32, 42 and 43* of the Royal Commission's final report.

Who will benefit?

The Royal Commission estimates that there are 428,500 informal carers who are the primary carer of someone 65 years or older.

Additional CHSP respite services will support around 8,400 new clients per year.

Increased funding for residential aged care providers to offer residential respite services will benefit approximately 67,000 recipients.

Early access to the Carer's Gateway will enable approximately 134,000 informal carers to access support including counselling, coaching, peer support and skills training.

People newly diagnosed with dementia, about 15,000 per year, and their informal carers, will benefit from additional funding for the NDH and other early support initiatives.

Respite care planning, staff training and carer education will improve the respite experience for people living with dementia, and will lead to better health and wellbeing outcomes, reduce carer stress, and assist with more successful returns home after a respite stay.

Australians who are informal carers will benefit from the Productivity Commission review into unpaid carers leave and possible reforms to the National Employment Standards.

How much will this cost?

The Australian Government will invest \$798.3 million over 4 years, from 2021–22.



Residential aged care services and sustainability (Pillar 2 of the Royal Commission response) – Reforming residential care funding to drive better care and a viable system

In response to the Aged Care Royal Commission, the Australian Government is investing \$189.2 million to implement new funding models for residential respite care and residential aged care. This measure includes:

- \$135.9 million to deliver improved care outcomes for people in residential aged care, through implementing a new, transparent funding model for residential aged care.
 - The new Australian National Aged Care Classification (AN-ACC) model will be implemented from 1 October 2022. It will provide fairer and more equitable funding and support the sector to deliver higher quality care to the 240,000 senior Australians using residential care services and 110,000 using respite services each year
 - This funding builds on the \$258.5 million provided in 2020 to support the development of a new residential aged care payment system, and undertake a period of ‘shadow assessment’, and
 - During this year of shadow assessment, which commenced on 6 April 2021 all residents will be assessed by an independent assessor using the AN-ACC assessment tools. This will allow a smooth transition to the new model for all residents on 1 October 2022.
- A 2 year \$53.3 million transition fund will also be established to assist providers who may need support during the transition.

Why is this important?

The new AN-ACC model improves on the previous Aged Care Funding Instrument (ACFI), which produced inequitable funding outcomes and funding volatility for providers, supported care practices that are no longer contemporary, and encouraged providers to focus on funding outcomes above quality care delivery.

The Government commissioned the University of Wollongong to undertake work in 2017 to develop a new case mix funding model based on evidence of the relative costs of delivering care to different types of residents. The AN-ACC was the outcome of this study.

Assessments under the AN-ACC will be undertaken by independent assessors, not nurses working in residential aged care services. This will enable clinicians working within care homes to spend more time delivering care rather than completing ACFI funding claims. It also provides a robust and equitable model for the Government to confidently provide a substantial funding increase to the sector from October 2022. For details on the funding increase refer to factsheets *Residential care funding uplift* and *Mandatory care time standards and reporting*.

The introduction of the AN-ACC responds fully or in part to *Recommendations 120* and *121* of the Royal Commission's final report.

Who will benefit?

The AN-ACC funding model, will deliver increased nursing and personal care time each day to the 240,000 senior Australians accessing residential aged care each year.

Skilled clinicians working in residential aged care will greatly benefit through being able to focus more time delivering care rather than on processing funding claims.

Residential aged care services which operate in rural and remote regions, and those which service Indigenous and homeless populations will benefit from a more equitable distribution of funds.

The 67,000 senior Australians who access residential respite services each year will benefit from improved access to quality respite care, delivering critical support to individuals and their families when they need it.

More broadly, the aged care sector, government and senior Australians will benefit from a more stable and efficient funding model that provides greater expenditure certainty.

How much will this cost?

The Australian Government will invest \$189.2 million over 4 years, from 2021–22.



Residential aged care services and sustainability (Pillar 2 of the Royal Commission response) – Residential care funding uplift

In response to the Aged Care Royal Commission, the Australian Government will support residential care by investing \$3.2 billion over 5 years from 2020–2021. This is in addition to the \$3.9 billion funding for mandatory care times and standards. The total increase in funding for residential aged care in response to the Royal Commission will be \$7.8 billion.

From 1 July 2021, a new Government Basic Daily Fee (BDF) supplement of \$10 per resident per day, and continuation of previous 30% increases in the homeless and viability supplements, will support providers to deliver better care and services to residents.

From October 2022, these payments will be rolled into the new Australian National Aged Care Classification (AN-ACC) funding model on an ongoing basis.

To commence receiving the new Government BDF Supplement, providers will need to report on the adequacy of daily living services (such as food, linen, cleaning) they provide, with a particular focus on nutrition. This quality reporting will support the star rating system.

The additional investment will build on the previously announced \$189.8 million investment in residential care to support the increased viability of the sector for the remainder of 2020–21.

Why is this important?

This measure will directly address recommendations from the Aged Care Royal Commission, which sought immediate changes to introduce a Government paid BDF supplement and amendments to the viability and homeless supplement respectively (recommendations 112 and 113).

The increase in funding will support the residential care sector to deliver improved care and services to senior Australians accessing residential aged care.

Continuing the 30% increase to the homeless and viability supplements in residential care supports care in rural and remote areas, and those who access specialist homeless providers.

This measure supports either fully or in part *Recommendations 112 and 113* of the Royal Commission's final report.

Who will benefit?

This funding uplift will support the delivery of better care and services to the 240,000 senior Australians accessing residential aged care each year, maintaining choice and

accessibility to the care and services they need. It will also assist 67,000 senior Australians who access residential respite care each year.

The new Government BDF Supplement will support all residential care providers to deliver better care and services. The increase to the Homeless Supplement will support delivery of care to residents in 19 providers across 40 residential services. The increase to the Viability Supplement will support delivery of care to residents across 227 providers and 455 services.

How much will this cost?

The Australian Government will invest \$3.2 billion over 5 years, from 2020–2021.



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

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

This funding will support residential aged care providers to deliver:

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

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

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

Why is this important?

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

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

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

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

Who will benefit?

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

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

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

How much will this cost?

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



Residential Aged Care Services & Sustainability (Pillar 2 of the Royal Commission response) – Improving choice for senior Australians through a more innovative, resilient and competitive market

In response to the Aged Care Royal Commission, the Australian Government will improve choice for senior Australians, foster investment and innovation by providers, and boost their resilience. The Government will invest \$102.1 million to help transition providers to a more competitive market and improve the sustainability and capability of the sector.

