RACHEL BALMANNO:
Good afternoon and welcome to today's webinar on the first stage of the Home Care Reforms. My name is Rachel Balmanno and I'm the First Assistant Secretary of the Aged Care Reform Taskforce in the Department of Health.

I'd like to begin today by acknowledging the traditional owners of the land on which we're all meeting and to pay my respects to their elders, both past and present.

I'll start today with a presentation which should take about 30 minutes and we'll then have about an hour for questions. Before we get into the detail, I'd like to just take a few moments to navigate you through some of the tabs that you see on your live page.

In the middle of your screen, you should see the video player which you can enlarge to full screen using the button at the bottom right of the image. You can make it smaller again by pressing the escape button on your keyboard. You will also see the live chat window. You can use this to send through your questions and comments.

You do not have to wait until the end of the presentation to send your questions through. I would encourage you to send them through as we go through the presentation. As there may be large number of questions, we may not get the opportunity to answer all of them, however, we will do our best. Take the time to read through the live chat window to see if your question has already been asked. The more succinct you can make these questions, the more chance we have to answer as many as we can at the end of the presentation.

You will also see a tab called 'Slides' to the right of the video player. You can select this to view the Power Point slides as we go through them. If you need any technical assistance during the presentation, there is a user guide at the top right-hand side of the screen which will have some extra information to help you navigate. Alternatively, you can send an email to audiovisualandtheatre@ssc.gov.au and describe your technical difficulty. A recording of this webinar will be made available for viewing within the next week or so.

So this is the second webinar that we have conducted on the Home Care Reforms. The first webinar was in October last year. To explain the discussion paper that we'd released for consultation. Today's session will focus on the legislative changes for the first stage of the reforms. This is particularly timely as the legislation was passed by Parliament last week.
I will start off by giving you an overview of the Home Care Reforms, including the policy context and the consultation we've undertaken. I'll then talk about the Increasing Choice Bill and explain what it does.

Today will be just an overview though. If you would like further information, there are a number of documents on the Department's website, plus links to other websites.

There are some important things that are not changing, and I'll go through these. I'll also give you an overview of the next steps and, finally, at the end of the presentation we will answer the live questions that have come through during the session.

So in the 2015/16 Budget the government announced some significant reforms to improve the way that home care services are delivered to older people. The Home Care Reforms are being introduced in two stages. In the first stage, from February 2017, funding for a Home Care Package will follow the consumer. This will enable a consumer to choose a provider that is suited to them and to direct that funding to that provider. Consumers will no longer be restricted to providers that hold an allocation of home care places.

The second stage will build on these changes by integrating the Home Care Packages Program and the Commonwealth Home Support Program into a single Care at Home Program. This will further simplify the way that services are delivered and funded and stage two is expected to commence from July 2018. These changes are an important step in moving towards a future aged care system that is more consumer driven, market-based and less regulated.

The Home Care Reforms are consistent with the longer term policy directions proposed by the Productivity Commission in its 2011 report, "Caring for Older Australians". The Commission found that the aged care system had a number of key weaknesses, including a high regulatory burden, lack of timely access to care and limited consumer choice.

The Productivity Commission also stated that competition, rather than extensive regulation, is the key to delivering innovation, quality services and an efficient and sustainable system.

So while the government has implemented a range of measures over the last few years to address these weaknesses, this reform will move the system more in line with the Productivity Commission’s recommendations.

As Minister Ley said recently when introducing the Increasing Consumer Choice Bill into Parliament, moving to a market-based system, giving consumers choice and allowing providers to run their own services is central to the government’s plan for the future.

The government and the Department are committed to working with the sector on aged care reform. Since the last budget, the Department has consulted widely with stakeholders on the implementation arrangements for this first stage of home care reform. The consultations have included feedback on a public discussion paper. We received around 100 written submissions from stakeholders and a summary report is available on our website.
A Home Care Reforms advisory group was also established under the National Aged Care Alliance and the advisory group is providing ongoing advice to the Department and the minister on policy, implementation and transition matters. It comprises representatives from consumers, carers, providers, health professions, unions and state governments. We've also held a number of workshops and focus groups with stakeholders to inform the development of the business requirements, including changes to My Aged Care and the implications for providers, aged care assessment teams and consumers. These types of forums will continue over the coming months.

There will also be an opportunity for the sector to comment on the subordinate legislation through a draft of the proposed amendments to Aged Care Principles. We will also be consulting widely this year on the second stage of reform.

So Aged Care Legislation Amendment Increasing Consumer Choice Bill was tabled on 11 February and has now been passed by Parliament. The Bill was passed by the House of Representatives on 2 March and by the Senate on 3 March and Royal Assent of the Bill is expected in the next week or two. The Increasing Consumer Choice Bill gives effect to the first stage of the Home Care Reforms. Separate legislation will be required for the second stage.

So what does the Bill do? The Bill amends the Aged Care Act 1997 and The Aged Care (Transitional Provisions) Act 1997 in three main areas. Firstly, funding for a Home Care Package will follow the consumer, replacing the current system where home care places are allocated to an approved provider in respect of a specific location or region.

Secondly, the changes will establish a consistent national system for prioritising access to home care through My Aged Care. Thirdly, there'll be a streamlined process for organisations seeking to become approved providers. This will encourage more providers to enter the home care market to support greater choice for consumers.

There are also some minor changes relating to the assessment of a person’s eligibility for aged care services. All of the changes will take effect on 27 February 2017.

But what won’t be changing? Before I talk about the changes in more detail, it may be helpful to explain what won’t be changing in February 2017. Importantly, existing home care consumers will continue to receive care and services at their current package level. There are transitional provisions in the legislation to ensure that this occurs. While more Home Care Packages will be available to consumers each year in line with the aged care planning ratio, the total number of Home Care Packages will still be capped. This policy is not uncapping the supply of packages.

There will be no change to the current fee or income testing arrangements in home care at this time. This will be considered as part of stage two. Home care subsidy and supplements will still be paid to an approved provider. They won’t be paid directly to a consumer or carer.
Packages will continue to be delivered on a consumer-directed care basis and claims and payments will continue to be made through the Department of Human Services' aged care payment system. Finally, all providers must continue to meet the relevant quality and accreditation standards.

So let's get into the detail of the Bill. We'll start with the changes to the allocation and management of home care places. From February 2017 Home Care Packages will be assigned to eligible consumers who will be able to choose a provider that is suited to them and direct funding to that provider.

Once the changes come into effect, the concept of home care places will no longer exist in the legislation. This will mean the consumers will be able to take their package to any approved home care provider and will no longer be restricted to providers that hold an allocation of places.

Home care providers will no longer have to apply through the Aged Care Approval Round. The current ACAR will be the last round in which home care places are allocated to providers, although there will still be future ACARs for residential care and flexible care places.

The current legal rules and administrative processes related to the management of home care places, transfer, conditions of allocation, variations, relinquishments, will also no longer exist after February 2017.

Under the new arrangements, consumers with special needs will continue to access subsidised home care services, but there'll be greater choice for consumers when selecting a provider.

Providers will be able to market their services, including to people from special needs groups and for specialised care such as for people with dementia. The delivery of care will be tailored to the consumer’s individual needs, including factors relevant to the care of a person with special needs.

From a consumer perspective, one of the key benefits is that funding for a Home Care Package will be portable. A consumer will be able to change their provider if they wish, including if they move to another area to live and they can take their package with them. Once the changes take effect, all consumers, including those already receiving services, will be able to exercise choice as to who provides their care.

Home Care Packages will no longer be allocated to providers in respect of a specific geographic area or aged care planning region. To encourage portability, unspent funds in a package will move with the consumer if they change to another home care provider and I'll come back to this later in the presentation.

So Aged Care Assessment Teams will continue to assess and approve a person's eligibility for home care. This will still occur through a comprehensive assessment. However, an ACAT or ACAS will determine the eligibility of people seeking home care at a specific package level, that is level one, two, three or four, rather than at the broad branded approvals we currently have, level one/two or level three/four. This will determine the level of subsidy to be paid in respect of each consumer.
So to support this decision making we’re working with representatives of ACATs and providers to develop a guidance framework for assessors. This change is necessary because at present the provider determines the package level within the broad band that the consumer has been approved for taking into account the mix of places held by the provider and vacant packages at each level. This system won’t work once home care places are no longer allocated to providers.

From February 2017 consumers who have been assessed and approved as eligible for a Home Care Package will be prioritised in order to access subsidised home care.

I will talk about how the national prioritisation process will work in just a moment, but before that I’ll briefly mention a couple of other minor changes that the legislation is making. Firstly, a consumer will be able to be approved by an ACAT as eligible for more than one type of care at the same time. For example, someone could be eligible for both home care or residential care. However, they’ll still only be able to access one type of care. This will give legislative effect to what we understand is already happening in practice.

