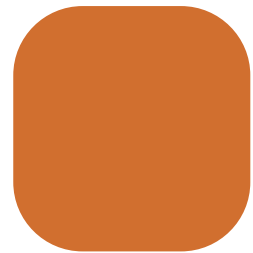


Federal Budget 2023-24 - Analysis

9 May 2023



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About ACCPA

The Aged and Community Care Providers Association (ACCPA) is the national Industry Association for aged care providers offering retirement living, seniors housing, residential care, home care, community care and related services.

ACCPA exists to unite aged care providers under a shared vision to enhance the wellbeing of older Australians through a high performing, trusted and sustainable aged care sector. We support our members to provide high quality care and services while amplifying their views and opinions through an authoritative and comprehensive voice to the government, community and media.

Our sector serves to make better lives for older Australians, and so do we.

Federal Budget 2023-24

ACCPA welcomes the Federal Budget's \$12.4 billion investment into the aged care sector, which helps to ease the immediate financial and workforce pressures being experienced by aged care providers. Yet, a national conversation on long-term financial sustainability remains critical.

That's why we welcome the government's commitment to fund the establishment of the Aged Care Sustainability Taskforce, to provide advice on a sustainable aged care system. ACCPA has been calling for some time for a national conversation about the sustainability of the sector, ensuring we have the funding we need to provide quality aged care services. This includes the potential for consumer contributions from those who can afford to pay more.

ACCPA Budget advocacy

ACCPA advocated as part of our [Pre-Budget Submission 2023-24](#) for the Australian Government to address six priorities:

1. Ensuring a long-term sustainable funding system;
2. Funding to improve the lives of older people in Australia, across the whole country;
3. Delivering seamless aged care for older Australians in their communities, their homes and residential care if they need it;
4. Planning for aged care reform success;
5. Ensuring aged care for where you live, when you need it and how you need it; and
6. Solving the workforce crisis to ensure the best care.

Advocacy wins

ACCPA's advocacy has led to the following wins in the 2023-24 budget for our members:

- **Full funding of the 15% work value case** – following our extensive advocacy, both through the media and privately with government, we have achieved full funding of the work value case, as well as funding to provide pay increases to workers paid above award. While further detail is still being worked through, in a recent analysis, StewartBrown indicated that they believe the funding to be sufficient to cover the cost of wage increases and associated on-costs which is good outcome for our sector. It is also a change to the government's original intent to split funding over two years which we pointed out would have been disastrous for providers;
- **Support at Home deferral** - the Support at Home program has been pushed back by 12 months to now commence on 1 July 2025. We have consistently pushed the government to provide greater detail on the program design, and in the absence of that detail, a delay to implementation. The government have acted on our advocacy and we believe a delay to allow for proper design and implementation is better than implementing a poorly designed system;
- **Increased indexation** - total indexation is understood to be 5.7%, more than triple last year's indexation figure. Ensuring a more realistic indexation rate has been one of our top priorities, and has borne fruit with this announcement. Whilst this is a significant improvement on recent years, it doesn't match CPI, which shows that we need to continue to focus on financial sustainability in our advocacy messaging;

- **National conversation on consumer contributions** - the establishment of an Aged Care Sustainability Taskforce to provide advice on the aged care system which we understand will include consideration of consumer contributions; and
- **Six month delay to reducing student visa holder working hours** – throughout COVID, international students working in aged care have been exempted from the fortnightly work limit cap which has helped increase our access to workers. This exemption was due to end on 30 June, and we have won a six month extension to 31 December following an extensive advocacy campaign.

Continuing advocacy

We have welcomed a number of the Australian Government's aged care announcements, particularly those that relate directly to our pre-budget advocacy as outlined above. However, there is clearly still more to do if we are to ensure the sector's financial sustainability. That is why we are very keen to understand the government's announcement of a taskforce to look specifically at financial sustainability and we will be meeting with both the minister and the department in coming days to gather this detail and see how we can best participate.

Whilst the three-fold increase in indexation is clearly an improvement from previous years, it is unlikely to rapidly turn around the budget positions of the 70% of providers who are losing money and more is still needed. In particular, we are still to see implementation of the Royal Commission's call to provide catch-up funding to make up for historic underfunding. We will be continuing to focus on this, and we will be working now on our advocacy for next year's budget to ensure that the increased indexation this year is not a one off occurrence.

