



RETHINK

REVIEW

REBUILD

14 May 2021

Federal Government's response to the Aged Care Royal Commission's Recommendations

On 11 May 2021, the Government tabled its response to the Final Report of the Royal Commission into Aged Care Quality and Safety.

Accompanied by an historic \$17.7B funding package, the Government's Response signals a long-term reform focus that will underpin significant structural change to the aged care sector.

The Government has accepted 126 of the 148 Recommendations, signalling significant structural reform over the next five years in the regulation that underpins the sector, the way in which aged care will be funded and the governance and prudential standards to which approved providers will be held.

To help you navigate the Government's response to the Recommendations, we have prepared a table, setting out what has been accepted (either in whole or in part), rejected or remains under further consideration.

For more detail on the Recommendations, you can read our earlier report [here](#) and the Government's detailed response published on 12 May 2021, [here](#).



System Architecture and Cross Cutting Themes

Recommendation	Accepted?	Comment
R1: A new Act R2: Rights of older people receiving care R3: Key principles	Yes	Work on the new Aged Care Act has commenced and the legislation is scheduled to commence from 1 July 2023 .
R4: Integrated long-term support and care	Yes	Long-term strategy to be developed for integrated health care through the Health National Cabinet Reform Committee.
R7: Aged Care Advisory Council (Pagone)	Yes	Establishment of new National Aged Care Advisory Council from 1 July 2021 to advise Government on key matters relating to the aged care sector, including the implementation of reforms.
R8: Cabinet Minister and Department of Health and Aged Care (Briggs)	Yes	New governance arrangements with a local network of Department of Health aged care staff to support the sector.
R9: The Council of Elders R10: Aged Care Safety and Quality Authority (Briggs) R12: Inspector - General of Aged Care	Yes	Establishment of a Council of Elders, a new independent Aged Care Quality and Safety Authority and an Inspector-General of Aged Care will be established..
R11: Independent Hospital and Aged Care Pricing Authority (Briggs)	Yes	The Independent Hospital Pricing Authority will have an expanded role in relation to aged care.
R25: A new aged care program	In Principle	A number of measures to be implemented including a new support at home program (R35), an integrated aged care system (R28 and R29) and removal of ACAR from July 2024 . \$102.1M to support providers in the transition.
R26: Improved public awareness of aged care	Yes	\$178.9M to support Primary Health Networks improve access for aged care in the community.
R27: More accessible information (Briggs)	Yes	
R28: A single assessment process	Yes	Single assessment workforce will be introduced with a staged implementation from October 2022 .
R29: Care finders (Briggs)	Yes	\$272.5M to establish face-to-face support to access aged care.
R30: Designing for diversity, difference, complexity and individuality	Yes	Government will develop a National Aged Care Data Strategy, expand the education role of advocacy providers and provide training to Community Care Finders.
R31: Approved Provider's responsibility for care management	Yes	Government supports consumer choice in selecting a care manager.

Recommendation	Accepted?	Comment
R32: Respite support R33: Social supports R34 assistive technology and home modifications	Yes	Increased funding for the Commonwealth Home Support Program respite services from January 2022 .
R35: Care at home category	In Principle	Government is designing a new support at home program, with a planned commencement from July 2023 .
R36: Care at home to include allied health care	Yes	Funding for allied health services in the Commonwealth Home Support Programme will be expanded from 2021-22 .
R37: Residential care category	Yes	
R38: Residential aged care to include allied health care	In Principle	The design of the new Australian National Aged Care Classification funding model will improve allied health and palliative care services and support increased access to allied health in residential aged care.
R39: Meeting preferences to age in place	In Principle	\$6.48B for 80,000 additional home care packages. By June 2023 there will be 275,600 home care packages available.
R40: Transition to care at home	Yes	To be considered as part of the redesign of the new support at home program.
R41: Planning based on need, not rationed	In Principle	To be considered as part of the redesign of the new support at home program.
R42: Support for informal carers R44: Volunteers and Aged Care Visitors Scheme	Yes	
R43: Examination of leave for informal carers	Yes	To be referred to the Productivity Commission for examination.
R45: Improving the design of aged care accommodation	Yes	A Residential Aged Care Accommodation Framework will commence from July 2024 , with new National Design Standards for Residential Aged Care. \$5.5M to fund consultation on development of the Design Standards.
R46: Capital grants for 'small household' models of accommodation	In Principle	Funding will be provided for investment in essential capital for aged care infrastructure projects. Targeted capital grants, to accelerate change and compliance with the updated Design Standards will be considered.
R47: Aboriginal and Torres Strait Islander aged care pathway within the new aged care system	Yes	Funding from December 2021 to establish a pathway and support for First Nations people.
R48: Cultural safety R49: Aboriginal and Torres Strait Islander Aged Care Commissioner R50: Prioritising Aboriginal and Torres Strait Islander organisations R51: Employment and training for Aboriginal and Torres Strait Islander aged care	Yes	Government has accepted these recommendations.
R52: Funding cycle	Yes	Additional funding from December 2021 to <i>'uplift and align Aboriginal and Torres Strait Islander providers with mainstream providers'</i> .
R53: Program streams	Yes	Grant funding available to assist with equitable access to aged care for First Nations people and special needs groups.

