

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Additional Estimates 2011-2012, 15 February 2012

Question: E12-117

OUTCOME 4: Aged Care and Population Ageing

Topic: COMMUNITY CARE PACKAGES

Written Question on Notice

Senator Bushby asked:

The Minister for Ageing, Mark Butler, said in a media release on 22 December 2011 when announcing the results of the 2011 Aged Care Approvals Round (ACAR) that “applications for community care places far exceeded what was available, consistent with the preference of older Australians to remain living independently and in their own homes for as long as possible”.

- a) Does the Department believe there is a need for community care packages in Tasmania?
- b) If so, what could St Ann’s have done to satisfy the department that it is an appropriate facility to provide at-home care?
- c) Has the Department undertaken any cost analysis if residential beds were converted to community care package? If so, what did it show?
- d) What response has the Department/Government made to the Productivity Commission’s report, “Caring for Older Australians”?

Answer:

- a) As at 30 June 2011, there were 1,489 operational community care places across Tasmania, or 26.5 places per 1,000 people aged 70 years and over.

On 20 April 2012, the Prime Minister and the Minister for Mental Health and Ageing, the Hon Mark Butler MP, announced a comprehensive aged care reform package, Living Longer Living Better, in response to the Productivity Commission’s final report, Caring for Older Australians.

The Living Longer Living Better package outlines a 10 year reform program to create a flexible and seamless system that provides older Australians with more choice, control and easier access to a full range of services, where they want it and when they need.

A key component of the package is to provide additional support and care to help older people remain living at home.

The Government is committing \$880 million over the next five years to expand care in home. Over this period, the number of operational Home Care packages will increase by nearly 40,000 to around 100,000 packages across Australia.

The national aged care planning ratio will be increased from 113 to 125 aged care places per 1,000 people aged 70 years and over, which includes an increase in the community care planning benchmark from 27 to 45 places per 1,000 people aged 70 years and over.

- b) Most community care places, as they become available, are allocated through the Aged Care Approvals Round (ACAR). The ACAR is a competitive process which affords all approved aged care providers in a given region an equal opportunity to apply for any available community care places - a particularly important consideration given that applications for community care places are highly competitive.

Alternatively, aged care providers can also acquire existing community care places from another aged care provider, normally through the purchase of places at market rates.

In limited circumstances, approved providers may also apply to the Department of Health and Ageing to exchange a marginal number of residential care places for community care places. Such applications are considered in accordance with the provisions of the *Aged Care Act 1997* and the Exchange of Care Type Guidelines for Approved Providers published on the Department's website. In assessing such applications, the Department must take into account a range of considerations, including the planning objectives of the aged care planning region, the number of places made available in the current financial year and the effect on any indicative releases of places (which are usually made available through the ACAR).

In the Southern Aged Care Planning region in which St Ann's operates, as at 30 June 2011, there were 28.2 operational community care places for every 1,000 people aged 70 years and over. This is above the current planning benchmark of 27 community care places per 1,000 people aged 70 years and or over.

- c) The Department has not undertaken a cost analysis on this issue, but the average cost of a Community Aged Care Package is lower than the average cost of a residential aged care place. Government expenditure on different types of care is regularly reported in the *Report on the Operation of the Aged Care Act 1997* available on the Department's website, and the Report on Government Services available on the Productivity Commission's website. Up-to-date subsidy rates for different types of care are also published on the Department's website.
- d) On 20 April 2012, the Prime Minister and the Minister for Mental Health and Ageing announced a comprehensive aged care reform package, *Living Longer Living Better*, in response to the Productivity Commission's final report, *Caring for Older Australians*.