Secondly, the type of needs that can be considered in assessing a person’s eligibility for home care and flexible care will now explicitly include medical needs. This is already the case in assessing a person’s eligible for residential care.

So, as I mentioned, from February 2017 there will be consistent national approach to prioritising access to home care through My Aged Care. As explained in the discussion paper last year, Home Care Packages will be assigned to eligible consumers from a national pool of packages managed by My Aged Care. There was general support from stakeholders for a national approach in the consultations. A prioritisation system is necessary because the total number of packages at each level will continue to be capped in accordance with the aged care planning ratio and as I mentioned earlier, while the number of Home Care Packages will continue to increase each year, this policy is not uncapping the overall supply.

Currently there can be significant variation in waiting periods for packages across Australia, with no systematic way of measuring or addressing that variation. A consistent national system will allow for a more equitable and flexible distribution of packages to consumers based on individual needs and circumstances regardless of where they live.

The prioritisation process will determine the order in which eligible consumers are assigned a Home Care Package. So the framework for the prioritisation process is set out in the legislation in new Part 2.3A of the Aged Care Act. Packages will be assigned to consumers on the basis of individual needs throughout the year as new or vacant packages become available.

The prioritisation process will take into account the relative needs and circumstances of consumers determined through two main factors. First, a person’s priority for service will be based on the urgency of a person’s care needs as determined through the comprehensive assessment undertaken by an ACAT using the National Screening and Assessment Framework.
Secondly, how long a person has been waiting for care will be considered. Usually this will be from the date of the assessment approval unless a person is not actively seeking care at that time.

So once a person has been assigned a package, they'll receive a written notice from My Aged Care. A person may be offered a package at a lower level than they've been approved for as an interim package. Where a person is receiving an interim package, they will remain on the waiting list for a higher level package without affecting their position in the national queue.

My Aged Care will support consumers in referrals to providers, but the consumer will be able to choose their provider. The prioritisation system will be closely monitored to ensure that all consumers, including people with special needs, and those living in rural and remote regions, are able to access care in an equitable manner. There will be the capacity to adjust or finetune factors in the prioritisation process if necessary.

As I mentioned earlier, portability of funding is a key element in ensuring that a consumer is able to change their provider if they wish to do so. In developing the implementation arrangements, the Department sought views from stakeholders on how unspent funds in a package should be treated. We received a lot of feedback from providers and consumer groups in response to the discussion paper. Options were also discussed with the NACA Home Care Reforms Advisory Group.

Informed by these consultations, the government has decided that where a consumer moves to another home care provider, any unspent funds will move with the consumer to the new provider. Where a consumer permanently leaves home care, any unspent fund also be returned to the consumer or their estate and the government according to the respective contributions made by each party.

Under both scenarios, the existing provider will be able to retain some of the unspent funds as an administrative charge. Some providers have called this an exit fee. However, an administrative charge or exit fee can only be charged where there has been full disclosure to the consumer.

So before the consumer commences in a Home Care Package, the provider must disclose the exit fee, if any, that may be deducted from the total of any future unspent funds. Any exit fee must be clearly set out in the home care agreement offered to the consumer.

To support transparency and choice for the consumers, relevant information will also need to be published on My Aged Care. The new arrangements will apply to unspent amounts for each consumer that have been accumulated since 1 July 2015, the date that Consumer Directed Care was introduced in all Home Care Packages.

The Bill provides a mechanism for the Commonwealth's portion of the unspent funds in a Home Care Package to be returned to the Commonwealth when a home care recipient permanently leaves home care and it will be through the usual Department of Human Services reconciliation process.

Further detail on unspent funds will be set out in amendments to the User Rights Principles which are currently being drafted. The User Rights Principles will include operational details on matters such as the definition of unspent funds and how they're to be calculated, timeframes for an
approved provider to reconcile and transfer unspent funds, and the requirements for an approved provider to disclose any exit fees in the home care agreement and by publication on My Aged Care.

So there's going to be an opportunity for all of you to provide comment on the proposed amendments to the User Rights Principles as part of the consultation on the subordinate legislation in the coming months.

The feedback on the discussion paper last year emphasised the importance of effective information and communication activities. We heard that messages need to be appropriately targeted at consumers, carers, providers, assessors, GPs and other health professionals.

Rather than providing a lot of information to the sector shortly before the commencement date, support will be delivered across a series of phases with clear objectives and focus for each phase. Activities will be aimed at ensuring the sector has all the information, education and training needed to be ready for the changes next February.

At the end of each phase we'll review how things went, what we did well and what we need to do differently or more of. This information will feed into the planning for the next phase so that activities appropriately are targeted and we'll consult with the sector as we go and check our progress regularly. We will adjust our approach or the specific activities if we need to.

Engagement and support activities will be ongoing throughout the next year and I would like to encourage your ongoing involvement. Opportunities to participate in activities will be advertised in our emails and newsletters to the sector, on the website and through direct contact with peak organisations, but if there other ways you would like to hear about things, please let us know.

So next steps. As I said, the Department is committed to working with you to ensure you are informed and can prepare for the changes. We're currently working on the amendments to the subordinate legislation and a draft of the principles is expected to be available for comment by May. We'll continue to work with stakeholders on the business design work so the proposed new functions and changes to My Aged Care are fit for purpose.

The Department will explain the future changes to My Aged Care through sector briefings, written materials and webinars later in the year. As I just mentioned, there'll be support and engagement activities throughout the year and we work in closely with the NACA Home Care Reforms Advisory Group on these issues as well as on policy, implementation and monitoring.

We will also be commencing consultations on the development of the second stage of the reforms in the next few months.

So as I mentioned earlier, there's quite a lot of information on the Department's website as well as the legislative materials on other government websites. The references and links are shown on the screen. The information on the department's website will be updated on an ongoing basis.
So that's the end of the formal presentation. We'll now use the remaining time to answer any questions from the live chat facility.

**SHONA McQUEEN:**
So, hi, I'm Shona McQueen from the Aged Care Reform Taskforce. I introduce my colleague David Braggett. So the first question that we've got is, "When will the 2015 ACAR results be known and how will these obviously impact on the changes?"

Well, we're hoping that in the next few weeks the results of the ACAR will be publically announced and in terms of what impact they have on the measure that Rachel's just outlined, essentially this will be the last ACAR where Home Care Packages are advertised in an ACAR approval process. From February 2017 we won't have Home Care Packages considered in that process. They will be allocated through My Aged Care through a process that we would be using on an ongoing basis rather than having a block of particular Home Care Packages announced in one block.

**RACHEL BALMANNO:**
So we're just waiting for the next question to come through.

**SHONA McQUEEN:**
Actually, Rachel, one of the things that I thought we might talk about, if David wants to discuss, is one of the key issues was what we're going to do for approved providers and what are the, you know, important measures in that. Do you want to outline what those are?

**DAVID BRAGGETT:**
Sure. Thanks, Shona. As part of the Home Care Reforms, there'll be some changes to the process for becoming an approved provider under the Aged Care Act. The changes are being made to encourage a broader range of providers to enter the home care market, to provide more choice for consumers and also to reduce the red tape associated with the current application and approval process.

The changes in the approved provider area are really in three main areas. The current legislative criteria for assessing suitability to become an approved provider, they're being modernised and streamlined with a greater focus on the capacity of the organisation as a whole to deliver quality care rather than individual key personnel who may change over time. The current criteria have largely been in place since the Act, the Aged Care Act, was introduced in 1997, reflecting, I suppose, a different focus of what we were looking for at that time.

Currently there are about 53 mandatory criteria, or there are 53 mandatory criteria, that must be considered by the Department in assessing an application for approved provider status. This will be simplified essentially to five key issues that go to the heart of determining whether an organisation can provide care; the experience of the organisation in providing aged care and other forms of care, an understanding of what's required and what are the responsibilities and obligations for that provider.
We will look at how care is being delivered, what systems are in place within the organisation, look at past compliance record, and the record of financial management and the systems that are in place to ensure financial management is sound.

The second area that we're changing through the approved provider changes is existing providers of residential care and flexible care will be able to opt in to become home care providers through a simplified process.

This is really recognising that these providers have already been assessed against standards and criteria to become approved providers under the Act and the streamlined legislative criteria provides an opportunity to make the application process a bit easier, a more streamlined form, fewer questions back and forth between the provider and the Department.

Then finally, approved provider status will no longer lapse after two years as it does at the moment. Once approved provider status is granted, it will commence immediately. It doesn't lapse after two years. We needed to do that in home care because places will no longer be allocated, so it can't lapse after two years, but we've taken the opportunity to introduce a consistent set of arrangements across residential care, flexible care and home care.