Recommendation	Accepted?	Comment
R54: Ensuring the provision of aged care in regional, rural and remote areas	Yes	Research to understand gaps in service delivery in rural and remote areas.
R55: The Multi-Purpose Services Program	Yes	Additional funding from July 2022 to align the Multi-Purpose Services Program with mainstream aged care.
R56: A new primary care model to improve access	In Principle	Initiatives to boost the Aged Care Access Incentive; additional funding for Primary Health Networks to expand access to palliative care, implementation of an electronic National Residential Medication eChart and the adoption of My Health Record in residential aged care facilities by June 2023 .
R57: Royal Australian College of General Practitioners accreditation requirements	Yes	
R58: Multidisciplinary Outreach Services	In Principle	To be progressed in consultation with the State and Territory governments.
R59: Increased access to Older Persons Mental Health Services	In Principle	To be progressed with the State and Territory governments as part of the new National Mental Health and Suicide Prevention Agreement, to be finalised in November 2021 .
R60: Establish a Senior Dental Benefits Scheme	Further Consideration	Subject to further consideration by 2023 as it is primarily a State and Territory responsibility.
R61: Short-term changes to the Medicare Benefits Schedule	Yes	
R62: Enhance the Rural Health Outreach Fund to improve access to medical specialists	In Principle	Consideration to be given to the timing and location of new services.
R63: Access to specialist telehealth services	Yes	Assistance to be provided through Primary Health Networks to support Residential Aged Care Facilities to establish patient-end support for telehealth consultations.
R64: Increased access to medication management reviews	Yes	Accepted subject to an examination of the current investment in pharmacy services in residential care and home care.
R65: Restricted prescription of antipsychotics in residential aged care	In Principle	Government has signalled support for the better regulation of the use of antipsychotics in residential aged care.
R66: Improving the transition between residential aged care and hospital care	Yes	To be progressed in consultation with State and Territory governments.
R67: Improving data on the interaction between the health and aged care systems	Yes	To be progressed in consultation with State and Territory governments.
R68: Universal adoption by the aged care sector of digital technology and My Health Record	Yes	Providers to implement an National Residential medication eChart and support the adoption of the My Health Record by June 2023 . Requirements in relation to digital technology will be included in the new Aged Care Act.
R69: Clarification of roles and responsibilities R70: Improved access to health services R71: Health National Cabinet Reform Committee	Yes	To be progressed in consultation with State and Territory governments.

Recommendation	Accepted?	Comment
R72: Equity for people with disability receiving aged care	Further Consideration	Consultation between the Department of Health, Department of Social Services and the National Disability Insurance Agency to be completed by the end of 2022 .
R73: Annual reporting to Parliament by the Disability Discrimination Commissioner and Aged Discrimination Commissioner	In Principle	
R74: No younger people in residential aged care	Yes	Government is committed to meeting the Younger People in Residential Aged Care Strategy 2020 – 2025 Targets.
R92: Approval of providers	Yes	New approval requirements will be included in the new Aged Care Act.
R93: Accreditation of high-level home care services	Yes	Changes to accreditation will be included in the new Aged Care Act, and aligned with other approval processes for Approved Providers and harmonised with similar government programs across sectors.
R94: Greater weight to the experience of people receiving aged care	Yes	Consumer experience reporting is to be implemented across all residential aged care facilities by the end of 2022 .
R95: Grade assessments and performance ratings	Yes	A star rating system to be iteratively enhanced to include additional data sources as they become available.
R96: Responding to Coroner's reports	Yes	Reporting requirements will be included in the new Aged Care Act.
R97: Strengthened monitoring powers of the Quality Regulator	Yes	The new Aged Care Act will strengthen the monitoring and enforcement powers of the Quality Regulator.
R98: Improved complaints management	Yes	A new complaints mechanism will be included in the new Aged Care Act.
R108: Data governance and a National Aged Care Data Asset	Yes	To be implemented through the new Aged Care Act.
R109: ICT Architecture and investment in technology and infrastructure (Briggs)	Yes	The Government has committed to increasing interoperability with My Health Record within the residential aged care sector from 1 July 2021 , increasing uptake of assistive and smart technologies as part of the new support at home program and developing an Aged Care Information and Communications Technology Strategy, amongst other things.
R145: Report on recommendations R147: An implementation taskforce (Briggs) R148: Evaluation of effectiveness	Yes	The Government has accepted these recommendations.



