



## Better Access to Care – impact analysis of allocating residential aged care places to consumers instead of providers

The Government will increase funding for aged care by \$5 billion over five years. The Government will support in-principle the proposal to transition the allocation of residential care places through the Aged Care Approvals Round (ACAR) to alternative arrangements that provide real choice for older Australians. An impact analysis will be undertaken to understand the effect of such changes, as recommended by the *Legislated Review of Aged Care 2017* (Tune review).

The analysis will assess the potential impacts on consumers, providers, the financial sector and any structural adjustment that may be required. It will also examine the impact of any changes in areas with limited choice and competition, such as rural and remote areas.

### Why is this important?

A transition to a model that allocates a residential place to the consumer rather than the provider was a recommendation of the *Legislated Review of Aged Care 2017* (Tune Review).

The Government will consider future reform in this area as part of moving towards a simplified aged care system. This will provide greater choice for older Australians through a continuum of care, from extra support to stay in the home longer through to when they chose to enter residential care. The specific approach to this reform will be identified once appropriate consideration has been given to the complexities, risks and implementation arrangements.

### Who will benefit?

The impact analysis will enable providers, the finance sector, consumer representatives and other stakeholders to provide their views on any changes.

The analysis will ensure that the Government has a sound understanding of the implications and risks before making a final decision.

### How much will this cost?

This will cost \$0.3 million in 2018–19.