I suppose the final point to mention is that this is not about lowering the bar or lowering standards and Rachel made that point in her presentation. All approved providers will still need to meet relevant quality and accreditation standards.

SHONA McQUEEN:
So now we have - thank you for that, David. So now we have another web question. "What will happen to allocated packages which are not occupied at the time of the change?" Would you like to answer that one, David?

DAVID BRAGGETT:
OK.

SHONA McQUEEN:
OK.

DAVID BRAGGETT:
Essentially if a package is occupied with a care recipient in care at the time of the commencement, 27 February 2017, that care recipient or consumer will continue to receive care and services at that package level.

SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
Where there is no consumer in the package, because the package is no longer... or the place is no longer allocated to the approved provider at that date, that's the effect of the legislative change, in
practice it becomes... the place becomes returned to a national pool of places that will be managed by My Aged Care.

**SHONA McQUEEN:**
So that we can actually get them used, so that we can put them out there and make them...

**DAVID BRAGGETT:**
Correct.

**RACHEL BALMANNO:**
Give them to a consumer.

**SHONA McQUEEN:**
Yes.

**DAVID BRAGGETT:**
So the assignment of new packages or packages to new consumers will consist of packages that are currently unoccupied or unoccupied at the commencement date, new packages that are being created through growth in the aged care planning ratio and packages that are essentially returned as consumers leave subsidised care.

**RACHEL BALMANNO:**
And we've got another question. So, "What happens to clients who are already on a low level package, but have a high care approval? Do they automatically become high care on 27 February?"

**DAVID BRAGGETT:**
OK. That's me.

**SHONA McQUEEN:**
I'm happy to answer it. OK.

**RACHEL BALMANNO:**
I was just looking at both of you.

**SHONA McQUEEN:**
So what happens is they absolutely will continue to be eligible for a level four package. They will be put on to the prioritisation list and the next available higher level package will be allocated when they reach that point in the prioritisation queue.

**RACHEL BALMANNO:**
So basically if they're in a level two package, they keep receiving a level two package...

**SHONA McQUEEN:**
Absolutely.
RACHEL BALManno:
.. on 27 February.

SHONA McQUEEN:
Yeah.

WHITE:
But automatically if they had an approval for a level three/four, then they’re automatically on the list waiting for an available level four package.

SHONA McQUEEN:
And one of the other issues that I think would be useful to know is that those that have been broadbanded in the current system, that have an eligibility deemed for one/two or three/four, on 27 February 2017 what will happen is they will be, if you like, upgraded to a level two and to a level four so that that will be the deemed eligible place and if they’re, for example, currently on a level three, they will be deemed eligible to be a level four and they will go in the prioritisation queue for an available...

RACHEL BALManno:
So the top of the band.

SHONA McQUEEN:
Absolutely, yes.

RACHEL BALManno:
Now, next question, "Is there a minimum period of notice the client has to give to the provider?" I assume the question means if they’re choosing to leave their package.

SHONA McQUEEN:
Yes, yes.

DAVID BRAGGETT:
The short answer is no. The government’s not proposing to regulate this aspect. This will be a matter between the consumer and the provider that will be reflected in the Home Care Agreement between them.

RACHEL BALManno:
Yes. And the next question, "How can we ensure continued staffing or will the workforce become casual?"

SHONA McQUEEN:
Well, I think this is a great question because it actually highlights that there is enormous opportunities for providers to really look at the types of services that they’re doing and use the opportunity to perhaps rethink how they’re going to deliver services and whether they want to specialise at this particular time.
The services that are really familiar with the consumers and their consumer needs would already be starting to adjust their service delivery because of consumer-directed care, for example, and needing to better target the services to the consumer’s need. In some cases, it will mean that there will be - you know, if the service operates that way, that there may be the need for some casual staff as well, but primarily it’s about looking to see how they could readjust their service delivery in a more responsive way. That doesn't necessarily have to mean that they're casual staff, but there are enormous opportunities to rethink how service is actually delivered.

**RACHEL BALMANNO:**
And I guess it’s important to always keep in mind that the Home Care Packages Program is growing every year.

**SHONA McQUEEN:**
Absolutely.

**RACHEL BALMANNO:**
There are more packages available year-on-year as the program... the government has made a specific decision to grow the program faster than we expect the number of eligible clients to grow so that more people will have access to packages with shorter waiting times.

**SHONA McQUEEN:**
Indeed, and once the 2015 ACAR is actually announced, there will be close to 80,000 Home Care Packages actually allocated and hopefully the majority operationalised.

**RACHEL BALMANNO:**
That growth can give, you know, providers who are targeting and understanding their consumers’ needs and meeting them, that growth is something they will be able to take advantage of.

**SHONA McQUEEN:**
Absolutely. It is a huge opportunity.

**RACHEL BALMANNO:**
So the next question, "Can you clarify how unspent funds are to be dealt with from 2017?" Well, I've already had a go, so do you want to have a go at that one, David?

**DAVID BRAGGETT:**
I'll have a go. Now, Rachel has covered some of this in her presentation, so the slide that Rachel presented is one point of reference. I probably should say from the outset there is a range of material available on the department's website and we're continuing to update that material on and ongoing basis. So I'll give an answer, but for more detailed information in the explanatory memorandum to the Increasing Consumer Choice Bill, there's information, there are questions and answers that are published on the department's website, so you can refer to those as well.
Unspent funds... essentially it falls into two categories. Once the changes commence, when a consumer leaves a Home Care Package to go to another provider, exercising choice and portability, the unspent funds, if there are any, will move with the consumer to the new home care provider. We tested that through the consultations and there seemed to be very broad support for that as a principle.

The second scenario is when a home care consumer permanently leaves home care and that can happen for a few reasons. The consumer may be entering residential care on a permanent basis. They may simply be leaving the program or in some cases the consumer may have passed away.

The approach that is proposed in the Bill and in the subordinate legislation is that unspent funds, they fall into two components. The Commonwealth contribution through subsidy and the contribution that the consumer has made through home care fees will be returned to the two parties, to the Commonwealth or to the consumer or their estate, based on the respective proportions that each party has contributed to the package.

There is some further detail around the operational arrangements for unspent funds that will be articulated in the User Rights Principles in the subordinate legislation. The subordinate legislation is currently being drafted and it's intended a draft of the principles, including this particular issue, will be available for comment and feedback we think around May.

RACHEL BALMANNO:
Before government makes a decision on the details of those parts of the arrangements. And I think it's probably important to note for people there, and I know we've had this conversation in a number of discussions with stakeholders in the advisory group and otherwise, what we mean by unspent funds.

SHONA McQUEEN:
That's a good point.

RACHEL BALMANNO:
And it's not the cash that happens to be on hand. It does take account if there's outstanding bills in relation to that consumer's care, for example. The provider obviously... that's not unspent. That's money that has been committed...

SHONA McQUEEN:
That's committed.

RACHEL BALMANNO:
..and is regarded as spent.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
It is really about the funds that have been either paid by that consumer or paid by the government on behalf of that consumer for which there's no commitment in place, the care hasn't been provided, for example.

**SHONA McQUEEN:**
Yes, they're part of a contingency fund or in addition to that, funds that hadn't yet been allocated for services, yeah.

**DAVID BRAGGETT:**
Before we leave that issue, because this is a fairly complex issue, during the consultations a number of providers rayed the issue of charging administrative charge or an exit fee, as some called it, when a consumer leaves a package.

There will be provision for a provider to charge an exit fee or an administrative charge, but it's on a full disclosure basis. There will be a requirement for the provider to fully disclose any administrative charge or exit fee up-front to the consumer. That needs to be reflected in the Home Care Agreement with the consumer before they enter into the package and there will also be a requirement to publish certain information, relevant information, on My Aged Care so there's disclosure and transparently to the broader public.

**RACHEL BALMANNO:**
And that fee, I think the providers who suggested that in the consultation process, is really about covering some of the administrative costs that they will have and the...

**SHONA McQUEEN:**
In reconciling expenses.

**RACHEL BALMANNO:**
In reconciling the expenses and understanding how much of it, for example, was paid by the consumer versus the government.

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
And then managing the return of those funds to an estate, for example, or whatever might be required. I think the Regulation Impact Statement for the Bill, which is published, it's on the Parliament House website as part of the Explanatory Memorandum...

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
..does acknowledge that there are some additional administrative costs for providers in that space. So it will be up to providers how they want to manage that issue, but there is this option available to them to help with those costs.

**SHONA McQUEEN:**
And that will be... have to be clearly articulated in both the Home Care Agreement and also on the service finder so the consumer is clear when the agreement’s been signed.

