

Department of Health – opening statement

- Thanks for the opportunity to appear.
- The aged care reform program is significant, with Government investing \$17.7 billion.
- Legislative amendments are required to underpin many aspects of this reform. However, legislative changes do not represent the full picture of the work that is underway.
- Aged care legislative reform is progressing in three main stages.
 - It commenced with Royal Commission Response Bill No. 1 which passed in the Winter 2021 sitting period,
 - Bill No. 2 represents the second stage of legislative reform, and
 - the new aged care Act, commencing on 1 July 2023 represents the third, and most significant stage.
- The Department has made a comprehensive written submission to the Committee on the measures included in Royal Commission Response Bill No. 2.
- In summary, Bill No. 2 contains 9 measures commencing before 1 July 2023.
- Passage of this Bill is required to:
 - transition residential aged care funding from the ACFI model to the AN-ACC,
 - change the way the workforce is screened, introduce an industry wide code of conduct for workers and providers and enable workers who do the wrong thing to be banned from working in aged care,
 - extend the incident management and reporting scheme, already operating in residential aged care, to home care,
 - introduce new governance and accountability measures to change the culture of aged care providers from the top down,
 - improve information sharing between care and support sector regulators,
 - prevent misuse of residential accommodation deposits and bonds,
 - expand the functions of the Independent Health and Aged Care Pricing Authority to include aged care pricing, and
 - provide a mechanism for a person to consent to restrictive practices on behalf of another person where that is not facilitated by state and territory laws.
- Consultation on the measures in this Bill has been comprehensive. The Royal Commission considered these matters in depth and the Government announced its proposed response on the 11 May.
- If passed, the Bill will pave the way for further work with stakeholders on the subordinate legislation and the operational details of implementation.
- The new aged care Act will also provide an opportunity to refine measures and address any implementation issues.
- Happy to now take the Committee's questions.