Under this measure:

- \$3.1 million is being provided to create a more innovative and competitive residential aged care market.
 - The Aged Care Approval Round will be discontinued. From 1 July 2024, residential care places will instead be allocated according to consumers' preference, as opposed to bed licences, which will give them greater choice and control over which approved residential provider delivers their care. Government funding will be directed to the provider the consumer chooses.
 - This measure will improve the quality of the residential aged care sector by increasing competition amongst service providers. It will benefit providers that develop high quality and innovative models of care and accommodation that best meet consumer preferences.
- \$55.3 million will be provided to fund the phased introduction of a new financial and prudential monitoring, compliance and intervention framework from 1 July 2021 to build the financial sustainability and capability of aged care providers.
 - This will strengthen the financial oversight of the aged care sector, introducing new standards for around 2,000 approved providers of aged care services and providing new enforcement powers and capability for Government.

- This will allow the Government to better protect taxpayers' investment in aged care services and help identify potential risks to the quality and safety of care of residents.
- A Structural Adjustment Program will be established with funding of \$32.6 million to support residential aged care providers to improve or change their operations, building on the success of the aged care Business Improvement Fund. This will allow eligible providers to adjust their operations to a more competitive market, and help minimise risks to the continuity of care for residents.
- The Business Advisory Service program will receive an additional \$5.9 million to continue supporting eligible providers with free, independent and confidential business advice and introduce a new workforce planning stream service to support providers to attract and retain staff.
- The Remote and Aboriginal Torres Strait Islander Aged Care Service Development Assistance Panel will also receive an additional \$5 million to continue improving the capacity and capability of providers to sustainably deliver quality care.

These measures build on the \$90 million in targeted support for residential aged care providers announced on 1 March 2021 to assist providers facing financial stress, outlined in Factsheet: *Further support for preparedness, workforce and viability*.

Why is this important?

The Aged Care Approval Round system is no longer meeting the needs of senior Australians or residential aged care providers. Under the current system people are only able to choose from a residential care provider that has an available allocated place through the Aged Care Approval Round. This limits their choice and also restricts the ability for providers to grow and innovate.

Empowering senior Australians, their families and carers to select a provider of choice will create a more competitive market for residential aged care. It will also support existing high quality providers to expand their service footprint, and will allow new providers to enter the market.

Monitoring and supporting providers is key to minimising the risk of business failures and protecting consumers from potential disruptions to the care services they receive. Improving the capability, financial sustainability and resilience of the sector is also critical to ensuring aged care providers continue to deliver high quality care and meet the needs of consumers now and into the future.

This measure implements in full or in part *Recommendations 25 and 41, 91, 130, 131, 132, 133, 134, 135, 136 and 137* of the Royal Commission's final report.

Who will benefit?

Senior Australians considering entering residential aged care or changing their provider will benefit from improved quality and choice as a result of increased competition. It will give senior Australians greater control by allowing them to choose a provider which best meets their needs.

Around 240,000 people live in residential aged care services each year, and at any one time there are around 180,000 residents in facilities nationally.

New and existing residential aged care providers will no longer be bound to approval rounds, reducing red tape and giving them greater freedom to adjust and expand their service offering to better meet demand.

Residential aged care will benefit through greater investment, a push to more innovative offerings and improved financial sustainability of providers. In particular, support programs and advisory services will help aged care providers to improve their business operations. To date, the Australian Government has supported over 100 applications from providers wishing to improve their business operations and enhance their long term viability, with nearly \$45 million in approved funding from the Business Improvement Fund. In addition, over 230 business reviews have also been completed under the Business Advisory Service program.

How much will this cost?

The Australian Government will invest \$102.1 million over 4 years, from 2021–22.



Residential aged care services and sustainability (Pillar 2 of the Royal Commission Response) – Reforming accommodation settings in residential aged care

In response to the Aged Care Royal Commission, the Australian Government will invest \$5.5 million and commence consultations with senior Australians and the aged care sector to develop a new Residential Aged Care Accommodation Framework. The Framework will commence from 1 July 2024 and guide the design of the most appropriate residential aged care accommodation going forward.

The consultation will assist in developing new National Design Standards for Residential Aged Care to ensure safer and more user-friendly environments for residents. These design standards, to be updated from time to time as necessary, will establish a baseline for accommodation quality, including consideration of accessibility, enablement, dementia-friendly design and smaller group home models, while enabling innovative design solutions.

The consultations will also consider options to promote adherence to the new design standards, including industry education and incentives, and whether there is a need to amend the National Construction Code.

The Government will consult with the sector to review the use of Refundable Accommodation Deposits (RADs) to raise capital within the residential aged care sector. This will include investigating new ways to assist residential aged care providers in raising capital.

Why is this important?

The residential environment is important to the wellbeing of senior Australians, particularly those who are living with dementia. It is estimated that there are more than 450,000 Australians living with dementia. Of the more than 240,000 people that receive residential aged care each year, more than half have dementia.

There is currently no national standard for dementia-friendly design, and the Royal Commission into Aged Care Quality and Safety has identified that less than half of Australia's residential aged care facilities adopt a dementia-friendly design.

New design standards will address accessibility and dementia-friendly design in residential aged care, as well as the role of smaller group home models, reablement and respite settings, as recommended by the Royal Commission.

As senior Australians choose to remain at home for longer, these consultations will explore opportunities to address demand for flexible housing options, including smaller group home models.

This measure responds fully or in part to *Recommendations 45, 46 and 142* of the Royal Commission's final report.

Who will benefit?

Senior Australians, particularly those living with dementia will benefit from new design standards in residential aged care, with a focus on accessibility and dementia-friendly design. Improvements to the environment where senior Australians live will positively contribute towards their wellbeing.

The adoption of national design standards will also guarantee greater choice for senior Australians including those living in rural and regional Australia by allowing older Australians to compare residential aged care facilities based on their adherence to the design standards.

Residential aged care providers and developers will benefit from clear design standards which will help guide their capital works towards more appealing, safer and more user-friendly environments for current and future residents.

Investors in the sector will benefit from increased clarity about financing mechanisms, raising capital and the viability of the operations of providers.

How much will this cost?

The Australian Government is investing \$5.5 million over 4 years, from 2021–22.



Residential aged care quality and safety (Pillar 3 of the Royal Commission response) – Protecting consumers by strengthening regulatory powers and capability

In response to the Aged Care Royal Commission, the Australian Government will invest an additional \$262.5 million in the independent regulator, the Aged Care Quality and Safety Commission (ACQSC).

