

**PARLIAMENTARY INQUIRY QUESTION ON NOTICE**

**Department of Health**

**Standing Committee on Community Affairs**

**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000723**

**Availability of funding to providers to build infrastructure to accommodate AN-ACC:**

**Written**

**Senator:** Rachel Siewert

**Question:**

Will funding be available to providers to build infrastructure to accommodate the new AN-ACC tool? If so, how much and how will providers access it?

**Answer:**

Under the Australian National Aged Care Classification (AN-ACC) tool, assessment of residents for funding purposes will be undertaken by an external independent workforce, which will complete assessments and provide that information to the Department of Health. This is in contrast to the current ACFI where provider staff are required to undertake ACFI assessments and submit that information. Accordingly, AN-ACC is expected to be more efficient for providers than the Aged Care Funding Instrument (ACFI).

As a result, it is not anticipated providers will require infrastructure to support the new AN-ACC funding model. Overall it is expected that, if it is introduced, AN-ACC will result in lower costs for providers, allowing them to direct more resources towards providing quality care to residents.

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**Standing Committee on Community Affairs**

**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000724**

**Additional staff for shadow assessments**

**Written**

**Senator:** Rachel Siewert

**Question:**

How many additional staff will be hired to undertake the shadow assessments?

**Answer:**

It is estimated that approximately 300 full-time equivalent staff will be required to undertake residential aged care classification assessments during the "Shadow Assessment" period.

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**Standing Committee on Community Affairs**

**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000725**

**Ongoing need for independent assessors**

**Written**

**Senator:** Rachel Siewert

**Question:**

Will these staff be permanent considering the ongoing need for independent assessors under this model?

**Answer:**

The Department is procuring assessment management organisations to manage assessors only during the expected one year period of AN-ACC Shadow Assessment at this stage. It will be at their discretion to engage current staff employed by them or recruit qualified staff for the purposes of this program.

If Government proceeds with implementation of AN-ACC, further arrangements will be made for engagement of organisations to manage the ongoing assessment requirements.

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**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000726**

**Training delivered to independent assessors**

**Written**

**Senator:** Rachel Siewert

**Question:**

What training will be delivered to the independent assessors and who will deliver it?

**Answer:**

On 5 November 2020, the Department of Health published a Request for Tender (RFT) to procure a registered training organisation to deliver AN-ACC assessor training. The RFT closes on 3 December 2020.

Independent AN-ACC assessors will undertake clinical and IT training on how to complete capability based AN-ACC assessments using the AN-ACC clinical assessment tool, and also on the development and rationale of the AN-ACC funding system during a three day training program.

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**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number:** IQ20-000727

**Criteria used to determine effective case mix funding model**

**Written**

**Senator:** Rachel Siewert

**Question:**

What criteria will be used to determine if the AN-ACC model is the most effective case mix funding model?

**Answer:**

The proposed AN-ACC has been developed by the University of Wollongong following an extensive Resource Utilisation and Classification Study (RUCS), which examined and analysed relative costs of caring for individuals based on their needs.

There are three criteria commonly used for determining the suitability of a casemix funding model. These are statistical strength (how well it explains the variance in costs), clinical appropriateness and the objectivity of assessment measures.

The RUCS study demonstrated that AN-ACC's statistical strength is similar to related casemix classifications such as the Australian National Subacute and Non-acute Patient (AN-SNAP) and notably superior to the Aged Care Funding Instrument (ACFI).

AN-ACC is made of thirteen clinically distinct classes underpinned by an assessment instrument comprising clinically validated tools that can be completed by an external clinically trained assessor. Sensitivity testing of the objectivity of the assessment tool has been undertaken by the University of Wollongong and the Department of Health.

Following the RUCS study, a trial of the practical operations of the AN-ACC classification and assessment process was also undertaken and found the tool and assessment process fit for purpose and nationally scalable. If implemented, the ongoing operation of the AN-ACC is intended to be underpinned by regular costing studies, which would inform the need for any further refinement of the model.

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**Department of Health**

**Standing Committee on Community Affairs**

**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000728**

**'Stop Loss' arrangements**

**Written**

**Senator:** Rachel Siewert

**Question:**

The University of Wollongong recommended that Government consider transitional arrangements such as short term 'stop loss' arrangements which could limit any funding reductions for a period of time to address these transitional concerns. What is the Government doing to put in place short term 'stop loss' arrangements to address these transitional concerns? Do they need to be doing this now or once the shadow assessment is done?

**Answer:**

During the shadow assessment period, funding for providers will still be determined through assessments conducted under the Aged Care Funding Instrument. As such stop loss arrangements are not needed.

Transition arrangements, including stop loss options, will be considered by government prior to decisions about a new funding model.

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**Department of Health**

**Standing Committee on Community Affairs**

**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000729**

**Independent pricing process:**

**Written**

**Senator:** Rachel Siewert

**Question:**

How will an independent pricing process be incorporated into the new classification system?

**Answer:**

The Aged Care Amendment (Aged Care Recipient Classification) Bill 2020 sets only the process for assessing residents in the year of shadow assessment under the proposed AN-ACC. The Bill does not change how providers are currently funded and that they will remain under the ACFI system during the year of shadow assessment. Other matters such as the detail of the funding and pricing arrangements and processes for the proposed model will be considered by Government after receiving the final report of the Royal Commission into Aged Care Safety and Quality.

**PARLIAMENTARY INQUIRY QUESTION ON NOTICE**

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**Aged Care Amendment (Aged Care Recipient Classification) Bill 2020**

**PDR Number: IQ20-000731**

**Evaluation the AN-ACC to determine the effectiveness of the tool**

**Written**

**Senator:** Rachel Siewert

**Question:**

When and how will the government evaluate the AN-ACC to determine the effectiveness of the tool?

**Answer:**

The proposed AN-ACC has been developed by the University of Wollongong following an extensive Resource Utilisation and Classification Study (RUCS), which examined and analysed relative costs of caring for individuals based on their care needs.

The RUCS study demonstrated that AN-ACC's statistical strength is similar to related casemix classifications such as the Australian National Subacute and Non-acute Patient (AN-SNAP) and notably superior to the Aged Care Funding Instrument (ACFI).

AN-ACC is made of thirteen clinically distinct classes underpinned by an assessment instrument comprising of clinically validated tools that can be completed by an external clinically trained assessor. Sensitivity testing of the objectivity of the assessment tool has undertaken by the University of Wollongong and the Department of Health.

Following the RUCS study, a trial of the practical operations of the AN-ACC classification and assessment process was also undertaken and found the tool and assessment process fit for purpose and nationally scalable and that an appropriately qualified and experienced independent assessment workforce is readily available to undertake AN-ACC assessments.

The full report of the trial of the AN-ACC assessment framework is available on the Department of Health's website at:

<https://www.health.gov.au/resources/publications/report-on-the-trial-of-the-australian-national-aged-care-classification-an-acc>.

If implemented, the ongoing operation of the AN-ACC model would also be underpinned by regular costing studies, which would inform the need for any further refinement of the model.