

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2016 – 2017, 19 October 2016

Ref No: SQ16-000746

OUTCOME: 6 Ageing and Aged Care

Topic: Cost of Recovery Measures

Type of Question: Written Question on Notice

Senator: Polley, Helen

Question:

As part of the 2015-16 budget the Government announced full cost recovery of accreditation services for residential aged care from 1 July this year for a projected saving of \$30.7 million over four year. Can you detail the full cost recovery implementation plan for accreditation services and when these will be introduced? The original date for implementation was 1 July 2016, but was not met. What is the reason for the delay? When will cost recovery for accreditation commence?? And what is the impact on the Budget of these delays? The sector have called for an open market for accreditation services to be introduced before full cost recovery is introduced. Is this being considered? Is it still the government's plan to see the provision of accreditation services provided by the open market? If so, when will this occur?

Answer:

The Australian Aged Care Quality Agency (Quality Agency) prepared a draft Cost Recovery Implementation Statement (CRIS) to implement full cost recovery of accreditation and re-accreditation services of residential aged care services. A four week stakeholder consultation period with the aged care sector was conducted as part of developing the draft CRIS. A copy of the draft CRIS is on the Quality Agency website at:

https://www.aacqa.gov.au/for-providers/cost-recovery/AttachmentA_DraftCostRecoveryImplementationStatement.docx/view

The Australian Government is currently considering the proposal and a decision will be published on our website for the new fee structure to come into effect.

The Australian Government committed in the 2015-16 Budget to work with the aged care sector on establishing a market for accreditation services for residential aged care to help put downward pressure on accreditation costs. To date, no decision has been made regarding the scope of a contestable market, or a timeframe for its introduction.