This will ensure it is equipped to safeguard the quality, safety and integrity of aged care services, and effectively address failures in care. Specifically, this investment in sustainable resourcing will allow the ACQSC to:

- strengthen powers and the ability to protect senior Australians through action to address failures in care including civil penalties, enforceable undertakings, injunctions and compliance notices
- respond to more than 22,000 complaints, undertake at least 2,100 residential aged care site audits and at least 750 home care quality reviews, pursue at least 1,400 cases of non-compliance, and undertake 380 prudential and financial investigations. Complaint numbers have risen by more than 60% from 2017–18 to 2019–20, and residential aged care site audits required have risen 120% per cent from 2018–19 to 2019–20. There is also an anticipated 20% increase in applications to become an approved aged care provider from 2019–20 to 2020–21
- develop tools to enable earlier detection of high-risk home care services, including an enhanced risk profiling tool, and
- support the review of the ACQSC to be undertaken in 2023. The review will inform the functions, capability, structure, workforce arrangements and design of a new independent authority to regulate aged care services.

Aged care consumers will be further protected through strengthened clinical care standards to be developed by the Australian Commission on Safety and Quality in Health Care from 1 July 2021.

Why is this important?

The end-to-end regulator of aged care services must have sufficient resourcing, capability and appropriate powers to fulfil its role effectively. Without a properly resourced independent regulator, the generational reforms to improve quality and safety for aged care in Australia would be jeopardised.

This measure implements in full or in part *Recommendations 10, 18 and 104* of the Royal Commission's final report.

Who will benefit?

Around 1.3 million consumers will benefit from improved, safer care and higher quality outcomes through the ACQSC's strengthened capability. Consumers will also benefit from more rigorous and comprehensive clinical care standards.

Providers will benefit from risk-based proportionate regulation and greater harmonisation of standards across sectors, including aligning clinical care standards across aged care and healthcare sectors where appropriate.

How much will this cost?

The Australian Government is investing \$262.5 million over 4 years, from 2021–22.



Residential aged care quality and safety (Pillar 3 of the Royal Commission response) – Strengthening provider quality

In response to the Aged Care Royal Commission, the Australian Government is investing \$32 million to strengthen the accountability and capability of the aged care sector. Investment includes:

- \$24.7 million for the Aged Care Quality and Safety Commission (ACQSC) to undertake an additional 1,500 site audits in residential aged care in 2021–22 (up from the 600 audits scheduled for that period)
- \$7.3 million to strengthen regulation of restraint (restrictive practices) and enhance behaviour support capability in residential aged care, through:
 - introducing legislation from 1 July 2021 to strengthen the regulation of restraint, and to ensure these practices are only used as a last resort. Aged care providers must use alternative behaviour support strategies prior to using restraint
 - appointing a Senior Practitioner to the ACQSC to lead education of aged care providers and General Practitioners (GPs) in the use of restraint. The Senior Practitioner will also provide senior Australians and their families with independent review mechanisms through complaints, serious incident reports and compliance processes to ensure aged care providers are meeting their legislative obligations, and
 - provide funding to extend the ACQSC Pharmacy Program to 2025.

Why is this important?

The Australian Government is committed to building a culture of dignity and respect for senior Australians through the entire aged care sector. Quality and safety are critical to delivering on this commitment.

The reforms to quality and safety within aged care will be a significant task going forward. These measures are in response to some of the immediate priorities to deliver better experiences and outcomes for individuals receiving aged care, and to restore trust and confidence in the aged care sector.

This measure implements in full or in part *Recommendations 2, 8 and 17* of the Royal Commission's final report.

Who will benefit?

These measures will contribute towards improving the quality of care for the 1.3 million Australians who currently receive aged care services each year.

The Australian population places value in aged care quality and safety, and these measures are designed to drive cultural change across the sector to align aged care with community expectations.

Senior Australians and their families will find these measures improve the quality of care they receive. In particular, stronger regulation of, and communication around, restraint will deliver improvements to their safety and quality of life.

As a result of this measure, quality of care delivered by residential aged care providers will be closely examined as the ACQSC undertake additional audits in 2021–22.

How much will this cost?

The Australian Government is investing \$32 million over 4 years, from 2021–22.



Residential Aged Care Quality and Safety (Pillar 3 of the Royal Commission response) – Improving quality and safety across the aged care sector including the Serious Incident Response Scheme (SIRS)

In response to the Aged Care Royal Commission the Australian Government is investing \$81.5 million to strengthen consumer protection within aged care and further build capacity in the areas of dementia care. This will improve the quality and safety of care for the 1.3 million Australians who currently access aged care services each year.

Measures to strengthen consumer protections and further build capability in dementia care include:

- an initial \$14 million will be allocated to expand the Serious Incident Response Scheme (SIRS) from residential care into home and community care from 1 July 2022. This will provide greater protections to more than 1 million consumers receiving home and community aged care services
- \$67.5 million over 4 years to lift dementia care capability. This includes extending and increasing funding for the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams to support a further 13,000 referrals to these services on average per year, and
- dementia specialists will also provide training to representatives from all aged care providers on managing behavioural and psychological symptoms of dementia and how to prevent the use of restraint (restrictive practices) through appropriate behaviour supports.

Why is this important?

There is currently no requirement for home and community aged care providers to report incidents of abuse or neglect to the Aged Care Quality and Safety Commission (ACQSC). SIRS, implemented on 1 April 2021, only applies to residential care. Expanding the SIRS, with appropriate support from the ACQSC to home and community

aged care providers, is an important step in responding to incidents in home and community aged care, protecting care recipients and enhancing transparency.

Building dementia care capability includes the provision of the knowledge and expert assistance that carers need for better management of behavioural and psychological symptoms of dementia. Restraint must only be used as a last resort after behavioural support strategies have been used. In residential aged care, restraint not used in accordance with the restraint legislation is considered a reportable incident under the SIRS.

This measure implements *Recommendations 17, 80, 100, and 114* of the Royal Commission's final report.

Who will benefit?

These measures will benefit the 1.3 million Australians who receive aged care annually by improving the quality of services and their quality of life. This will bring significant benefits to the estimated 400,000 to 460,000 Australians living with dementia.

It will also increase the skills base of aged care workers, in both residential and home care environments, in caring for senior Australians experiencing severe behavioural and psychological symptoms of dementia, with specialist advice and training in these areas.