**RACHEL BALMANNO:**
As with anything else in the agreement the fees have to be very clear...

**SHONA McQUEEN:**
Yes

**RACHEL BALMANNO**
..as to what they’re paying essentially. Our next question. So, "How will the respective contributions made by each party be calculated in the event that a consumer permanently leaves home care?"

**DAVID BRAGGETT:**
We've already covered part of that. The detail will be in the User Rights Principles, but essentially it’s the respective proportions that...

**SHONA McQUEEN:**
From whence they came.

**DAVID BRAGGETT:**
From whence they came that have been the respective proportions that have gone into the package either from Commonwealth subsidy or from the home care fees paid by the consumer.

Some of that information is already there with the individualised budget that is available to consumers through a consumer-directed care package and it’s really a case of being clear about what those respective contributions are so that it can be reconciled at the end of the client’s time in the package, included in a statement that is provided to the consumer.

**RACHEL BALMANNO:**
Our next question. So, "How will clients with specific language or cultural needs have those needs met? What happens to clients in remote areas where there are limited services available?" So let's deal with each of those separately because I think there's important points to make on each of those questions.

**SHONA McQUEEN:**
So, let’s focus on the first part of that question and that’s clients that have got a specific language or ethnic background that they want the services to be particularly focussed on and catered to.
One of the great things about the measure as a whole is that it actually focuses on the individual rather than the other way around. So everybody will have their own individual needs sort of worked through, discussed and a care plan developed to tailor specifically to their care needs. That will allow for people from different backgrounds, for example, people with special needs, to actually have an individualised care plan and with it a range of services that might extend past what that particular service provider can provide, but what happens is it allows for a conversation with the provider and, if necessary, some brokered or contract services are actually brought in as part of the whole package.

So the consumer can have a range of different services that they would like to have to meet their care needs and I think it's important that we acknowledge that it's a very important conversation at the beginning to talk about what the care needs are for the client, that those are captured into the care plan as part of the overall Home Care Agreement.

If we could have the question back again just to focus on the second question. So David outlined before part of this...

RACHEL BALMANNO:
Before we move on, I think it's probably worth also making the point, and we know this now, that there are small providers who target particular cultural groups.

SHONA McQUEEN:
Indeed, yes.

RACHEL BALMANNO:
..who have struggled to get places in an ACAR in their own right because the ACAR is quite a... for home care has been an incredibly competitive process.

SHONA McQUEEN:
It's very competitive, yes.

RACHEL BALMANNO:
And smaller organisations perhaps don't have the same resources to devote to the application process. This creates an opportunity for them, assuming they can demonstrate their suitability as an approved provider, to play that role within their communities in a way that they've perhaps not been able to do directly when it's been about writing applications to government.

SHONA McQUEEN:
That's a really good point. It is about tailoring to a specific part of the market, perhaps, yeah, exactly like you've said, they haven't done before.

DAVID BRAGGETT:
And being able to market the services to clients from particular groups. If they're a specialised provider, we think there's a real opportunity here for specialised providers to promote what they can offer to communities and to consumers.
RACHEL BALMANNO:
And then the next question is what about rural and remote areas where there is limited services available.

SHONA McQUEEN:
So part of the measure is the ability for those residential facilities or flexible care services, they’re going to have an opt in arrangement whereby it will be a much more streamlined process to be able to apply for a provider status to deliver home care. So already just thinking through that there will be increased choice for people in rural and remote areas as well.

CHSP providers that are already delivering, you know, care in that area will also be able to apply to become an approved provider for home care. So the measure itself provides a broader range of potential services that clients can actually access.

It also provides an opportunity, I think, for creativity in one way for providers to think around how can they deliver services in a perhaps better way, a better targeted way, and already we know that some services in remote areas, for example, are operating on a hub and a spoke model where they centralise, if you like, the administration and the key coordination aspects of it into one part of the region, but they deliver a range of different services to a much wider area.

I think this is where some very creative ideas have been coming to the fore of late since consumer directive care has been there and I think we'll see a lot more of that as remote and rural providers actually think through how better to deliver their services.

RACHEL BALMANNO:
Our next question, "Will providers be able to impose minimum contractual terms when signing up packages or signing up clients into a package?"

DAVID BRAGGETT:
This really builds on the answer that I gave earlier where there was a question about minimum notice periods to leave a package. It's not an area that the government is intending to regulate. But having said that, the intent of this measure is to provide choice and flexibility and portability to the consumer.

RACHEL BALMANNO:
So we'll obviously be monitoring practises within the industry.

DAVID BRAGGETT:
Be monitoring it very carefully and working with peak groups and with providers and the sector as a whole to understand what the intent of this measure is. We'll look at behaviour.

I suppose from a government's point of vie, it would be concerned if there was a change in behaviour or practice that essentially undermined the intent of the measure. So it is an area that we will look at very carefully, but at this stage, issues like that would be a matter for the Home Care
Agreement between the consumer and the provider rather than something that would be included in the principles or the regulatory framework.

RACHEL BALMANNO:
Certainly we've already heard from many providers who don't intend to impose a sort of minimum contractual period or requirements like that, so if you were a consumer...

SHONA McQUEEN:
Yeah.

RACHEL BALMANNO:
..looking at different options, that's obviously something you would consider about whether that is a... whether you’re happy to sign up it to like we all do when we decide about our mortgage conditions or anything else.

SHONA McQUEEN:
Good point. In fact, so it's great that consumers are going to have portability to be able to take their package with them and move to another provider of their choosing if that's the key issue that they consider.

DAVID BRAGGETT:
I think the role of the My Aged Care Service Finder is also relevant here. The My Aged Care Service Finder, which will be expanded and enhanced, is to provide information to consumers about what services are potentially available and some of the things that we're dealing with here. There will be information on My Aged Care that will enable a point of comparison between services.

As Rachel said, some providers have already indicated that they won't charge an exit fee, there won't be a minimum period of contractual service because they think that can potentially give them a competitive advantage in the market. So it will vary, but it's an area that we will look at closely.

RACHEL BALMANNO:
The next question...

SHONA McQUEEN:
It's a long one.

RACHEL BALMANNO:
So, "Will surplus funds have to be transferred with the consumer. At the moment there's discretion for the provider to retain these funds. Will this discretion remain or will the surplus balances have to be transferred to a new provider if a client decides to change?" So that's essentially what we've been calling unspent funds through the conversation.

SHONA McQUEEN:
Unspent funds, yes.
RACHEL BALMANNO:
The short answer is yes.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
It either transfers with the client or it's returned to the government and the client.

SHONA McQUEEN:
Yes, from whence it came, yes.

RACHEL BALMANNO:
So, "Will consumers in arrears be able to transfer between providers?" So that's if they still owe money, they haven't paid their fees to their provider. "Will the arrears follow the consumer also?"

SHONA McQUEEN:
That's a good question. So obviously part of the reconciliation that has to happen when they're leaving a provider means that if there is, you know, an arrear or a debt that's incurred, then, yes, that will have to be reconciled, but that's a discussion between the provider and the consumer.

RACHEL BALMANNO:
It's not something we've legislated for.

SHONA McQUEEN:
No, but how that needs to be worked through.

DAVID BRAGGETT:
The Home Care Subsidy or the government subsidy is not intended as a way of paying home care fees, so that is one point and that flows into how unspent funds are also treated. Unspent funds is not a direct draw on home care fees that may be payable by the consumer.

RACHEL BALMANNO:
Yes.

DAVID BRAGGETT:
I mean, really, that's a matter that we would be expecting the provider and the consumer to be managing during the course of the package, not waiting until a consumer leaves a package.

RACHEL BALMANNO:
It's part of the contractual arrangement between them in the Home Care Agreement.

DAVID BRAGGETT:
Yes.
SHONA McQUEEN:
I mean, I can see an example whereby a consumer has purchased services over and above what their subsidy amount is because they choose and it’s the opportunity they choose to have a much more comprehensive package and so obviously a reconciliation of those costs would have to happen before they moved providers and that’s a reasonable transactional arrangement that would happen with anything, with any sort of purchase in a market system.

RACHEL BALMANNO:
So our next question, "Will consumers receive the funding and pay providers?" So the short answer for this one is no. So the funding still flows to an approved provider from the Department of Human Services, but the consumer chooses which approved provider. It’s not about who government has chosen through an allocation of places...

SHONA McQUEEN:
No.

RACHEL BALMANNO:
It is about who the consumer chooses to be their provider.

SHONA McQUEEN:
Correct, yes.

RACHEL BALMANNO:
So, "Will providers be limited to operating in a particular geographic area?"

SHONA McQUEEN:
No, not at all.

DAVID BRAGGETT:
You can say that categorically, that...

RACHEL BALMANNO:
It will be up to the provider.