Governance and prudential regulation

Recommendation	Accepted?	Comment
R88: Legislative amendments to improve provider governance R90: New governance standard R91: Program of assistance to improve governance arrangements R103: A wider range of enforcement powers R134: Strengthened monitoring powers for the Prudential Regulator	Yes	Amendments will be made to the current Aged Care Act, to ensure ' <i>strong legislative obligations</i> ' for approved providers.
R89: Leadership responsibilities and accountabilities (Briggs)	Yes	Aimed at improving transparency and accountability. Requirements relating to leadership responsibilities and accountabilities will be included in the new Aged Care Act.
R101: Civil penalty for certain contraventions of the general duty R102: Compensation for breach of certain civil penalty provisions	Further Consideration	To be considered further as part of the development of the new Aged Care Act.
R130: Responsibility for prudential regulation	In Principle	Government notes that a phased implementation of new financial and prudential monitoring, compliance and intervention framework will commence in July 2021 .
R131: Establishment of prudential standards	Yes	Once the new financial and prudential monitoring, compliance and intervention framework commences, prudential standards will be the responsibility of the Prudential Regulator, with roles and functions to be set out in legislation.
R132: Liquidity and capital adequacy requirements	Yes	To be included in the new Aged Care Act, with approved providers to meet liquidity requirements from July 2023 and capital adequacy requirements from July 2024 .
R133: More stringent financial reporting requirements	Yes	From July 2022 approved providers will be required to report on a quarterly basis. From July 2023 financial reports will include liquidity and capital adequacy requirements.
R135: Continuous disclosure requirements in relation to prudential reporting	Yes	From July 2021 approved providers will be required to disclose current and forecasted viability information on request, financial performance on a quarterly basis from July 2022 , any material adverse change in financial position and performance within 14 days of it occurring from July 2022 and any material change in corporate structures within 14 days from July 2023 .

Recommendation	Accepted?	Comment
R136: Tools for enforcing the prudential standards and guidelines and financial reporting obligations of providers	Yes	The Prudential Regulator's enforcement powers will commence in July 2023 .
R137: Building the capability of the regulator	Yes	Additional capabilities will be implemented from 2021-22 to build the financial monitoring capabilities of the Department of Health and the ACQSC.
R143: Implementation of new arrangements for financial oversight and prudential regulation (Briggs)	Yes	The Government noted the phased implementation of a new financial and prudential monitoring, compliance and intervention framework from July 2021 .



Quality and safety

Recommendation	Accepted?	Comment
R13: Embedding high quality aged care R14: A general duty to provide high quality and safe care	Yes	To be implemented through the development of the new Aged Care Act.
R15: Establishment of a dementia support pathway	Yes	Measures to be introduced from July 2021 to increase post-diagnosis support. Local Dementia support pathways will be established to support general practitioners and other primary care clinicians with assessment and referral.
R16: Specialist dementia care services	Yes	An evaluation of the Specialist Dementia Care Program is underway.
R17: Regulation of restraints	Yes	From 1 July 2021 legislative provisions will commence to clearly define restraint, clarify consent and ensure restraint is on used as a last resort.
R18: Aged care standard-setting by the renamed Australian Commission on Safety and Quality in Health and Aged Care	In Principle	From 1 July 2021 , the formulation of clinical standards will transfer to the Australian Commission on Safety and Quality in Health Care. The Department of Health will retain responsibility for the setting of non-clinical standards.
R19: Urgent review of the Aged Care Quality Standards R20: Periodic review of the Aged Care Quality Standards	Yes	The Government announced a review of the Aged Care Quality Standards on 1 March 2021 , to be completed by December 2022 . This review will consider all of the matters identified by the Royal Commission in R19 .

