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Professor Michael Pervan
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Dear Professor Pervan

Public Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024-25

Thank you for the opportunity to provide comment on the Independent Health and Aged Care Pricing Authority's *Consultation Paper on the Pricing Framework for Australian Residential Aged Care Services 2024-25*.

Tasmania's comments are provided in Attachment A.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Shane Gregory".

Shane Gregory
Associate Secretary

30 August 2023

Appendix A:

Question	
1	<p>What, if any, changes do you suggest the Independent Health and Aged Care Pricing Authority (IHACPA) consider for the residential aged care pricing principles?</p> <p>Tasmania suggests that the consumer be included in the overarching principles by incorporating them into the roles and responsibilities statement as follows:</p> <p><i>“Maintaining agreed roles and responsibilities: ABF design should recognise the complementary responsibilities of each government agency and department in the funding and management of aged care services, as well as providers in delivering aged care services. <u>ABF should also recognise the role of the consumer as an active participant in the system.</u>”</i></p>
2	<p>Do the current Australian National Aged Care Classification (AN-ACC) classes group residents in a manner that is relevant to both care and resource utilisation? (that is, require the same degree of resources to support their care delivery). What evidence is there to support your answer?</p> <p>Tasmania feels that the AN-ACC Class 3 (Independent mobility with compounding factors) may require review as it potentially does not represent a consistently resource homogenous cohort. For example, the care and resource utilisation for a resident with independent mobility and presents with a high agitation score is very different to a resident who may require daily injections however both situations are covered by the same end class (Class 3).</p>
3	<p>What, if any, factors should IHACPA consider in future reviews of the AN-ACC classes?</p> <p>See comments at question 2 above.</p>
4	<p>Are there any other legitimate or unavoidable costs associated with a permanent resident’s stage of care? For example, entry into or departure from a service.</p> <p>Tasmania has identified the following scenarios which result in additional costs of care:</p> <ul style="list-style-type: none"> • Transfers between aged care sites, as this requires a hand over process to ensure that the applicable information is passed on to the receiving site and to update billing information. • Where refundable deposits must be managed after a resident departs from a service, as this requires a significant amount of administration particularly if the resident has deceased. • Transfer of long-term hospital patients to residential care as the transfer of care process is more complicated for this cohort. <p>While Tasmania does not have data relating to this at this time it will investigate the matter with a view to identifying specific costs associated to the above.</p>
5	<p>Are there any other legitimate or unavoidable costs associated with a respite resident’s stage of care? What evidence is there to support your answer?</p> <p>Tasmania has identified that instances where securing GP care for respite residents who are accessing care outside their usual area of residence may result in increased administration costs.</p> <p>While Tasmania does not have data relating to this at this time it will investigate the matter with a view to identifying specific costs associated to the above.</p>
6	<p>What, if any, considerations should IHACPA seek to review in its indexation methodology for its residential aged care pricing advice?</p> <p>Tasmania has no comment currently.</p>
7	<p>What, if any, additional cost variations are associated with the provision of care to residents who require specialised services? What evidence is there to support this?</p> <p>Tasmania has no comment currently.</p>

8	<p>What, if any, care-related costs are impacted by service location that are not currently addressed in the Base Care Tariffs (BCT) weighting?</p> <p>Tasmania will investigate this issue and provide any comments as part of future responses on the matter.</p>
9	<p>What, if any, evidence, or considerations will support IHACPA's longer term development path for safety and quality of AN-ACC and its associated adjustments?</p> <p>Tasmania has no comment currently.</p>
10	<p>How could, or should the AN-ACC model be modified to be used for Multi-Purpose Services (MPS) and are there any factors that aren't accounted for under the AN-ACC model?</p> <p>Tasmania notes the following in relation to MPS:</p> <ul style="list-style-type: none"> • The fee structures for residents of MPS sites is very different to AN-ACC funded sites. Services Australia do not currently means-test residents of MPS', although they do record relevant data for pension requirements. • MPS residents are not charged means-tested care fees or accommodation contributions. • Residents of MPS facilities are potentially eligible for Commonwealth Rent Assistance, residents of sites funded through AN-ACC are not due to the accommodation supplement component within the AN-ACC. • Residents of State run MPS sites cannot claim for financial hardship assistance and because of this where residents experience financial hardship and cannot pay residential fees the State covers the loss. • Fees and charges for daily care and accommodation costs of MPS sites are set by the provider and charged to the client. • Consideration to how Service Australia manage MPS residents would be required, as it may potentially impact MPS residents' pensions and allowances as well as increase the number of fees they may be required to pay.
11	<p>How could, or should the AN-ACC model be modified to be used for National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP) and are there any factors that aren't accounted for under the AN-ACC model?</p> <p>Tasmania will investigate this issue and provide any comments as part of future responses on the matter.</p>