Aged care workers will have other options to manage behavioural issues without resorting to restraint, which can be confronting, confusing and upsetting for senior Australians, their families and the aged care workers themselves.

How much will this cost?

This measure has been costed at \$81.5 million over 4 years, from 2021–22.



Residential Aged Care Quality and Safety (Pillar 3 of the Royal Commission response) – Improving access to primary care and other health services

In response to the Aged Care Royal Commission, the Australian Government will invest \$365.7 million to improve access to primary care for senior Australians, better support their transition between the aged care and health care systems, and improve medication management in residential aged care settings. This will benefit more than 240,000 Australians living in residential aged care.

As part of this measure:

- \$42.8 million to boost the Aged Care Access Incentive from 1 July 2021 to increase face-to-face servicing by general practitioners (GPs) within residential aged care facilities. The maximum yearly payment to be received by GPs will double to \$10,000
 - There are currently more than 5,400 general practitioners who receive the Aged Care Access Incentive
 - The increased maximum yearly payment will provide further incentives to an estimated 1,000 GPs already receiving Aged Care Access Incentive payments to deliver additional services in residential aged care, and
 - It will also attract an estimated 1,100 new GPs to provide a further 120,000 services into residential aged care.
- \$37.3 million in additional funding for the Greater Choice for At Home Palliative Care initiative to expand to all 31 Primary Health Networks, from the 11 Primary Health Networks previously participating in the pilot. This will improve palliative care and end-of-life services within a person's home across the country
- \$178.9 million for Primary Health Networks to utilise their regional expertise and on the ground capabilities to support the health of senior Australians. This will enable:
 - telehealth care for aged care residents
 - enhanced out of hours support for residential aged care
 - dementia pathways to support assessment and referral, and

- early monitoring and identification of health needs to support people to live at home for longer.
- \$23.6 million is being provided to build a better data and evidence base to enable the Government to conduct workforce and other planning to meet the health needs of senior Australians. This includes identifying:
 - the drivers of higher hospitalisation rates for those living in residential aged care
 - the allied health workforce available to meet the care needs of older Australians in home and residential aged care, and
 - models that support the use of multidisciplinary teams to reduce avoidable hospitalisations.
- \$45.4 million to address widespread issues associated with poor medication management in residential aged care, including improving linkages across settings through the use of electronic National Residential Medication Charts and the My Health Record to better support transition of aged care residents across care settings.

Why is this important?

These initiatives will ensure senior Australians are treated with respect, care and dignity as they move across the aged care and health systems. They are a critical step in addressing the Aged Care Royal Commission's findings that coordination and integration with the medical care sector is important to meet the needs of older people.

Greater access to GPs in residential aged care is a critical step to facilitate better access to health services. Additional investment will better incentivise and reward general practitioners for their critical role in delivering long-term support and care to improve the health of senior Australians.

Primary Health Networks will for the first time be provided dedicated funding to commission programs to support senior Australians as well as improving public awareness of aged care and planning for ageing and aged care needs.

The introduction of electronic National Residential Medication Charts is expected to result in a reduction in the number of unnecessary medicines prescribed and dispensed per resident in aged care and will reduce adverse medication incidents.

Better data and evidence will enable the Government to conduct workforce planning and develop models that support the use of multidisciplinary teams to meet the health needs of senior Australians.

These measures implement in full or part *Recommendations 15, 26, 56, 58, 61, 63, 66, 67, 68 and 69* of the Royal Commission's final report.

Who will benefit?

Up to 1.3 million Australians who may access aged care, health and disability services in parallel will benefit from coordinated access to care. GPs will also be supported to provide additional services in residential aged care facilities.

People living in residential aged care will experience improved medication management and reduced adverse medication incidents through the adoption of electronic National Residential Medication Charts. These systems will also reduce the administrative burden for prescribers, pharmacists, nurses and aged care staff.

How much will this cost?

The Australian Government is investing \$365.7 million over 4 years, from 2021–22.



Residential Aged Care Quality and Safety (Pillar 3 of the Royal Commission response – Empowering consumers of aged care with information to exercise choice

In response to the Aged Care Royal Commission, the Australian Government is investing over \$200 million to increase information for senior Australians, their families and carers. Measures include:

- \$100 million to deliver improved consumer transparency and assist senior Australians to make informed decisions through the introduction of:
 - a simple ‘at-a-glance’ Star Rating on My Aged Care for all 2,722 residential aged care services, delivered by the end of 2022
 - the National Aged Care Mandatory Quality Indicator Program to report crucial measures of care in the home by the end of 2022
 - additional quality indicators across critical care areas in residential care by the end of 2022
 - consumer experience and quality of life measures across residential and in home aged care by the end of 2022, and
 - a National Aged Care Data Strategy, including capture of new dementia data, and an aged care Minimum Data Set by 2024.
- \$94 million for expanded independent advocacy to support greater choice and quality safeguards for senior Australians. This will:
 - more than double the aged care advocacy workforce to over 150 advocates nationally, delivering an estimated additional 15,000 information and advocacy cases per annum. This will improve access to face-to-face and virtual aged care advocacy for senior Australians in outer metropolitan, rural, regional and remote areas, as well as for home care recipients and culturally and linguistically diverse groups, and

- add more than 1,000 local networking and education sessions to build the capacity of older people, their families and representatives to exercise greater choice and control.

The Australian Government will also provide \$6 million to deliver assistance to aged care providers to understand the diversity of the community they are serving and assess whether actual usage of their service reflects any barriers to access which must be rectified.

Why is this important?

A simplified and easy to navigate aged care system will provide senior Australians with greater choice and empowerment to exercise their choice.

A transparent and standardised Star Rating for residential aged care services will ensure senior Australians, their families and carers are assisted to make informed decisions about aged care.

The Star Ratings will be founded on consumer views, through national Consumer Experience reporting conducted through in-service face-to-face interviews of at least 10% of residential aged care recipients annually.

Increased advocacy support that identifies and actively considers consumer needs is essential to an aged care system which delivers respect, dignity, consumer choice and control. It will help safeguard against substandard care and empower consumers to negotiate improvements in care and services with their provider, as well as assisting providers to assess whether they are catering to the diverse needs of their communities.

This measure implements *Recommendations 15, 22, 23, 24, 27, 30, 67, 94, 106 and 108* of the Royal Commission's final report.

Who will benefit?