Recommendation	Accepted?	Comment
R21: Priority issues for periodic review of the Aged Care Quality Standards		
R22: Quality indicators	In Principle	New quality indicators will be implemented for existing domains (pressure injuries, physical restraint and unplanned weight loss) as well as new domains falls and fractures and medication management by 1 July 2021 . Additional quality indicators (including quality of life indicators) will be implemented across residential aged care and home care by the end of 2022 .
R23: Using quality indicators for continuous improvement	Yes	Achieved through an expansion and development of the National Aged Care Mandatory Quality Indicator Program. The Government has stated this will include ' <i>benchmarking, sector improvement support, and public reporting through star ratings</i> ' to be implemented by the end of 2022 .
R24: Star ratings: performance information	Yes	Star ratings will be available on My Aged Care by the end of 2022 .
R100: Serious incident reporting	Yes	To be expanded to home and community care.
R104: Aged Care Quality and Safety Commission capability review	Yes	This capability review will be undertaken in 2023 and will inform a new Aged Care Safety and Quality Authority (R10).
R105: Transparency around the performance of the Quality Regulator (Briggs)	Yes	Transparency requirements around the performance of the Quality Regulator will be included in the new Aged Care Act.
R106: Enhanced advocacy	Yes	The Government has committed funding to strengthen and expand the National Aged Care Advocacy Program.



Workforce

Recommendation	Accepted?	Comment
R75: Aged care workforce planning	Yes	To be considered in the context of the Aged Care Workforce Industry Council.
R76: Aged Care Workforce Industry Council Limited	Yes	The Aged Care Workforce Industry Council will work with the Human Services Skills Organisation regarding qualifications and career pathways in aged care.
R77: National registration scheme	In Principle	Accepted in-principle, however this will not be through the AHPRA model. A single care and support sector code of conduct will be implemented by 1 July 2022 across aged care, veterans' care and disability support. The ACQSC will enforce the Code for aged care. A centralised pre-employment screening registered for workers in aged care will commence operation on 1 July 2022 .

Recommendation	Accepted?	Comment
R78: Mandatory minimum qualification for personal care workers	Further Consideration	For consideration via the whole-of-government Care Workforce Strategy. Government is funding 33,800 additional training places for existing and new aged care workers in the 2021-22 year as part of an expansion of JobTrainer. A reviewed Certificate III in Individual Support (Ageing) will mandate units of study on dementia and palliative care.
R79: Review of certificate-based courses for aged care	Yes	Due to be completed by mid-2021 .
R80: Dementia and palliative care training for workers	Yes	Review of the Aged Care Quality Standards will consider appropriate regulatory steps to make sure Approved Providers ensure staff are appropriately trained.
R81: Ongoing professional development of the aged care workforce R83: Funding for teaching aged care programs	Yes	The Government has accepted these recommendations.
R82: Review of health professions' undergraduate curricula	Yes	The Government has noted that accreditation of education for the health professions is independent of Government through the National Registration and Accreditation Scheme.
R85: Improved remuneration for aged care workers	Yes	To be considered by the Independent Hospital Pricing Authority during 2021 as part of its review of aged care pricing.
R86: Minimum staff time standard for residential care	Yes	Through the Australian National Aged Care Classification funding model from 1 October 2022 , additional funding will be available to assist providers to meet the recommended minimum of 200 minutes care time, and requirement to have a Registered Nurse on-site 16 hours per day. The care time standard will become mandatory from 1 October 2023 .
R87: Employment status and related labour standards as enforceable standards (Briggs)	Further Consideration	Referred to the Productivity Commission.
R99: Protection for whistleblowers	Yes	Changes to the legislation protecting whistleblowers came into effect on 1 April 2021 .
R122: Reporting of staffing hours	Yes	Commencing on 1 July 2022 , residential aged care facilities will be required to provide a quarterly report of total care staffing minutes by worker role (RN/EN/PCW). This will be used to determine a star rating, published on My Aged Care.