SHONA McQUEEN:
Great opportunities.

DAVID BRAGGETT:
And it’s a move from the current arrangements where providers are not restricted, but the places... the home care places are allocated in respect of a particular aged care planning region.

RACHEL BALMANNO:
So those restrictions essentially disappear in February 2017.
Correct.

**RACHEL BALMANNO:**
So providers can be planning with certainty now that the Bill has passed...

**SHONA McQUEEN:**
Yes, absolutely.

**RACHEL BALMANNO:**
.. or that future. Our next question. So, "Will the ACAT or the ACAS in Victoria have targets or limits on the levels of packages they can approve? Essentially still controlling package numbers?"

**SHONA McQUEEN:**
No.

**RACHEL BALMANNO:**
Well the ACATs and the ACASs approve eligibility for clients and they certainly won't have limits on how many clients they can assess as eligible. It is about who seeks an assessment and assessing their needs against the criteria. It's not about who got there first or anything like that.

Where there are limits, though, is in the total number of packages that are available on any given day, any given week around Australia. That's why we've talked about the idea of having to prioritise clients. So they get their ACAT assessment, there is no limit on that, but who gets the next package or when each client gets a package is based on that prioritisation process and essentially a waiting list.

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
So the limits will be there and there will still be limits on the number of packages, but the number will be higher than it is now. The next ACAR brings new places on to the market.

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
And there will be more places that are brought on in February 2017.

**SHONA McQUEEN:**
Yes.

**DAVID BRAGGETT:**
The number will continue to grow over time.
RACHEL BALMANNO:
Will continue to grow beyond that.

SHONA McQUEEN:
Just to really make it clear for the answer to that question, so the ACAT will obviously assess the particular need of the that individual, but that's really separate to, you know, the allocation as such of the place itself. That's done through My Aged Care and that's why we're separating them both.

RACHEL BALMANNO:
Our next question, "How much choice are providers to give consumers such as choice around subcontracting agency? Can approved providers refuse to use some sole trade others?" Essentially yes. We're not mandating that providers subcontract to particular organisations.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
Given that the providers continue to carry the responsibilities under the Aged Care Act, they have to be able to make those decisions about who they're prepared to deal with...

SHONA McQUEEN:
Yes

RACHEL BALMANNO:
..as subcontractors and have confidence that those responsibilities are going to be met.

SHONA McQUEEN:
And this is an issue that we often get raised with us currently through Consumer Directed Care and this is about having a conversation and working through these sorts of issues on the... you know, on the ground, so to speak. There are some... obviously the approved provider will have to make a decision about the subcontractor and if they've got concerns, then these need to be discussed with the consumer and full transparency.

RACHEL BALMANNO:
But under the current arrangements, not just what's coming in February 2017, we strongly encourage providers and consumers to have those conversations.

SHONA McQUEEN:
Absolutely.

RACHEL BALMANNO:
For providers to think creatively about how to meet consumer's needs.

SHONA McQUEEN:
Yes.
RACHEL BALMANNO:
But also to be upfront about, for example, any additional cost that might be involved in a subcontracting arrangement.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
And that’s part of the discussions about care planning and budgeting.

SHONA McQUEEN:
Yes, that’s... yes, absolutely.

DAVID BRAGGETT:
And we’re aware that some of the peak bodies in particular have provided some resources and information to assist providers in understanding what subcontracting and brokering is and legal responsibilities. So there’s a source of information that’s already available to providers from peak bodies. We would encourage subcontracting, but there are limits. It would depend on the circumstances of what’s appropriate.

RACHEL BALMANNO:
Yes. And the next question, “Who manages the wait list for approved consumers between the date of their approval and the point that a package becomes available? What is their level - what if their level of approval need changes during that time?” So there’s probably two questions there. Let’s go to the first one about who manages it. You said before, Shona, it’s essentially My Aged Care.

SHONA McQUEEN:
So what happens is once the ACAT has made an assessment to... and identified a particular level of Home Care Package for eligibility for the consumer, they are then prioritised on to a wait list. I’ll just take a step back.

So the ACAT will deem whether it’s going to be urgent, if there's medical needs, et cetera, that need to be thought through quite quickly. We will have an urgent priority list for those particular consumers. They will be literally categorised on a time-waited process and then My Aged Care will allocate the places as they become available.

RACHEL BALMANNO:
To whoever’s at the top of the list.

SHONA McQUEEN:
Yes. Now, if, for example, a consumer is deemed eligible for a level four, but there isn't one available yet, it may be that they're offered a level two for the interim period and...
But they stay on the list until there's a level four.

**SHONA McQUEEN:**
Absolutely. So they're still on the priority list until a level four becomes available and then they... then they will obviously be allocated that one.

**RACHEL BALMANNO:**
So if someone's needs change while they're still on the waiting list...

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
.. they should contact My Aged Care to get their needs reassessed.

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
Because it may be they need to have their...

**SHONA McQUEEN:**
A reassessment.

**RACHEL BALMANNO:**
A reassessment and have their package level that they're approved for changed.

**SHONA McQUEEN:**
Yes.

**DAVID BRAGGETT:**
And it may change the package level. It may also change...

**RACHEL BALMANNO:**
The priority.

**DAVID BRAGGETT:**
.. the priority, the urgency of a person's assessed needs. An example that's been commonly cited is if a person's been cared for by a family member or a carer and something happens to that carer or family member so that those arrangements change, the needs of the person may suddenly be quite different.

**RACHEL BALMANNO:**
Yes.
DAVID BRAGGETT:
And that’s where both the level of care might be affected and also the urgency of the person’s assessed needs. That will affect the prioritisation, which potentially means that that person in need of care may get access to a package more quickly.

RACHEL BALMANNO:
And that’s... seeking reassessments if the needs change is similar to what happens now.

SHONA McQUEEN:
It is, actually.

RACHEL BALMANNO:
If someone is assessed and doesn't access a package...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..either because they haven't sought one or they're on a waiting list with a provider waiting for a package and their needs change, they can seek a reassessment.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
So, "If the exit fee must be negotiated with a consumer upfront prior to commencement of a package, how will providers account for existing agreements since July 2015 where these exit fees were not included because the providers were not aware the legislation would change?", which is a very fair question.

DAVID BRAGGETT:
It’s a fair question.

SHONA McQUEEN:
It is.

DAVID BRAGGETT:
This question has come up from some providers, it’s come up through some of the peak groups in recent weeks as the legislation's been in Parliament. Essentially this is dealing with a set of transition issues.

SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
And the principles where these arrangements will be set out will have a set of transition provisions. There’s probably a couple of parts to this. You know, does an existing Home Care Agreement have to be amended prior to the commencement date? It doesn’t have to be amended to deal with a different arrangement with unspent funds, but there is an opportunity to do so.

RACHEL BALMANNO:
Yes.

DAVID BRAGGETT:
You know, we would encourage providers to have a conversation with all their clients as to what the changes mean and that...

RACHEL BALMANNO:
Ahead of February ’17.

DAVID BRAGGETT:
Ahead of February ’17 and that might mean there’s provision to amend the Home Care Agreement to deal with the issue of exit fees. No requirement for that to happen. If there is any inconsistency between provisions in a Home Care Agreement and what the legislation says in February ’17, the established principle is that the legislation will take precedence over anything that is inconsistent in the Home Care Agreement.

SHONA McQUEEN:
I mean, I think it’s also an opportunity at a point in time to make sure that the consumer understands, you know, the changes to the program. It’s an important conversation that I think, you know, providers can take advantage of in explaining the range of... you know, the range of opportunities for both the consumer and the provider in that space and what it actually means.

DAVID BRAGGETT:
And I think from a communication point of view we will continue to work very closely with groups representing providers, peak groups, to talk through these type of issues, particularly in the transition. The transition in many programs when you’re going from one set of arrangements to another is often the more difficult part of the program. Once, in this case, February 2017 rolls around and we have new clients into the program, the arrangements become, you know, a little more simple.

RACHEL BALMANNO:
But given that the Bill has passed we’d encourage providers to be starting to think about these issues and what they want... they think their business model is going to be for February ’17, sooner rather than later.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
Particularly once they get a chance to see the subordinate legislation in the next couple of months, to really sort of get clear in their own minds about what sort of arrangements they want to have into Home Care Agreements going forward and to start to build some of that in sooner rather than later knowing that some of the clients who are entering packages, you know, toward later this year will obviously still be in packages come February next year.

SHONA McQUEEN:
And we’re quite conscious that we will obviously want to provide some support tools to the provider and also to the consumer...

RACHEL BALMANNO:
Yes.

SHONA McQUEEN:
..to have that what is a pretty important conversation and I'm clear from the learnings that we had from introducing Consumer Directed Care that these conversations can't be a just one-off.