The 1.3 million senior Australians receiving aged care each year across the residential, home and community settings will benefit from improved consumer transparency. It will drive improvements to the quality of services and quality of life those who use them.

Senior Australians will be able to exercise greater choice with transparent, publicly available information about the quality of aged care broadly and individual aged care services and independent, diversity-informed advocacy support.

The measure will establish a comprehensive aged care data set to provide improved insight on individual service, broad system quality, and inform future Government policy.

The publication of standardised information will encourage providers to improve the quality of care to differentiate their performance and provide an attractive option for consumers.

How much will this cost?

This measure has been costed at \$200 million over 4 years, from 2021–22.



Workforce (Pillar 4 of the Royal Commission response) – Growing a skilled and high quality workforce to care for senior Australians

In response to the Aged Care Royal Commission, the Australian Government is investing \$338.5 million over 3 years to grow, train and upskill the aged care workforce to drive improvements to the safety and quality of care experienced by senior Australians.

The aged care workforce is central to the quality of aged care in Australia. There will be a strong focus on registered nurses, as workforce leaders, with incentives put in place to attract and retain more nurses to aged care as their preferred place of employment, especially in regional and remote areas.

This investment includes:

- \$91.8 million, announced on 1 March 2021, to support the growth of the home care workforce by 18,000 new personal care workers with the necessary skills and training required to work in aged care, through:
 - establishing a focused Home Care Workforce Support Program, to attract 13,000 new personal care workers, with grant opportunities available for organisations or consortia to deliver a range of supports to attract, train and retain care workers, and
 - using programs, including Jobactive, Australian Apprenticeships, Job Trainer, Youth Jobs PaTH, and Launch into Work, to attract an additional 5,000 new personal care workers and provide additional support to connect and guide workers through training.
- \$135.6 million to provide additional financial support for registered nurses working for the same aged care provider over a 12 month period. Financial support up to \$3,700 for full-time and on average \$2,700 for part-time employees, will be paid as an annual bonus over 2 years. Nurses may also access additional financial support for:
 - working in rural and remote areas, or
 - holding post-graduate qualifications in palliative care, dementia, leadership, infection prevention and control, or
 - taking on additional training responsibilities.
- an additional \$27.2 million to expand the number of available places in the Aged Care Transition to Practice Program and Aged Care Nursing Scholarship Program. Allied health professionals will also be eligible for

- postgraduate scholarships. There will be a specific allocation of places for Aboriginal and Torres Strait Islander people
- an additional 33,800 additional training places for personal care workers to attain a Certificate III in Individual Support (Ageing) or a higher qualification
 - all new personal care workers in the aged care workforce will be encouraged to attain this qualification.
 - personal care workers already working within the aged care sector will also be encouraged to have their experience recognised, increase their skills and fill any knowledge gaps through undertaking the Certificate III in Individual Support (Ageing) and other training and professional development opportunities.
 - \$49.4 million in increased funding will be directed towards training to improve aged care workers' knowledge and practice in dementia and palliative care. Dementia training will target leaders in personal care, general practitioners (GPs) and GP registrars, and improve access to dementia training in regional and rural areas. Learning networks will support the sector in adopting better dementia care practices. Palliative care training will also be provided to the aged care workforce to enhance quality palliative and end of life care
 - an additional \$25.1 million to expand the Rural Locum Assistance Program, ensuring continuity of clinical care and strong clinical leadership, so aged care providers in rural and regional areas will have increased access to a surge workforce. An incentive scheme for permanent placements in regional and remote areas will also increase staff retention, and
 - \$6.3 million for improved workforce data reporting which will enhance linkages with other aged care data sets to inform future policy development and evaluation within government and for external agencies.

Why is this important?

The care workforce is central to the quality of aged care in Australia.

By 2050, the aged care workforce is expected to grow to more than one million people. Within two years the workforce will need to increase by around 3,600 Registered Nurses and 34,200 personal care workers. Attracting and retaining skilled and professional workers will be crucial to meet the needs of senior Australians and ensuring quality care, and to drive necessary reforms across the aged care sector.

Registered Nurses are leaders within aged care and specific targeted measures will be delivered to increase their remuneration for that role, while supporting additional training through scholarships and an expanded transition to practice program.

Future options and career pathways will be enhanced for those entering the aged care workforce. New entrants to the sector will be supported to improve their skills and knowledge through both formal qualifications as well as access to continuing professional development and training opportunities.

Those living with dementia or approaching the end of their lives will be the focus for enhanced worker training, ensuring people in need of speciality care and compassion receive high quality dementia and palliative care.

These measures implement *Recommendations 75, 78, 79, 80 and 114* of the Royal Commission's final report.

Who will benefit?

Senior Australians will benefit from broad improvements to quality, safe and culturally sensitive care that meets their individual care needs.

Nurses considering aged care as a career pathway, and those already working in the sector will benefit from new initiatives to attract and retain their services, knowledge and skill in aged care.

Personal care workers will be supported to grow their aged care skills and acquire qualifications which will enhance their skills and knowledge and career opportunities.

Access to enhanced aged care workforce data will benefit the Government and the sector in undertaking informed policy development and decision-making, and to evaluate the impact of reform measures on the workforce.

How much will this cost?

The Australian Government is investing \$246.7 million over 3 years from 2021–22.

This builds on the \$91.8 million already announced on 1 March 2021 to grow a skilled, aged care workforce to provide quality home care services.



Workforce (Pillar 4 of the Royal Commission response) – Single assessment workforce for aged care

In response to the Aged Care Royal Commission, the Australian Government will invest \$228.2 million to create a single assessment workforce for senior Australians seeking access to aged care. The reforms will improve the quality and consistency of assessments.

This single workforce will provide a better experience for senior Australians as they enter or progress within the aged care system, as one workforce will be empowered and trained to do all of the assessments that they need across both home care and residential care. Assessments will also ensure senior Australians are accurately assessed as to their needs.

- **From October 2022:** this workforce will have responsibility for funding assessments for residential aged care as the transition to the Australian National Aged Care Classification occurs. These independent assessments will mean that aged care providers no longer conduct assessments for funding, ensuring that clinicians working in residential aged care will have more time to focus delivering care to residents.
- **From July 2023:** the single assessment workforce will provide assessments for the new support at home program. The workforce will also include Indigenous specific assessment organisations, which will work to improve assessment outcomes of Aboriginal and Torres Strait Islander people accessing aged care when it is needed, addressing historically low take up rates.