Funding and financing

Recommendation	Accepted?	Comment
R107: Aged Care research and Innovation Fund	In Principle	The Government has accepted this recommendation in principle, noting that investment in aged care research should occur through existing well established research bodies. The Government notes that the amount of funding proposed by the Royal Commission is not sustainable.
R111: Amendments to aged care in the home and Commonwealth Home Support Programme indexation arrangements	Further Consideration	This recommendation will be considered further as part of the design of a new support at home program.
R112: Immediate changes to the Basic Daily Fee	Yes	A conditional \$10 per resident per day Basic Daily Fee Supplement will operate from 1 July 2021 – 30 September 2022 . From 1 October 2022 , this additional funding will be paid through the new funding model. This is supported by a \$3.2B funding commitment from the Government.
R113: Amendments to the Viability Supplement	Yes	The 30% Viability and Homeless Supplements will continue until 1 October 2022 .
R114: Immediate funding for education and training to improve the quality of care	Yes	\$5.4M to develop online training for nurse and personal care workers as part of their professional development.
R115: Functions and objects of the Pricing Authority	Yes	The Independent Hospital Pricing Authority will commence preliminary work on aged care pricing from 1 July 2021 .
R116: Requirement to participate in Pricing Authority activities	Yes	
R117: Grant funding for support services to be funded through a combination of block and activity based funding	Yes	This will be considered as part of the development of a new support at home program (R35).
R118: New funding model for care at home	In Principle	This will be considered as part of the development of the new support at home program (R35).
R119: Maximum funding amounts for care at home	Yes	This will be considered as part of the development of the new support at home program (R35).
R120: Casemix-adjusted based funding in residential aged care	Yes	The Australian National Aged Care Classification funding model to commence from 1 October 2022 .

Recommendation	Accepted?	Comment
R121: Incentives for an enablement approach to residential care	Yes	A reassessment approach will be used as part of the Australian National Aged Care Classification funding model.
R123: Payment on accruals basis for care at home	Yes	From 1 September 2021 approved providers will only be paid for actual services delivered, on an arrears basis, with unspent subsidy amounts to be held by the Commonwealth.
R124: Standardised statements on service delivered across in home care	Yes	To be introduced in 2021, before becoming mandatory under the new support at home program.
R125: Abolition of contributions for certain services R126: Fees for respite care	Further Consideration	These recommendations are subject to further consideration.
R139: Parliamentary scrutiny of determinations by the Pricing Authority (Briggs)	In Principle	The Government has accepted this recommendation, in principle. The Government notes that the Independent Hospital Pricing Authority will publish its advice on pricing to the Minister, to improve transparency and public accountability.
R140: Fees for residential aged care accommodation (Briggs)	Further Consideration	The Government has rejected point 1 of this recommendation, and points 2 – 7 are subject to further consideration.
R142: Phasing out of Refundable Accommodation Deposits (Briggs)	Further Consideration	This recommendation is subject to further consideration and consultation with the industry.



Recommendations not accepted

Recommendation	Accepted?	Comment
R5: Australian Aged Care Commission R6: Australian Aged Care Pricing Authority (Pagone)	No	The Government supports the Government-led departmental governance model proposed by Commissioner Briggs (R8 – R11 and R115) and accordingly rejects Commissioner Pagone's proposal at R5 and R6.
R84: Increases in award wages	No	The Government notes this is a matter currently being considered by the Fair Work Commission, which is independent of Government.
R110: Amendments to residential aged care indexation arrangements	No	Government notes that it supports increasing funding through R112 and R113 and that the Independent Hospital Pricing Authority will provide advice on pricing for residential aged care from 1 July 2023 .
R127: Fees for residential aged care – ordinary costs of living	No	Government noted the differing opinions of the Commissioners in the Final Report.
R128: Fees for residential aged care accommodation (Pagone)	No	Government noted the differing opinions of the Commissioners in the Final Report.
R129: Changes to the means test (Pagone)	No	Government noted the differing opinions of the Commissioners in the Final Report.
R139: Productivity Commission investigation into financing of the aged care system through an Aged Care Levy	No	Government has rejected this recommendation.
R141: Changes to the means test (Briggs)	No	Government noted the differing opinions of the Commissioners in the Final Report.
R144: Introduce a new earmarked aged care improvement levy (Briggs)	No	Government has rejected this recommendation.
R146: An implementation unit (Pagone)	No	Government has rejected this recommendation, noting that it prefers R147 .

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