

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Additional Estimates 2010-11, 23 February 2011

Question: E11-136

OUTCOME 4: Aged Care and Population

Topic: AGED CARE PROVIDERS

Written Question on Notice

Senator Fierravanti-Wells asked:

- a) Who will own the data from the benchmarking facility for aged care providers?
- b) What does the Department intend to do with this material?
- c) What consultation, if any, has taken place with the industry in framing the request for tender document for the external consultant to develop the benchmarking facility?
- d) What consultation will occur during the tender process and post tender selection?
- e) Will participation be voluntary?
- f) Will the service only contain financial data or is it intended to host other benchmarking data as well?

Answer:

- a) The Department of Health and Ageing will be the official custodian of the data.
- b) Aged care providers will be able to use the de-identified data stored in the web-based benchmarking service to compare the financial performance of their aged care services to other similar aged care services. Other stakeholders, including the Department, will be able to use the data to examine issues such as cost, revenue and productivity trends within and across the aged care industry, efficiency levels and rates of return.
- c) This project follows ongoing discussions over several years with the aged care peak bodies on the benefits of establishing a benchmarking service. Following the announcement of the benchmarking project in the 2010-11 Budget, the Department has consulted on the project with current providers of benchmarking services to aged care providers and with aged care providers, including their finance managers, through a variety of forums. The measure was also discussed at the November 2010 meeting of the Ageing Consultative Committee (together with other 2010-11 Budget measures).
- d) An Aged Care Benchmarking Technical Reference Group is being established to assist the Department and the external contractor to define the details of the proposed benchmarking system, with members drawn principally from aged care stakeholders, including consumer representatives, providers and staff.

- e) It is intended that participation by aged care providers will be on a voluntary basis and this has been highlighted in the request for tender.
- f) The benchmarking framework will focus principally on the financial performance of aged care services. However, the comparative analysis will also include information on staff and capital resources and some measures of quality so that the relative performance of aged care services can be benchmarked.