Why is this important?

The Australian Government is committed to establishing a more integrated aged care system for senior Australians. There are currently three different assessment workforces:

- Regional Assessment Services for Commonwealth Home Support Programme
- Aged Care Assessment Teams for the Commonwealth Home Support Programme, Short Term Restorative Care, Transition Care, Home Care Packages, Residential Respite and entry to Residential Care, and
- clinicians working in residential aged care for residential care funding.

This means under the current arrangements senior Australians can be passed between assessors as their needs change, and assessments are not consistent.

The reforms will also ensure that better information is collected during assessments to generate service recommendations and referrals based on the needs of each senior Australian. It will also have an increased focus on supporting clients with dementia.

The establishment of a single assessment workforce will underpin further reforms to increase the accuracy and quality of assessments for home care services, and work to improve assessment outcomes for Indigenous Australians.

The reforms will include improved assurance and accountability arrangements, so that the community can be confident Commonwealth funding for aged care is targeted to care need.

This measure supports *Recommendations 25 and 28* of the Royal Commission's final report.

Who will benefit?

Future aged care users will have a more-streamlined assessment experience and receive greater clarity about likely services they will receive at the conclusion of their assessment.

Residential aged care providers will benefit through having clinical resources currently dedicated to completing funding assessments able to be redeployed to provide care for residents.

Organisations with expertise in providing assessment services, such as state and territory governments, not-for-profit, and for-profit assessment providers, will be invited to be part of the assessment workforce.

How much will this cost?

This measure includes additional funding of \$228.2 million over 4 years, from 2021–22, for transition to the new arrangements and new assessments under the Australian National Aged Care Classification.



Workforce (Pillar 4 of the Royal Commission response) – National Care and Support Worker Regulation

In response to the Aged Care Royal Commission, the Australian Government will invest \$105.6 million from 2021–22 to 2024–25 to implement a care and support sector code of conduct (the Code) and a nationally consistent pre-employment screening process across the aged care, veterans' care and disability support sectors. Changes will come into effect from 1 July 2022.

A single register of workers who have been either cleared, or excluded during the screening process, will be established to support employment decisions across the care and support sectors. This will enable screened workers to access employment across all sectors, improving workforce mobility and reducing red tape for employers.

The Aged Care Quality and Safety Commission will be responsible for enforcing the Code for aged care and veterans' affairs. The National Disability Insurance Scheme Quality and Safeguards Commission will continue its existing enforcement role.

Why is this important?

This measure will strengthen regulatory oversight of an estimated 366,000 aged and veterans' care workers. It will improve the identification of unsuitable workers and, where necessary, prevent them from working in the aged, disability or veterans' care sectors, or moving between them.

Any substantiated breaches of the Code will be considered during the screening process, and may result in a worker being prevented from operating across the entire care and support sector.

This addresses *Recommendation 77* of the Royal Commission's final report.

Who will benefit?

Senior Australians accessing aged care and veterans accessing care services will benefit from increased protection from unsuitable workers. This will build their, and their families', trust and confidence that the system is delivering high quality and safe care.

The care workforce will benefit from being able to work across sectors with less red tape. Ensuring continuity of service and the necessary workforce supply is important especially in areas where workers operate across sectors. It will also ensure workers in the sector have had their suitability consistently assessed, and will lead to greater value and respect for this professional workforce.

Providers will have access to a national database of screened workers and they will also have greater assurances around the ongoing suitability of their staff through a continuous monitoring system and enforcement of the Code.

How much will this cost?

The Australian Government is investing \$105.6 million over 4 years from 2021–22.



Workforce (Pillar 4 of the Royal Commission response) – Care and support workforce national campaign

In response to the Aged Care Royal Commission, the Australian Government will fund a \$9.8 million campaign to raise awareness of job opportunities across the care support sector through a national campaign. Specifically, this campaign will:

- highlight the wide range of roles and opportunities for people with diverse skills, experiences and backgrounds in what is a dynamic and growing industry, and
- target people who may not have considered careers in the care support workforce – aged care, disability support and veterans' care – to encourage them to consider a meaningful and rewarding career in the care sector.

Why is this important?

Workforce growth, recruitment and retention in aged care remains a constant challenge. There are currently around 366,000 aged care workers, but demand for aged care services is expected to drive the number needed to around one million by 2050.

Gaps in workforce capacity and capability can contribute to reduced access to care, greater costs and diminished care experience for senior Australians.

Research shows most job seekers are currently not considering working in the care support sector, even when they have the right skills and qualities. There is low awareness of career opportunities or pathways, misunderstandings about what the work involves, and apprehension about working with people with disability and in aged care.

This measure supports delivery of *Recommendation 76.5* of the Royal Commission's final report.

Who will benefit?

An increased workforce with the right skills and training will help ensure safe, quality care of senior Australians.

Australians in the general workforce, or young people looking for jobs or considering their career, will learn about the expanding opportunities in the care and support sector.

Australians whose jobs or careers were negatively impacted by the COVID-19 pandemic may be encouraged to consider new opportunities for putting their skills to use.

Aged care providers will benefit from growing numbers of committed, passionate and increasingly skilled people ready to work. Providers will be better able to meet the growing demand for services and address the quality and safety reform agenda laid out by Government with an increased workforce.

How much will this cost?

The Australian Government is investing \$9.8 million over 2 years, from 2021–22.



Governance (Pillar 5 of the Royal Commission response) – a new Aged Care Act

In response to the Aged Care Royal Commission, the Australian Government will invest \$26.7 million to develop and introduce a new Aged Care Act to underpin the fundamental and generational reform across aged care. It will replace the existing Act which has been in place since 1997, and is primarily concerned with funding aged care providers. The new Act will:

- legislate the five key pillars of reform as outlined by Government, including home care, quality and safety, residential aged care services and sustainability, workforce and governance
- establish provisions for eligibility for care, funding arrangements and regulatory powers
- support greater choice and control for senior Australians over the care and services they receive. Stronger provider and worker regulation provisions in the Act will protect senior Australians from mistreatment, neglect and harm, and
- include grant programs which can be tailored to specific needs in the aged care sector, including research to drive innovation and programs to address areas with limited services or low client numbers once the Act is developed.

A taskforce has been established to support the drafting of the new Act and to assist with transition and implementation of the legislation once it passes Parliament and receives Royal Assent.

Why is this important?

The new Aged Care Act will underpin the necessary and generational change required to reform aged care in Australia. The current Act requires replacement so that senior Australians will be central to the reformed aged care system.

