

Aged Care (Accommodation Payment Security) Levy Amendment Bill 2025 and Aged Care and Other Legislation Amendment Bill 2025

Submission from the Office of the Inspector General of Aged Care

August 2025



Introduction

The Inspector-General of Aged Care (Inspector-General) welcomes the opportunity to make a submission to the Senate Community Affairs Legislation Committee's inquiry into the Aged Care and Other Legislation Amendment Bill 2025 (the Aged Care Amendment Bill) and the Aged Care (Accommodation Payment Security) Levy Amendment Bill 2025 (Accommodation Payment Security Levy Amendment Bill).

The Inspector-General supports the proposed bills and welcomes their introduction. The Inspector-General considers both bills will enhance the new legislative framework under the *Aged Care Act 2024* (Aged Care Act), which is due to commence on 1 November 2025.

The Inspector-General and supporting Office

The Inspector-General, and her supporting Office, were established under the *Inspector-General of Aged Care Act 2023* (IGAC Act) to provide independent oversight of the aged care system by exercising statutory functions to monitor, investigate and report on the Commonwealth's administration, regulation and funding of aged care.

The Inspector-General's purpose, as embodied in our [Strategic Framework](#), is to ensure integrity, transparency and accountability of the aged care system by providing independent and informed oversight. We aim to drive meaningful change for older people, their families and the community by calling out serious barriers within the system and highlighting models that would create the improvement needed to realise our vision of an aged care system predicated on the delivery of kind, compassionate, high quality care that promotes individuals' rights, identity and independence.

This submission is limited to the amendments that specifically impact the Inspector-General, and her supporting Office's, statutory responsibilities under the IGAC Act, namely items 231 and 251 of Schedule 3 in the Aged Care Amendment Bill. The submission is silent in regard to the Accommodation Payment Security Levy Amendment Bill, which does not directly impact the Inspector-General or the Office's responsibilities.

Aged Care Amendment Bill

The Inspector-General supports both amendments identified above.

Deferral of the Inspector-General's statutory review into the implementation of the Aged Care Royal Commission's recommendations

The Inspector-General is currently required under section 28 of the IGAC Act to conduct 2 reviews to evaluate the implementation by the Commonwealth of the Royal Commission into Aged Care Quality and Safety's (Royal Commission) recommendations. At present, the IGAC Act requires the Inspector-General to complete the first of these reviews on or before 1 March 2026, which marks 5 years from the delivery of the Royal Commission's Final Report. The second review is to be completed by no later than 1 March 2031, that is, 10 years following the Final Report.



The Office considers that the Royal Commission proposed these timeframes based on the expectation that the new Act would be in force by no later than 1 July 2023, as called for in recommendation 1.

Had the new Aged Care Act commenced by 1 July 2023, the timeframe for the first review would have been a feasible proposition. It would have allowed that first review to be informed by 2 years of evidence on the effectiveness of the Act and the approximately 60 recommendations to which it gives effect.

However, the new Aged Care Act will not commence until 1 November 2025, which makes delivering the first review in 2026 neither feasible nor appropriate. The current timeframe would not enable the Office to gather sufficient evidence regarding the Act's impacts, and would carry a significant risk that any findings would understate its effectiveness, or point to 'teething issues' rather than more substantive challenges.

Item 231 of Schedule 3 of the Aged Care Amendment Bill amends section 28 of the IGAC Act to postpone delivery of the first review from 1 March 2026 until 1 November 2027. This later date has been requested by the Inspector-General. She considers the deferral absolutely necessary and urges Committee members to support it to ensure the government and public acquire a reliable picture of Royal Commission implementation in the new legislative context, using defensible evidence.

Committee members should note that there is currently information available on government progress towards implementing recommendations made by the Royal Commission. In accordance with section 29 of the IGAC Act, the Inspector-General, and her predecessor the acting Inspector-General Mr Ian Yates AM, have prepared comprehensive progress reports. The 2024 progress report is [publicly available](#) and the 2025 report is due to be tabled in parliament, and released on the Office's website, by 4 September 2025 at the latest. While not as substantive as the evaluation required under section 28, these reports provide a detailed assessment of implementation progress that should satisfy stakeholder interest ahead of the proposed 1 November 2027 delivery date for the first review.

Disclosure of Pricing Authority information to the Office

Currently, the Independent Health and Aged Care Pricing Authority (Pricing Authority) does not have explicit legislative authority to disclose protected information (particularly aged care information) to the Inspector-General, despite a clear need for such an information exchange.

Item 251 of Schedule 3 of the Aged Care Amendment Bill would amend subsection 220A(4) of the *National Health Reform Act 2011* to allow the Pricing Authority Chair to disclose protected information to the Inspector-General to support her oversight of the Pricing Authority's aged care functions. This in turn is critical to driving greater accountability and transparency in relation to the Pricing Authority's role within the aged care system, particularly in discharging its responsibility to provide aged care pricing and costing advice to government.



Conclusion

The Aged Care Amendment Bill proposes positive change to the legislation governing the Inspector-General and her Office, which will allow the Inspector-General to more effectively carry out her independent oversight role as mandated by the IGAC Act. As such, the Inspector-General encourages the Committee to support the Aged Care Amendment Bill.

More broadly, the Inspector-General reiterates the criticality of the new Aged Care Act to laying the seeds for transformational change to Australia's aged care system, as envisaged by the Royal Commission. It seeks to deliver an historic shift from a scheme focussed on regulating providers, to a forward-looking aged care system that for the first time is squarely premised on human rights, dignity, kindness and compassion. The Aged Care Amendment Bill will enhance the operation of the new Act, and as such the changes it would bring are to be welcomed.