

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2016 - 2017, 1 March 2017

Ref No: SQ17-000281

OUTCOME: 6 - Ageing and Aged Care

Topic: MYEFO 2016-17

Type of Question: Written Question on Notice

Senator: Polley, Helen

Question:

What data do you have on the impact of ACFI cuts on rural, remote and homeless providers? How was the amount of \$19.3 million over four years to increase the viability supplement determined as an appropriate amount to compensation these provides for the impact of the ACFI cuts?

Answer:

To protect rural and remote service providers who may be disadvantaged by the indexation pause that was included as part of the revised package of 2016-17 Budget changes for the Aged Care Funding Instrument (ACFI) announced on 6 December 2016, the Viability Supplement was increased by \$19.3 million to 2019-20. This will be paid to rural and remote services providers and those providing services to the homeless or Indigenous persons with complex behavioural needs eligible under the Modified Monash Model scheme, from 1 July 2017.

This will benefit around 350 services through a one-off flat rate increase of an additional \$2.12 per resident per day. The ACFI changes, which commenced on 1 January 2017, will only apply to new appraisals or reappraisals.