



Development of the Pricing Framework for Australian Residential Aged Care Services 2024-25

AIHW submission to the Independent Health and Aged Care Pricing Authority

The Australian Institute of Health and Welfare (AIHW) are working with the Department of Health and Aged Care on the:

- National Aged Care Data Strategy – articulating an agreed vision for the future aged care data system and outlining how data improvements are implemented over time. A draft data strategy is under development and anticipated to be released in late 2023.
- Aged Care National Minimum Data Set (NMDS) – applying common content standards to a set of core aged care data items to support a shared language across the aged care data system. The first version of the NMDS was released in June 2023 with further items to be added in future versions and implemented progressively across government and the sector.
- National Aged Care Data Asset – integrating data related to aged care with other administrative data, such as health or welfare service use. The data asset is being developed in stages. Data will be de-identified and guided by strict governance arrangements to ensure privacy and confidentiality.

The aim of our work is to improve the information that is collected and made available about aged care in Australia. The draft funding principles must share these aims. High-quality data to support system design, transparency, and evaluation of new aged care programs or policies is crucial. The AIHW have highlighted 3 factors considered important for program design.

Implementing data standards

The data generated as part of funding decisions is ultimately about people and the level of care and support they need from aged care. The design principles of any new aged care program or policy would ideally consider how person-level data standards are incorporated into the build from the beginning. Embedding consistency, comparability and strong data governance in government practice can support data to be collected once and used many times. This has important benefits for people accessing aged care, aged care workers and providers, software vendors and government. Content data standards play a vital complementary role in supporting digital data transfer, including business to business and business to government.

What is measured is what will be subsequently reported, and it is important to get the details right. The development of the NMDS data specifications is highly relevant here: the intention is to use shared content standards to create shared meaning across the aged care data system, and information related to financial performance of the sector is in scope for future iterations of the NMDS.

Integrating systems and processes

We must work towards an integrated data system where information collected once can become available for another use. The data collected within aged care should be able to serve multiple needs: care planning, outcome monitoring and funding allocation can all draw on person-level data about people's need for care and the services provided in response. The key metrics that tell us how money is spent must also (where possible) come from these fundamental building blocks and not a bespoke new collection point.

A strategic approach to guide the aged care data system

Where aged care reform activities have data implications, they should be guided by the (draft) aged care data strategy and the aged care digital strategy. The AIHW would welcome the opportunity to discuss the different components of the aged care data improvement work in more detail.

The intention is to:

- ensure all data-related activities within aged care work towards a common goal, informed by the same guiding principles and aims
- use shared data standards to create shared meaning across the aged care data system and beyond
- maximise the value of the data already collected in aged care, about aged care and related to aged care.

In particular, this work has a clear relationship with the System Design Principles.