

SUBMISSION No. 6

Planning and Allocating Aged Care Places and Capital Grants

Audit Report No. 40, 2008-09

Opening Statement by Matt Cahill, Group Executive Director

JCPAA Review 25 November 2009

1. Thank you Chair. The Australian government has a primary role in the funding and regulation of Australia's aged care services. The provision of aged care is a high profile area of government activity, involving large amounts of government expenditure and the delivery of services to vulnerable populations.
2. Rather than directly providing aged care services, the Australian government supports the provision of aged care to those people who are assessed as requiring care, via subsidies and grants to aged care providers. The Department of Health and Ageing (DoHA) manages the planning and allocation of Australian government-funded aged care places and capital grants, under the *Aged Care Act 1997*.
3. The audit being reviewed at today's public hearing, '*Planning and Allocating Aged Care Places*' is a positive one that reflects the maturity of DoHA's processes, the aged care planning and allocation processes having been initiated more than ten years ago.
4. Having said that, there are two high level processes that DoHA could consider to strengthen aged care planning and the transparency of DoHA's provision of places to Indigenous Australians, and more generally, improve the equity of access to aged care for older Australians. DoHA could provide advice to the Minister on options for incorporating the Indigenous aged 50-69 population numbers into the planning ratio target and DoHA should assess alternatives to how the department applies the government's national aged care planning ratio across states and territories, so as to better take account of state demographic differences.
5. Finally, I have with me today two members of the audit team to assist the Committee in its inquiry, Mr Steven Lack, Executive Director, who oversaw this audit, and Ms Anne Cronin, the Audit Manager.