

# Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024–25

The Independent Health and Aged Care Pricing Authority (IHACPA) is an independent government agency. IHACPA's role within the aged care sector is to provide costing and pricing advice to the Australian Government. The setting of the price remains the responsibility of the Government.

IHACPA's evidence-based pricing advice aims to ensure that aged care funding, including through the Australian National Aged Care Classification (AN-ACC), is directly informed by the actual costs of delivering care.

The established expertise of IHACPA in relation to public hospital funding provides a strong foundation for its expanded role in aged care.

IHACPA acknowledges there are differences between public hospitals and aged care and will ensure its costing and pricing advice is developed specifically for the aged care system.











## Have your say on the Pricing Framework for Australian Residential Aged Care Services 2024–25 consultation

IHACPA is committed to a consultative, transparent and evidence-based approach in the development of its residential aged care and residential respite care pricing advice.

The [Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024–25](#) (the Consultation Paper) outlines IHACPA's proposed principles and approach for developing cost and pricing advice and seeks feedback on a range of matters.

These include:

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|  Feedback on the residential aged care pricing principles |  Indexation methodologies                  |
|  AN-ACC funding and classification model                  |  Adjustments to the recommended price      |
|  Costs associated with stages of care                     |  Future adjustments for safety and quality |
|  Costs associated with respite                            |  Priorities for future development         |



# IHACPA's residential aged care annual consultation cycle

This consultation process will take place each year to seek feedback on IHACPA's proposed approach to costing and pricing of aged care services. Annual public consultation will support updates to the Pricing Framework to reflect changes and developments occurring across the aged care sector. This will help ensure IHACPA's costing and pricing advice remains relevant, appropriate and evidence-based.



## Public consultation

The Consultation Paper outlines IHACPA's principles and approach for developing costing and pricing advice, highlights key issues and future priorities, and seeks public responses to a range of questions.



## Providing feedback – why we need submissions

This consultation process is an opportunity for you or your organisation to provide a submission on the development of the Pricing Framework for Australian Residential Aged Care Services (the Pricing Framework). This will help ensure the Pricing Framework is appropriate for the aged care sector and representative of the diversity of aged care system stakeholders and organisations.

### Aged care stakeholders include:

Residents and their representatives, carers, aged care providers, those working in aged care, aged care peak bodies, clinicians, individuals, governments and government bodies.



## Developing the Pricing Framework for Australian Residential Aged Care Services

IHACPA will develop an annual Pricing Framework for Australian Residential Aged Care.

Informed by public feedback, the Pricing Framework will set out the policy approach, methodology and principles governing IHACPA's aged care pricing advice.

The Pricing Framework will initially focus on the Australian National Aged Care Classification (AN-ACC) and funding model for residential aged care and residential respite care, while outlining a long-term vision and development path for the refinement of aged care classifications, costing and pricing.



## Providing pricing advice

Following development of the Pricing Framework, IHACPA will provide pricing advice to the Minister for Health and Aged Care. This will be used to inform Australian Government decisions on residential aged care and residential respite care funding each year.



## Publishing the Pricing Framework for Australian Aged Care Residential Services

IHACPA will publish the Pricing Framework. IHACPA will also publish a Consultation Report summarising all the feedback received and the decisions made by IHACPA based on these submissions.

# Responding to the Consultation Paper

IHACPA would like to hear from a wide range of individuals and organisations to assist with the development of pricing recommendations for residential aged care and residential respite care services.

IHACPA encourage responses from individuals and organisations that reflect the diversity of stakeholders, including people receiving care, their representatives and a wide range of organisations, roles, backgrounds and perspectives.

IHACPA will publish submissions made to the Consultation Paper on the IHACPA website. However, information will be withheld from publication, for example, if it:

- contains information that is commercially sensitive
- is factually contentious
- raises individual confidentiality concerns
- contains assumptions about likely legal or industrial determinations.

## The content of your submission

A good submission will generally include the following elements:

### **Provide information about you and your role in the aged care system.**

For example, members of the public should identify if they are an aged care resident, person receiving care, a carer, or a family member of a person receiving care.

### **Focus on your area of expertise or specific area of interest or relevance to you.**

It is not necessary to answer all the consultation questions. The most effective submissions often focus on a single area. All submissions are valuable to IHACPA.

### **Complete and attach the consultation questionnaire to your submission.**

Completion of the consultation questionnaire will help us understand and contextualise your response. If responding by email or mail, please attach a copy of the questionnaire to your submission.

### **If possible, provide evidence to support your recommendations.**

Succinct, well-reasoned arguments using references and/or data are the most effective.

## How your submission will be used

IHACPA will consider all feedback in the development of the Pricing Framework. A Consultation Report summarising all of the feedback received will be prepared and published together with the final version of the *Pricing Framework for Australian Residential Aged Care Services 2024–25* in early 2024.

All submissions will be published on the IHACPA website, unless respondents specifically identify sections they believe should be kept confidential due to commercial or other reasons.

Personal contact information will be removed or redacted from submissions when they are published on IHACPA's website. Your information will be stored securely and used in accordance with [IHACPA's Privacy Policy](#).

## Have your say

Provide your feedback on the *Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024–25* via the [online submission form](#), the downloadable submission form or email your response in Word, PDF or RTF format to [submissions.ihacpa@ihacpa.gov.au](mailto:submissions.ihacpa@ihacpa.gov.au).

**Handwritten and typed hard copy submissions may be mailed to:**

PO Box 483  
Darlinghurst NSW 1300

## More information

If you have any questions or require assistance with the submission process, call (02) 8215 1100 or email [enquiries.ihacpa@ihacpa.gov.au](mailto:enquiries.ihacpa@ihacpa.gov.au).




Submit your response by **5pm AEST Thursday 31 August 2023**.

## Additional resources


- Form – [Consultation online submission form](#)
- Fact sheet – [IHACPA's role in aged care pricing](#)
- Consultation Video – [Pricing Framework for Australian Residential Aged Care Services](#)
- Report – [Pricing Framework for Australian Residential Aged Care Services 2023-24](#)
- Report – [Residential Aged Care Pricing Advice 2023-24](#)

## Further information

To learn more about the Independent Health and Aged Care Pricing Authority, get in touch with us via the details below.

 (02) 8215 1100  [enquiries.ihacpa@ihacpa.gov.au](mailto:enquiries.ihacpa@ihacpa.gov.au)  [www.ihacpa.gov.au](http://www.ihacpa.gov.au)

Find us online to connect with us.

 Independent Health and Aged Care Pricing Authority

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