RACHEL BALMANNO:
Yes.

SHONA McQUEEN:
They really do have to be a more continued conversation to make sure that, well, both parties, you know, really understand what they're signing up for.

DAVID BRAGGETT:
Probably just mention one more point on unspent funds, that the new arrangements will take effect once the subordinate legislation has been signed. They will take effect at the same time as the primary legislation, in February 2017. If a consumer leaves a package sometime prior to then, the existing arrangements stay on foot.

RACHEL BALMANNO:
Yes, good point.

DAVID BRAGGETT:
So the new arrangements with unspent funds...

RACHEL BALMANNO:
They don't start yet.

DAVID BRAGGETT:
..they could apply to existing consumers, but only if the exiting consumer is still in care...

RACHEL BALMANNO:
After February.
DAVID BRAGGETT:
..in another 11 months from now.

RACHEL BALMANNNO:
Yes. And the next question. This is from someone who is currently an approved provider, but as yet have not been allocated packages. "Does this mean we do not have to apply for approved provider status again?" Well, that really depends on when their two years is up, doesn't it?

DAVID BRAGGETT:
Correct. We said that the...

SHONA McQUEEN:
It's a technical question, that one.

DAVID BRAGGETT:
The changes to when approved provider status comes into being, when it takes effect, the legal changes will take effect in February 2017, like all the other changes. At that time, if a person is an approved provider, or gains approved provider status, it never lapses. If the two year period from where...

RACHEL BALMANNNO:
The clock's already ticking.

DAVID BRAGGETT:
..has already started and would expire before the changes take effect, so in other words if an approved provider was granted approved provider status a couple of years ago and it would otherwise expire late this year, it will still expire because the new arrangements don't kick in until the early part of next year.

RACHEL BALMANNNO:
But the new arrangements that come into play next year will have a streamlined approved provider status. So if an organisation does need to reapply or, indeed is thinking about applying for the first time, it will be against those five criteria you mentioned rather than the current 53.

SHONA McQUEEN:
Not the 53. Yes. So it's much more streamlined and so that particular provider, if they're in that situation, they could apply, you know, prior to 27 February on the basis that they could, you know, be allocated an approved...

RACHEL BALMANNNO:
Be approved on the 27th when the new laws come into place.

SHONA McQUEEN:
Yes.
RACHEL BALMANNO:
So we will have new forms and things to support all of that as we get closer to the time.

SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
I think in relation to specific queries like this, if there's a time period involved probably our advice is contact the Department with the specifics of your case and your organisation.

RACHEL BALMANNO:
So we can give you specific advice based on your circumstances.

DAVID BRAGGETT:
We can give you specific advice.

SHONA McQUEEN:
Yes, makes sense.

RACHEL BALMANNO:
The next question, "Can you talk through what is required to be an approved provider post February '17?"

DAVID BRAGGETT:
I think we’ve probably done that to some extent. So rather than repeat the full detail, probably refer to the questions and answers in the other material that’s already available, but essentially to provide subsidised home care you do need to be an approved provider. You will still need to meet the legislative criteria. They will be simplified and streamlined. There will still be an application.

RACHEL BALMANNO:
They’re really about organisational capacity to deliver home care.

DAVID BRAGGETT:
Organisational capacity. Yes, less about the individual key personnel. For those who are familiar with the current criteria in both the Act and the principles, certainly a number of the criteria relate specifically to experience, competence...

RACHEL BALMANNO:
Of individuals.

DAVID BRAGGETT:
..of individuals. So that will be different.

RACHEL BALMANNO:
And providers will all need to still participate in quality review and possibly accreditation arrangements depending on what type of care they’re providing.

SHONA McQUEEN:
Absolutely.

RACHEL BALMANNO:
The next question, "Can an exit fee be levied where the consumer is in debt or has no package funds?"

DAVID BRAGGETT:
No. The...

RACHEL BALMANNO:
The exit fee as it’s been defined in the legislation is an amount that can be retained from unspent funds.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
So if there are no unspent funds, the legislation doesn't allow for an additional fee.

SHONA McQUEEN:
Good.

DAVID BRAGGETT:
The policy intent here was not that a consumer on leaving a package would potentially incur a debt as a result of an administrative charge or an exit fee that then carried forward potentially to a new provider. So...

RACHEL BALMANNO:
No, it was about covering the costs of reconciling unspent funds and if there are none, then the costs aren't there.

SHONA McQUEEN:
Correct.

RACHEL BALMANNO:
"If a consumer moves to a residential aged care facility of the same provider"...
"what will happen to the unspent funds?"

DAVID BRAGGETT:
We're in that second scenario that I mentioned of a consumer permanently leaving home care. The reason for that is that this is about an individualised budget belonging to a consumer.

RACHEL BALMANNO:
In respect of their care needs at the time.

DAVID BRAGGETT:
And in respect of a Home Care Package.

RACHEL BALMANNO:
Yes.

DAVID BRAGGETT:
A consumer doesn't have an individualised budget in residential care and so although if we put ourselves in the consumer's perspective, yes, the consumer is moving from one type of care to another, the money and the budgetary allocation doesn't flow with the consumer from one care type into a different care type. So, in short, entering into a residential aged care facility, the consumer will be treated as if they're permanently leaving the Home Care Package program, which is really what they are.

RACHEL BALMANNO:
"Do funds for package holders that have already exited since July 2015 need to be returned to government or clients? Or is it those who exit just going forward now?" Well, it doesn't come into play until 27 February 2017.

SHONA McQUEEN:
Correct.

RACHEL BALMANNO:
So at the moment the rules are as they have been...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..for the last few years, which is that the funds can be retained and...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..they're routinely retained by the provider:
SHONA McQUEEN: By the provider, yes.

DAVID BRAGGETT: And the unspent funds are those that are accumulating from July 2015.

RACHEL BALMANN: Yes.

DAVID BRAGGETT: So if there were unspent funds that had accumulated prior to that time...

RACHEL BALMANN: No, they're not.

DAVID BRAGGETT: ..potentially because a...

RACHEL BALMANN: They're not covered by these new arrangements, yes.

DAVID BRAGGETT: Not covered up to the point of July 2015.

SHONA McQUEEN: And the reason for that is that as everybody who's currently got a Home Care Package, it was July 2015 that all Home Care Packages converted to being delivered on a Consumer Directed Care package.

RACHEL BALMANN: So that's where the idea of the individualised budgets...

SHONA McQUEEN: Yes.

RACHEL BALMANN: ..and therefore contingencies or unspent funds within those budgets went across the whole sector.

SHONA McQUEEN: Yes, yes, so it made sense to take it from that date rather than from a previous date for those previous clients.

RACHEL BALMANN: And our next question then is, "How will My Aged Care assist clients to select a provider?"
So there's a couple of things here. So My Aged Care already has a role in publishing information about different providers, but we've been talking to consumers particularly about what they'd like to see on My Aged Care come February '17 to help with those sorts of choices.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
So what information will be there to help consumers to compare providers...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..or to know what to look for if they're then going to talk to a provider.

SHONA McQUEEN:
Yes, and it's been interesting feedback that we've had. Some providers want some fees, but the majority of consumers, rather, actually want to know the range of services that the provider's going to offer.

RACHEL BALMANNO:
And hours of operation and things like that.

SHONA McQUEEN:
Yes, and those sorts of things. So it's fully informing. You know, the more information that a service provider could put on the service provider - sorry, the more information that a provider can put on to the Service Finder, I think it gives the consumer a far greater depth of knowledge about what the... you know, that particular provider can do and is a way almost of advertising the specific niche services perhaps that service providers will no doubt want to advertise.

RACHEL BALMANNO:
And as is happening now as ACATs are moving on to using the full functionality of My Aged Care...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..around the country, they're able to... through My Aged Care is able to do a referral on behalf of the consumer to a particular provider that they're choosing.

SHONA McQUEEN:
Yes.
RACHEL BALMANNO:
Or they can do a broadcast referral to a range of providers.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
Or they can give the client a referral code that they can then take...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..to the provider of their choice. So there's a range of options there depending on what sort of support the client is looking for.

SHONA McQUEEN:
Yes, and even with all of that, you know, advocacy plays a huge role in some of this as well and consumers if they really are struggling, they could access the services of an advocate to assist them in some of that transition. But the majority of consumers will be receiving, you know, some assistance from a conversation over the phone from My Aged Care and they will assist them and give them some assistance in terms of which providers are in their local area, direct them to the website to be able to get more information and then outline the process about, you know, how they access their code and how they activate the code.

RACHEL BALMANNO:
And we're very interested. So people who do want to send us information...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..through the contacts we've put up, we're very interested in people's views about what information needs to be available...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..to consumers to support their choices.