The new legislation to be developed will set out system governance and accountability arrangements and workforce and provider standards, all of which will be necessary in a system aimed at improving the quality and safety of care for our senior Australians.

Interim amendments to existing legislation will be needed to enable urgent and transitional reforms to be put in place before the new Aged Care Act is drafted and introduced to Parliament.

This measure implements fully or in part *Recommendations 1, 2 and 3* of the Royal Commission final report and underpins the implementation of all other recommendations which have been agreed in full or in part and have a legislative basis.

Who will benefit?

Senior Australians will benefit from a new legislative framework formalising their access to an aged care system that is focused on their needs and delivers dignity, care and respect.

Aged care service providers will have a new funding model established and benefit from reduced red tape, clear quality standards and greater consistency across the disability and aged care regulatory frameworks.

Greater transparency and accountability under the new Act will also benefit senior Australians, the aged care workforce, family and carers to give them all greater choice with enhanced information about providers and services.

How much will this cost?

The Australian Government is committing \$26.7 million over 4 years, from 2021–22.



Governance (Pillar 5 of the Royal Commission response) – Independent Hospital and Aged Care Pricing Authority

In response to the Aged Care Royal Commission, the Australian Government will invest a further \$49.1 million to implement an independent process to advise Government on aged care pricing issues, including under the new Australian National Aged Care Classification (AN-ACC) funding model, the new residential respite funding model and home care pricing.

This will be delivered through an expansion of the current Independent Hospital Pricing Authority (IHPA), which will be renamed the Independent Hospital and Aged Care Pricing Authority (IHACPA).

IHACPA will inform Government decisions on annual funding increases in residential aged care, including residential respite, from 1 July 2023. IHACPA activities relating to home care pricing will be established after the commencement of the Support at Home program from 1 July 2023.

Why is this important?

Establishing an independent entity to undertake regular, transparent and independent costing studies will enable aged care funding decisions to take into account independent advice on contemporary cost structures, changes in costs and care delivery models.

The establishment of an independent aged care pricing function will support transparent and evidence-based assessment of the costs involved in delivering care to senior Australians who use aged care.

This measure responds fully or in part to *Recommendation 11 and Recommendation 115* of the Royal Commission's final report.

Who will benefit?

The introduction of an independent pricing authority will promote transparency and confidence in the sustainability of the system in the wider community.

The 240,000 senior Australians accessing residential aged care, 67,000 accessing residential respite care and over one million accessing care in the home each year will benefit from aged care funding levels being informed by an independent analysis of the costs of delivering care.

How much will this cost?

The Australian Government will invest \$49.1 million over 5 years, from 2020–21.



Governance (Pillar 5 of the Royal Commission response) – Strengthening provider governance

In response to the Aged Care Royal Commission, the Australian Government is investing \$30.1 million from December 2021 to support aged care providers to improve their governance arrangements and meet strengthened legislative obligations. This will improve the quality of care for the 1.3 million Australians who currently access aged care services each year.

Measures to strengthen the accountability of aged care providers include:

- new governance obligations from 2022 to lift leadership capability in the sector by requiring improvements to the composition and accountability of aged care boards
- a review of the Aged Care Quality Standards, focussing on key areas of concern identified by the Royal Commission such as governance, dementia, and food and nutrition, and
- the appointment of an Assistant Commissioner for Sector Capability and Education to the Aged Care Quality and Safety Commission.
 - The Assistant Commissioner for Sector Capability and Education will be responsible for leading a transformational change program, informed by regulatory intelligence, to build sector capability.
 - This will include leading the development and implementation of a program to 3,700 aged care leaders to improve their corporate and clinical governance capability and equip aged care boards to drive improved outcomes for aged care recipients.

Why is this important?

The Australian Government is committed to building a culture of dignity and respect for senior Australians through the aged care sector, and quality and safety are critical to delivering on this commitment.

Boards of aged care provider organisations have a fundamental role in driving the cultural change required to bring about landmark sector reforms.

The reforms to quality and safety within aged care will be an important focus for the sector. These measures are in response to some of the immediate priorities to deliver better outcomes for senior Australians, aged care providers and the Australian community.

These measures implement in full or in part *Recommendations 19, and 88 to 91* of the Royal Commission's final report.

Who will benefit?

These measures will contribute towards improving the quality of care for the 1.3 million Australians who currently receive aged care services each year.

Australians deserve to have confidence in aged care quality and safety, and these measures are designed to drive cultural change across the sector, aligning aged care in this country with community expectations.

These measures will improve the respect, care and dignity senior Australians receive. In particular, stronger regulation of, and communication around, the expectations of aged care service delivery will deliver lasting improvements to safety and quality of life, and Australians' experience of aged care.

The measures will also drive change for aged care providers, building leadership in corporate and clinical governance, and through investment in sector education. They will raise the bar by requiring aged care providers to establish robust governance arrangements, and by strengthening standards for governance, dementia, food and nutrition.

How much will this cost?

The Australian Government will commit \$30.1 million over 4 years, from 2021–22.



Governance (Pillar 5 of the Royal Commission response - Strengthening and streamlining current governance arrangements)

In response to the Aged Care Royal Commission, the Australian Government will establish new governance arrangements to ensure rigorous oversight of the reformed aged care service system and provide senior Australians with their own body to represent their interests to Government. This measure will establish:

- a Council of Elders in 2021 to provide a direct voice to Government from senior Australians. Council members will be chosen so they can represent the diverse characteristics, life experiences and views of older people. The Council will consult with senior Australians on a wide range of matters relating to aged care quality and safety, and the needs of senior Australians and their families and carers
- a new National Aged Care Advisory Council with member appointments commencing in mid-2021. The Advisory Council will provide expert advice to Government on a range of matters, including implementation of the aged care reforms, and
- a new office of the Inspector-General of Aged Care to provide independent oversight of the aged care system. Its functions will include identifying and investigating systemic issues in the provision or regulation of aged care, producing and publishing reports of its findings, and making recommendations to Government.

Why is this important?

To ensure the aged care system meets community expectations, and service delivery is based on a culture of dignity and respect, stronger mechanisms will be put in place to ensure the experiences and feedback of senior Australians, their families and carers are included in the reform process.

The office of the Inspector-General of Aged Care will provide greater transparency and independent oversight of the aged care system.

This measure implements *Recommendations 7, 9 and 12* of the Royal Commission's final report.

