

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2012-2013, 30 & 31 May and 1 June 2012

Question: E12-304

OUTCOME 4: Aged Care and Population Ageing

Topic: Aged Care Financing Authority

Type of Question: Written Question on Notice

Number of pages: 1

Senator: Senator Fierravanti-Wells

Question:

- a) "If many elements of the package in regards to financing only come into force in July 2014, why is there nearly \$10 million of the full \$26.4 million expenditure in setting up ACFA in the first 2 years (\$.4.1 (2012), \$5.7 (2013))?"
- b) Please can you provide a budget breakdown of planned ACFA expenditure in the first 2 years from July 2012?

Answer:

- a) The Aged Care Financing Authority (the Authority) will have a key role in providing advice to Government on pricing and financing issues across the aged care sector. Policy advice to Government from the Authority will form the basis for key funding mechanisms which will come into operation on 1 July 2014. Industry requires certainty around pricing and financing issues as soon as possible, so much of the Authority's work in the next two years is focussed on providing advice to establish the new arrangements.
- b) The budget in 2012-13 and 2013-14 provides funding for supporting the Authority in developing its advice to the Minister. Funding will be used to:
 - support meetings of the Authority;
 - commission independent research and analysis;
 - conduct consultation processes with industry; and
 - establish a policy and modelling unit within the Department of Health and Ageing.