SHONA McQUEEN:
Absolutely. Yes, that's one area that we're keen to get feedback for.

RACHEL BALMANNO:
Next question is, "Will these changes and My Aged Care be promoted to consumers? If yes, will there be strategies for informing CALD communities as well?" Short answer, yes

SHONA McQUEEN: Absolutely.

RACHEL BALMANNO: Do you want to expand on that?

SHONA McQUEEN: So we are already meeting with... we have several advisory groups. We have a specific one for... a CALD advisory group and we are working with them and providing a lot of information and getting feedback at the same time about how we can engage with the sector in that area, but we certainly will have a comprehensive sector engagement plan, as, you know, Rachel outlined, in a phased way to make sure that we try to spread the word as widely as we possibly can.

RACHEL BALMANNO: And there's already quite a lot of work going on...

SHONA McQUEEN: Yes.

RACHEL BALMANNO: ..to promote awareness of My Aged Care and certainly the numbers of contacts by CALD or web visits goes up week-on-week.

SHONA McQUEEN: Yes.

RACHEL BALMANNO: So I think certainly it's getting out there that this is the place to go for information...

SHONA McQUEEN: Yes.

RACHEL BALMANNO: ..and to get your needs assessed, et cetera. So our next question is, "Can a consumer use their package funds to purchase the services they receive between two approved providers at the same time?" Not at this stage. Not what we've done for stage one.

SHONA McQUEEN: Not yet, yes.

DAVID BRAGGETT:
There's probably... there's two issues to this or a two-phased answer to it. As Rachel said a few times, the stage one changes, which will apply from February, the funding will continue to be paid to an approved provider, a single...

RACHEL BALMANNO:
One approved provider.

DAVID BRAGGETT:
A single approved provider, but the consumer will have more choice in choosing that provider or if they're unhappy with that provider or they're simply wanting to relocate or move, they'll be able to change provider. The question has been raised through consultation, the question is raised there, can multiple providers be paid? Not in the first stage. The second stage...

RACHEL BALMANNO:
But it is something we expect to look at in stage two.

DAVID BRAGGETT:
Correct.

SHONA McQUEEN:
Absolutely. It's a critical part of what we're thinking about.

DAVID BRAGGETT:
We haven't talked much about stage two today, but it's essentially to look at...

RACHEL BALMANNO:
Stay tuned, there'll be another webinar on that.

DAVID BRAGGETT:
..opportunities for integrating the existing Home Care Packages Program and the Commonwealth Home Support Program. There are a number of issues that we will need to work through and one of those gets to the issue of, you know, what it means to be a provider, whether it's an approved provider...

RACHEL BALMANNO:
Yes.

DAVID BRAGGETT:
..a registered provider, a service provider, whether we pay a single approved provider or multiple providers. Some have suggested we should be paying consumers or carers directly. So there are a number of issues that we need to work through as we go forward.

RACHEL BALMANNO:
And that’s part of what we’re expecting to consult on later this year.
DAVID BRAGGETT:  
Correct.

SHONA McQUEEN:  
Yes.

RACHEL BALMANNO:  
So our next question, "Does the Department believe that with these new reforms small, not-for-profit approved providers, will be able to be equally financially competitive as large private organisations that are for profit?"

SHONA McQUEEN:  
I think this goes to the opportunities that we discussed before, that interestingly enough small providers tend to know their consumers really well. They are very good at being able to specifically target the kind of service delivery in that way. So it's not necessarily a large provider that will have the economy of scale that is likely to be more viable than a smaller provider.

I think, Rachel, you also mentioned that, you know, for CALD communities, for example, there's an opportunity for small providers to have that niche sort of speciality, if you like, to be able to target services. So, no, we don't see... we don't see it as a disadvantage. It's an opportunity to, I guess, really target a particular part of the sector and deliver a really good wholesome care package.

RACHEL BALMANNO:  
I guess for each provider to think about their business model, who they're targeting and how they present what they offer.

SHONA McQUEEN:  
Yes.

DAVID BRAGGETT:  
What is the value... the value proposition, what are they able to offer their providers.

RACHEL BALMANNO:  
Yes, that a bigger provider might not offer, for example, or that a less local provider might not offer or, indeed, what does the big provider offer? There will be a mixture of things and as with any purchase, different consumers will find different parts of that important.

DAVID BRAGGETT:  
Correct. This issue came up in the consultations quite a bit, the consultations that we conducted on the discussion paper last year, and there were a mix of views from the one that was presented there and the question that larger-for-profit providers with economies of scale would be at a competitive advantage, that was one view. Bearing in mind, that's a pretty small part of the home care market at the moment. We've only got about 10% of the home care market who are actually for-profit providers, and then there were different views, like the ones we've been talking about, that the smaller, the niche, the specialised provider...
SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
..who has a good connection already to local community, to their consumers, they're well placed. They're really well placed to move forward in a more competitive environment because it's about local needs and local circumstances and understanding what their consumers want.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
And our next question. So, "Will the Department be contacting consumers to inform them of the changes regarding portability?" So this is existing consumers of Home Care Packages, absolutely.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
And also people who are on the... have been approved by an Aged Care Assessment Team already and already have an approval and who may not be in a package yet...

SHONA McQUEEN:
Who are waiting, yes.

RACHEL BALMANNO:
..we will also need to be making contact with them.

SHONA McQUEEN:
Yes, to inform them about how we're going to move them on to prioritisation lists, so, yes.

DAVID BRAGGETT:
Really multiple strands to the communication.

SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
And again I'll come back to the consultations because this was what we were talking about when we were giving that first webinar. One of the key messages, if not the key message that came through as a result of the consultations, is we need to communicate well and early and effectively and we need to communicate directly to consumers.

RACHEL BALMANNO:
And we've taken that on board in the planning for this stage, this next 12 months.

**SHONA McQUEEN:**
Absolutely. It will be very clear that we will be forwarding correspondence to all consumers around the changes that are going to happen. I think in terms of the timing, it will probably be, you know...

**RACHEL BALMANNO:**
It is a little bit early now.

**SHONA McQUEEN:**
Yes, just a little bit early, but closer to 27 February is when we will do it. Obviously not the week before, but, you know, a few weeks before the start date we'll make sure that correspondence is forwarded to consumers.

**RACHEL BALMANNO:**
And that's for individual consumers, but we're also working obviously with the consumer peak bodies, for example, to get information into newsletters...

**SHONA McQUEEN:**
Yes, good point, yes.

**RACHEL BALMANNO:**
..and other things so there's broader awareness in people who may not be consumers on 27 February...

**SHONA McQUEEN:**
Yes, just yet, so to speak.

**RACHEL BALMANNO:**
..who may be just before or just after...

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
..we want to make sure and raise their awareness of these changes as well.

**SHONA McQUEEN:**
Yes.

**RACHEL BALMANNO:**
Next up. So, "If legislation about the return of unspent funds is retrospective, does this mean a provider will have to reimburse clients who have vacated a package at any time since July 2015?" The answer is no.
SHONA McQUEEN: No.

RACHEL BALMANNO: This is just when a client, after 27 February 2017...

SHONA McQUEEN: After the 27th, yes.

RACHEL BALMANNO: ..leaves a package...

SHONA McQUEEN: Yes.

RACHEL BALMANNO: ..and the provider does a reconciliation of unspent funds, that reconciliation needs to count any unspent funds back...

SHONA McQUEEN: Yes.

RACHEL BALMANNO: ..to 1 July 2015.

SHONA McQUEEN: Correct.

RACHEL BALMANNO: So clients who are leaving, who have already left a package...

SHONA McQUEEN: They're not...

RACHEL BALMANNO: ..or who leave packages between now and 26 February next year...

SHONA McQUEEN: I agree.

RACHEL BALMANNO: ..that we don't have to do any sort of reconciliation process for them.

SHONA McQUEEN: So the whole measure comes into effect on 27 February and there’s no retrospective component.
RACHEL BALMANNO:
It’s just that when you do that reconciliation process after 27 February...

SHONA McQUEEN:
Correct.

RACHEL BALMANNO:
..it’s what you count from. So our next question, "How will providers be assessed against standards to ensure ongoing quality of service provision?" So the standards for home care are not changing.

SHONA McQUEEN:
No.

RACHEL BALMANNO:
One of the things we are aware of here is that where a provider perhaps hasn’t provided home care before...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..there may be an approved provider of residential care who’s opted into the new arrangements and they’re doing home care for the first time or they may be someone who is a new provider...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..it will be really important that their quality is considered early on.

SHONA McQUEEN:
Absolutely.

