

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2016 - 2017, 1 March 2017

Ref No: SQ17-000271

OUTCOME: 6 - Ageing and Aged Care

Topic: 2016–17 Aged Care Approvals Round

Type of Question: Written Question on Notice

Senator: Polley, Helen

Question:

- a) Can you provide, in detail, how the distribution between states and territories of the 475 short-term restorative care program places was determined?
- b) Given 400 of these places were funded from 1 July 2016, why were they not announced until 23 February 2017?

Answer:

- a) The allocation of aged care places, including Short-Term Restorative Care (STRC) is based on the aged care provision ratio. In the 2015-16 Budget, the Australian Government adjusted its commitment to reaching a ratio of 125 aged care places for every 1,000 people aged 70 years or over by 2021-22, by allowing for the ratio to include two flexible care places (Transition Care or STRC).

The method adopted to distribute STRC places took into account the aged care provision ratio and the current allocation of transition care places in each jurisdiction. More STRC places were allocated to those jurisdictions with the lowest ratio of existing transition care places, ensuring more equitable access to short-term flexible aged care places. As at 30 June 2016, Queensland and Western Australia had the lowest ratio of transition care places relative to their population aged over 70.

The Department of Health consulted with the aged care sector on the proposed distribution of places. The proposed distribution was adjusted according to feedback received during consultation. The department was advised that at least eight to ten places were needed per provider to run a viable STRC service. To ensure viable services were available in the Northern Territory, Tasmania and the Australian Capital Territory, a small number of places were reallocated from the states receiving the largest allocation of places (New South Wales, Western Australia, Victoria and Queensland) to these jurisdictions.

- b) The STRC Programme High Level Policy Framework, released in November 2015, stated that STRC places would progressively become available, with 200 places allocated from 1 July 2016. These 200 places were to be followed by a further 275 places in 2017-18.

In January 2016, this approach was revised to allow for a streamlined combined STRC, residential aged care places and capital grants Aged Care Approvals Round (ACAR) process.

The Invitation to Apply for the residential and STRC places and capital grants was issued on 19 September 2016 and applications closed on 28 October 2016.

The demand for STRC places far exceeded the number of places to be allocated, with 37 places sought for each place available. The assessment of STRC applications was given priority ahead of residential places and capital grants applications. Due to the volume of applications and the need to conduct a rigorous assessment process, the announcement of the STRC ACAR results could not occur until 23 February 2017.