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Committee Secretary
Community Affairs Legislation Committee
PO Box 6100
Parliament House
Canberra ACT

Submitted via email to: community.affairs.sen@aph.gov.au

Dear Secretary,

Inquiry into the Aged Care Legislation Amendment (Improved Home Care Payment Administration No. 1) Bill 2020 and Aged Care Legislation Amendment (Improved Home Care Payment Administration No. 2) Bill 2020

The Council on the Ageing (COTA) Australia writes in response to the *Aged Care Legislation Amendment (Improved Home Care Payment Administration No. 1) Bill 2020 and Aged Care Legislation Amendment (Improved Home Care Payment Administration No. 2) Bill 2020*.

COTA Australia is the national consumer peak body for older Australians. Through its own networks and those of the State and Territory Councils on the Ageing (COTAs) around Australia we represent more than 1,000 seniors' organisation members - which jointly represent over 500,000 older Australians - and over 45,000 direct individual members and supporters.

In April 2019 COTA Australia welcomed the Budget measure to address concerns about better use of unspent funds to create more Packages and to align home care payment administration with other government programs. Whilst we were disappointed that the legislation to implement this important measure was delayed due to the COVID-19 pandemic we are pleased to see the implementation of "payment in arrears" back on track.

COTA Australia supports the improved accountability and better line of sight that "payment in arrears" has the potential to provide to government, consumers and the aged care sector more broadly. Enhanced accountability may contribute to a more effective and better consumer experience in relation to care planning. However, we are also mindful that any legislation introduced to increase aged care provider accountability must not impact adversely on older people and their families – and, more specifically, the outcomes for consumers of aged care services.

Older Australians feel safer and are happier in their own home. Currently, over 150,000 people are accessing a Home Care Package. It is well evidenced that the demand for packages is vastly greater. As older Australians tell us, Home Care Packages present a genuine, practical care option that provides the much needed flexibility and support to stay safely at home for as long as possible.

This flexibility has allowed some older people to use Home Care Packages to "save up" for more costly items such as a block of respite or piece of equipment that will support them achieve their wish to continue to live independently and safely at home. We do not want to see any adverse impacts on this flexibility from the introduction of this legislation. As we understand the legislation this should not occur as the Package still belongs to the consumer, with the funds being held in trust by the government rather than by the provider(s).

Older Australians also need reassurance from government that these legislative changes will not result in fees and charges being significantly increased by providers to cover perceived or purported impacts on cash flow or administrative costs of the implementation of "payment in arrears".

Thank you for the opportunity to provide a submission on the measures to improve the administration of payment for Home Care Packages. In summary COTA Australia is supportive of the legislation without amendment. Please contact the undersigned to follow up any aspects of this submission.

Yours sincerely,

Ian Yates AM
Chief Executive