

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2013-14 Additional Estimates Hearings

Outcome Number: AAC - Ageing and Aged Care

Question No: 531

Topic: Pricing Assessor Manual

Hansard Page: Written

Senator Polley asked:

What is the Department and/or the Aged Care Pricing Commissioner doing to clarify areas of confusion between the Accommodation Pricing Assessor Manual and the Application Forms? For instance the Manual states that "cost of supply components are not required information: just those relevant to the particular application". The Application forms do not make this clear.

Answer:

The Application Form advises applicants for accommodation prices above the maximum amount determined by the Minister that the Form should be read in conjunction with the Application Guide. The Application Form states that "Where applicants consider that cost factors are relevant considerations in respect of a proposed price, these should be included". The Application Form advises applicants to refer to the Application Guide for guidance on the costs of supply. The Application Guide states that "Applicants are invited to provide evidence of any particular cost that, in their view, has relevance in respect of the proposed price. Please note that applicants are **not** required to address all matters indicated. Where applicants consider that cost factors are relevant considerations in respect of a proposed price, these should be included". Given that there may be significant variation in the relevance of cost of supply factors in supporting a proposed price, applicants are given the opportunity to support their price through the provision of information on cost and business factors applying to their facility. The Assessor Manual, in assisting assessors through the assessment process, states that in respect of an assessor's review of an application to determine if sufficient information has been provided to make an assessment, assessors are to be guided by the rule that "Cost of supply components are not required information: just those relevant to the particular application". These 3 statements are consistent.