Who will benefit?

The longer term future of aged care in Australia is a matter of concern for all Australians. As people age, most will come to rely on aspects of the aged care system.

Senior Australians, including the more than 1.3 million people who currently access aged care services, will benefit from enhanced, independent oversight of the aged care system.

Establishing a dedicated Council of Elders for senior Australians to provide advice to Government, informed by their own experiences, will ensure those who are most central to the system can help direct and shape the way it operates.

How much will this cost?

This measure has been costed at \$21.1 million over 4 years, from 2021–22.



Governance (Pillar 5 of the Royal Commission response) – Strengthening regional stewardship of aged care

In response to the Aged Care Royal Commission, the Australian Government will invest \$13.4 million to strengthen governance of aged care by creating a local network of Department of Health aged care staff. This will enable the Government to focus on improving senior Australians' local experience of aged care services, and ensure that national planning and policy development is informed by an understanding of local issues and needs.

The local network will undertake a number of functions to improve senior Australians' experience of local aged care services. These include: analysing local needs; supporting workforce planning; building the capacity and capability of providers; monitoring the effectiveness of the new care finders and single assessment workforces; and supporting best-practice and innovation.

The initial rollout phase will commence in July 2021 in 8 Primary Health Network (PHN) regions (below), and nationwide rollout will be subject to evaluation:

- Adelaide
- Australian Capital Territory
- Country Western Australia
- Eastern Melbourne
- Gold Coast
- Northern Territory
- South-Eastern New South Wales, and
- Tasmania.

Why is this important?

Leadership and coordination of aged care is fundamental both nationally and locally to creating better outcomes for senior Australians. Within local networks, the Australian Government can locally support aged care providers to make the transformational changes needed to ensure they provide the highest quality of aged care to senior

Australians, and drive improvements in local delivery of aged care services such as care finders and aged care assessments to senior Australians.

It means the Government can be focused on continually improving outcomes for senior Australians, through a localised, bottom-up approach to system management in aged care. It will also enhance the links between Government, aged care providers and local workforces, senior Australians and their communities.

This will result in a better aged care experience for senior Australians from the assessment process through to receiving quality aged care services.

The introduction of this regional network will also create employment opportunities in regional Australia for staff who will engage at a local level with state government health departments and PHNs, to support better on the ground coordination with other service systems.

Who will benefit?

Senior Australians will benefit when the planning and delivery of aged care truly reflects local needs. They will benefit from the boost to the quality of local aged care services, and from better integration with other sectors at the local level.

There will also be local benefits in regional Australia with the creation of new jobs, which also supports the Government's decentralisation agenda.

This measure supports *Recommendations 8, 41, and 54* of the Royal Commission's final report.

How much will this cost?

The Australian Government is investing \$13.4 million in 2021–22.



Governance (Pillar 5 of the Royal Commission response) – More equitable access to aged care for First Nations people and special needs groups

In response to the Aged Care Royal Commission, the Australian Government is investing \$630.2 million to make the aged care system more accessible for senior Australians with special needs. This includes Aboriginal and Torres Strait Islander people, those who are homeless or at risk of homelessness, and those living in regional, rural, and remote Australia.

New supports include:

- \$397 million over 5 years for capital investment to enable aged care providers to make needed improvements to their buildings and build new services in areas where senior Australians currently do not have access, or where staff caring for their needs do not have suitable housing. This significantly improve the quality of care for senior Australians and increase aged care services availability.
 - Communities will benefit significantly from construction projects and increased aged care services. Projects will provide around 1,400 construction jobs and benefit the 471,000 senior Australians living in rural and remote locations.
 - Opportunities will be provided for care workers to collaborate across health, aged care and disability care.
 - Providers that currently offer culturally appropriate care to Aboriginal and Torres Strait Islander people will be encouraged to expand into aged care service delivery.
 - Evaluations of this measure will identify service gaps within regional, rural and remote Australia to assist with addressing areas of greatest demand, giving particular focus to Aboriginal and Torres Strait Islander people and consumers with special needs.
- \$126 million over 4 years in additional funding to support aged care services where delivery costs are higher and viability is challenging due to their remoteness.
 - This funding boost will support National Aboriginal and Torres Strait Islander Flexible Aged Care services and Multi-Purpose Services to deliver better quality care in more locations, allowing more people to receive care closer to family and friends.

- \$106 million over 4 years for an Indigenous workforce of 250 people to provide trusted face to face support and assist Aboriginal and Torres Strait Islander people to better navigate and access care. This workforce will also sit alongside Aboriginal and Torres Strait Islander people while Regional Assessment Service and Aged Care Assessment Teams assess their care needs upon entry and while in care.

Why is this important?

Senior Australians with special needs do not have equitable access to aged care. For example, only 12% of eligible Aboriginal and Torres Strait Islander people currently receive aged care as opposed to approximately 30% of eligible non-Indigenous people. These cohorts are growing.

From 2017 to 2027, the fastest projected growth of frail older people will be in regional, rural and remote areas.

Between 2006–2016 homelessness increased by 50% for people aged 55 and over.

This funding will contribute to attracting and retaining a skilled aged care workforce particularly in remote and very remote Australia where facilities are experiencing skill shortages of up to 81%.

These investments will not only ensure culturally appropriate aged care services are available and accessible, but they will help create economic stimulus in regional, rural and remote communities, growing local jobs.

In areas where there is limited service availability, or low numbers of clients, the collaboration between aged care, health and disability care is particularly important as it can achieve economies of scale in rural areas with small populations, leading to better health outcomes.

These initiatives respond either fully or in part to *Recommendations 45–48, 50, 52–55 and 75* of the Royal Commission's final report.

Who will benefit?

Senior Australians, in particular the more than 471,000 living in rural and remote areas, the almost 166,000 Aboriginal and Torres Strait Islander people nationally, seniors living with disabilities, and those who are homeless or at risk of homelessness will benefit.

Aged care providers and their staff, particularly the 670 regional and remote aged care services and those delivering care to Aboriginal and Torres Strait Islander people, will directly benefit from the funding assistance to deliver increased services, undertake capital works to improve quality and live in appropriate staff accommodation.

Approximately 1,400 local construction workers and 250 communities will experience flow on benefits through the creation of local jobs in construction and increased future service delivery.

There will be benefits to state and territory governments through access to capital grant funding to enhance and provide services in thin markets.

How much will this cost?

The Australian Government is committing \$630.2 million over 5 years, from 2021–22.