RACHEL BALMANNO:
That we don’t wait, you know, years down the track, that part of what we do is do an assessment of how they’re going in terms of quality and then they get into the regular cycle of quality review like all other home care providers.

SHONA McQUEEN:
Yes, and indeed we’re already discussing this with the quality agency and so obviously initially there will be an assessment of services in the first... the first week or so, but then within the 12 months of the approved provider becoming operational there will obviously be a full-scale quality review in that process and then they’ll get on to that three-year cycle after that.
DAVID BRAGGETT:  
A three-year cycle, but also a risk-based approach too...

RACHEL BALMANNO:  
Yes.

DAVID BRAGGETT:  
..to quality reviews.

RACHEL BALMANNO:  
If there’s anything that triggers they need to have a look at in between, that absolutely happens with quality reviews, as well as a process of... for anyone who is involved in the quality review program at the moment, that the process of having to regularly look at how to improve quality within the service is part of what’s expected of providers.

SHONA McQUEEN:  
Yes.

RACHEL BALMANNO:  
So, "How will regional and remote regions that have limited Home Care Packages be prioritised?"
Now, I guess...

SHONA McQUEEN:  
Yes.

RACHEL BALMANNO:  
..the trick of this one is we're not looking to prioritise the regions so much as the clients.

SHONA McQUEEN:  
Correct.

DAVID BRAGGETT:  
This is a bit between the old world and the new world.

SHONA McQUEEN:  
Yes.

DAVID BRAGGETT:  
If I use the term the old world, which is really the current world, the planning and the allocation of home care places, which occurs through the Aged Care Approvals Round, very much regional based.
We advertise an invitation to apply for home care places and residential care places through the ACAR, regional allocations, regional distributions. The new world, if I can use that term, for home care, it's not about the regions and it's not about the places. It's about the individuals. Two primary factors being considered as part of that, prioritisation, the urgency of a person's assessed care needs stemming from the information that's collected by the ACAT through the comprehensive assessment and as we talked about, the time that a person has been waiting for care back to the time of the assessment.

Those are the two primary factors that will determine the prioritisation. Having said that, we're very aware of the need for equitable access to care. We will very carefully monitor patterns of access and where the packages are being distributed and one of the factors that we can obviously monitor is where people are. We know from our dealings with advisory groups and stakeholders everyone is looking for transparency.

RACHEL BALMANNO: Yes.

DAVID BRAGGETT: And we're looking for an equitable distribution and access to care. So, you know, the prioritisation process will be about the person and the care needs of the individual relative to others, but we will still be very carefully looking at the outcomes.

RACHEL BALMANNO: To make sure that it's working.

DAVID BRAGGETT: If it's not working, there is the opportunity to finetune, to adjust the way in which the prioritisation occurs and we'll make sure that we've got, you know, good transparency and reporting systems to enable us to look at that.

SHONA McQUEEN: And I think that's, you know, one of the good things about having it channelled through a national prioritisation system, is that we will have this data that we've, you know, not had to be able to actually monitor where a real need is and identify if there's gaps in particular areas that aren't receiving services and, you know, we'll have evidence for the first time.

RACHEL BALMANNO: So our next question, "Will providers have to advertise all fees and charges on the My Aged Care Service Finder?" No.

SHONA McQUEEN: No. David and I look at each other, both wanting to answer the question.

DAVID BRAGGETT:
I'll concur with Rachel. It is no. The one type of charge that, I suppose, has attracted some comment today, and it's reflected in the material that went to Parliament, is a charge on... an administrative charge on leaving and dealing with unspent funds to reflect some of the costs associated with reconciling and transferring funds. That will be one charge that we believe will be on the My Aged Care Service Finder and that is something we will be looking at.

The design of the Service Finder and what fields are there, that's still a work in progress and we're...

RACHEL BALMANNO:
And we're interested in views and I'll put up the contact for that soon.

DAVID BRAGGETT:
Correct, and we've been, even over the last couple of weeks, convening groups of consumers and providers, consumers, those who are, you know, potentially users of My Aged Care and the Service Finder, what would they like to see.

SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
What type of information is important.

SHONA McQUEEN:
Yes.

DAVID BRAGGETT:
So we're working through that. Some of it is about services, the nature of the services.

RACHEL BALMANNO:
Yes.

DAVID BRAGGETT:
Price has been a less important factor for some, but that's still a work in progress.

RACHEL BALMANNO:
We're not trying to mandate...

SHONA McQUEEN:
No.

RACHEL BALMANNO:
..what the sort of pricing arrangements are for a home care provider. I think that's something that we very much want to leave to providers to determine and then make transparent to their consumers.
SHONA McQUEEN:
Yes, and it's about describing what the service is that they're going to deliver. I think it's a huge opportunity for providers to think hard about how they want to present themselves on the service finder. It gives them opportunities as well.

RACHEL BALMANNO:
So we've probably got time for one or two more questions. "How will people with limited capacity to make decisions or assert their individual needs be supported?"

SHONA McQUEEN:
So this is a question going back to... we're very aware that advocates play a huge role in assisting, you know, consumers with quite complex needs and so we're very happy to support this through using... to, you know, facilitating an advocate to, if you like, help them through the process if necessary. And this can be pre and post and even... you know, even afterwards in service delivery. So that's it. But My Aged Care will do a lot of that work as well in the sense of explaining the process to the consumer and assisting them where possible, but if the consumer physically, you know, is challenged by all of this, then what we would say is that, you know, the role of an advocate could be quite helpful in this situation.

RACHEL BALMANNO:
OK. We've got one more question, I think.

SHONA McQUEEN:
OK.

RACHEL BALMANNO:
"Who will manage the wait list and will a decision process be publicised?" I think we've talked about this one a bit already.

SHONA McQUEEN:
Yeah.

RACHEL BALMANNO:
But essentially My Aged Care manages the wait list.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
But it's based on two factors.

SHONA McQUEEN:
Yes.
The urgency as assessed by the Aged Care Assessment Team...

SHONA McQUEEN:  
Yes.

RACHEL BALMANNO:  
.. and the time waited.

SHONA McQUEEN:  
Only those two things.

RACHEL BALMANNO:  
We certainly expect it to be very transparent about likely waiting times and things with people.

SHONA McQUEEN:  
Yes.

RACHEL BALMANNO:  
It is important that people understand, you know, how long they're likely to wait...

SHONA McQUEEN:  
The estimated time.

RACHEL BALMANNO:  
..before they get a package.

SHONA McQUEEN:  
Yes.

DAVID BRAGGETT:  
Decisions in respect of individuals obviously will just be communicated to the individual.

SHONA McQUEEN:  
Yes.

DAVID BRAGGETT:  
But those general things of, you know, how long the queue is, what is an estimated waiting time, that's where it is important that we're transparent.

RACHEL BALMANNO:  
Yes.

DAVID BRAGGETT:  
And that information is available to consumers and providers.
RACHEL BALMANNO:
OK. Well, I think we’ve still got just enough time for one more.

SHONA McQUEEN:
One more, OK.

RACHEL BALMANNO:
"Does a consumer have to go back through My Aged Care for allocation when choosing to move to a new provider?" Short answer, no.

SHONA McQUEEN:
No.

RACHEL BALMANNO:
So the consumer can take their referral code if they’ve already got one...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..off to the new provider.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
And they can start getting care there.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
And gradually we’ll sort the funding out behind the scenes through Department of Human Services as we do now if a consumer moves.

SHONA McQUEEN:
Yes. But we are expecting the consumer to notify their current provider that they’re leaving.

RACHEL BALMANNO:
Absolutely.

SHONA McQUEEN:
And then notify, you know, the date of transfer, for example, to the other provider. So there would need to be some notification to the current provider so that everybody...
RACHEL BALMANNO:
The provider should think about what sort of arrangements they want to put into the agreements about that.

SHONA McQUEEN:
Yes. That's a good point. That's something that is a good opportunity to be very clear about and transparent about in a conversation.

RACHEL BALMANNO:
OK. So I think we've come to the end of the session today.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
Thank you to everyone who's tuned in and particularly those who have sent us questions.

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
If you have any other questions, please send them through to the email address which should be coming up on the slide, final slide of the presentation. No. The email address is agedcarereformenquiries - all one word - @health.gov.au. So that's agedcarereformenquiries@health.gov.au. That email address you can also find in numerous places on our website.

SHONA McQUEEN:
There we go. We've made it.

RACHEL BALMANNO:
Now it's on the screen. We'll regularly update the questions and answers on our website. So if there's other questions from today or others you want to send through...

SHONA McQUEEN:
Yes.

RACHEL BALMANNO:
..we'll keep making sure we’re publishing answers to those and your feedback will obviously be used to help inform our communications work more generally. Thank you very much for tuning in.

SHONA McQUEEN:
Thank you.