

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2016 - 2017, 19 October 2016

Ref No: SQ16-000453

OUTCOME: 6 - Ageing and Aged Care

Topic: ACFI

Type of Question: Hansard Page 129, 19 October 2016

Senator: Polley, Helen

Question:

Dr McCarthy: The review you are referring to is the review that Mr David Tune has been appointed to undertake, and I think he has until August next year to do that. The terms of reference in the legislation for the review does not include a review of ACFI. We have already, effectively, begun reviewing it and we would not want to delay that work until August. I have no doubt that the submissions to Mr Tune will probably have a lot to say about care funding, even though it is not part of the terms of reference. But it is not part of what he has been asked to do, and we have already started that work. As Dr Hartland indicated, we have contracted some external expertise to help us do that, and we will be working on that very openly with the sector.

Senator POLLEY: Can you tell us who those experts are or table that for us?

Dr McCarthy: Are you referring to their consultancy or those sector representatives?

Senator POLLEY: No, the consultants.

Dr Hartland: We can give you a bit of information about that, of course.

Answer:

In response to higher than expected growth in ACFI expenditure, the Government announced changes to ACFI funding at MYEFO 2015-16 and in the 2016-17 Budget. In addition, at Budget 2016-17 it was announced that 'the Government will also further consult with the sector to strengthen the way care funding is determined, including options such as separating residents' needs assessments from service provision, and having it done by an independent party'.

As part of this work the Department has engaged the University of Wollongong to undertake an international review of alternative long term aged care (or similar) assessment, classification and funding models and provide options for consideration for future use in Australia.

It is anticipated the University of Wollongong will provide the Department with a report on this work in early 2017.