Workforce supply issues in aged care will benefit from some budget announcements but given the extent of the crisis and the need over coming decades, there is more that could be done to consider measures using a range of levers available from migration to jobs and skills. ACCPA will engage in the Australian Government's Review of the Migration System in coming months.

About the Budget

In the lead up to the 2023-24 Federal Budget, the Australian Government commented on aged care as one of the top five expenditure items for the nation. Tonight, they have announced a total investment in aged care of \$36.0 billion.

Minister Wells noted in a joint media release on aged care funding that she 'invites Australians to be ambitious with the Albanese Government and commit to the future of aged care as we build a system that is equitable, sustainable, and trusted to deliver quality services for older people.'

Key funding for aged care

\$12.4 billion of new funding for aged care includes:

- \$10.9 Billion over 4 years to meet the cost of the Fair Work Commission Work Value Case, and includes indexation;
- \$536.6 million over two years for residential aged care providers for additional costs incurred related to COVID;
- \$515 million over 4 years to fund the Fair Work Commission Work Value Case decision from 30 June, including CHSP, leave provisions, and targeted indexation;

- \$338.7 million over 4 years to improve in-home care, including 9,500 Home Care packages, designing and building ICT changes for the Support at Home Program, IHACPA pricing and more; and
- \$77.3 million over 4 years for Aboriginal & Torres Strait aged care.

Budget Overview

Budget topic	Budget announcement
Additional Funding for the 15% Wage Increase	<i>Overall</i> \$11.3 billion to its commitment to fund in full a 15% pay increase on award rates, for more than 250,000 aged care workers from 1 July 2023. <i>Residential care (including AN-ACC pricing)</i> \$8.5 billion over 4 years: - the AN-ACC price for 2023/24 increases to \$243.10, a 17% uplift from the \$206 AN-ACC figure; - a 'new' \$10.80 hotelling supplement funding to cover the pay rise for head chefs and cooks. <i>Home Care Packages program</i> subsidy increase \$2.2 billion over 4 years <i>Commonwealth Home Support Programme</i> grant increase \$310 million over 4 years <i>Flexible aged care programs</i> funding increase \$236.8 million over 4 years <i>Veterans' Home Care and Community Nursing</i> fees increase \$82.5 million over 4 years <i>Funding for leave liabilities</i> \$98.7 million in 2023–24
Financial Sustainability	\$0.7 million to establish a <i>new Aged Care Taskforce</i> to review aged care funding arrangements and develop options to make the system fair and equitable for all Australians.
Home and community care	<i>Home care packages</i> \$166.8 million in 2023–24 for additional home care packages <i>Home Care Reform (Support at Home)</i> \$172 million over 4 years: - Aged Care Taskforce \$0.7 million in 2023–24 - Trial of an assistive technology loans program \$10.9 million over 2 years - ICT Capability Development \$73.1 million in 2023–24 - Single Comprehensive Assessment \$15.7 million over 2 years The final design of the <i>Support at Home</i> program which will be postponed to commence on 1 July 2025, in response to feedback and to allow time to further refine the design. A July 2025 start date, will also ensure aged care service providers

	are well prepared for the change, avoiding disruptions to continuity of care for older people. <i>Commonwealth Home Support Program</i> Existing grant arrangements for the Commonwealth Home Support Programme will be extended for a further 12 months to 30 June 2025. \$11.9 million to expand the existing residential aged care quality indicator program to include in-home care services
Residential care	\$7.3 million over 3 years from 2023–24 for a package of initiatives for <i>Younger People in Residential Aged Care</i> to further reduce the number of people under the age of 65 living in residential aged care. \$1.3 million to <i>begin issuing Monthly Care Statements to aged care residents</i> with information on care provided and occurrences of significant change or events \$12.9 million over 2 years to <i>improve aged care residents' dining experiences and food and nutrition reporting</i> \$41.3 million over 4 years for <i>Places to People: Embedding Choice in Residential Aged Care</i>
Regulatory design and implementation	\$81.9 million over 3 years to develop and deliver a <i>Bill for a new Aged Care Act and associated ICT changes</i> \$59.5 million over 5 years to establish a <i>National Worker Registration Scheme for Aged Care</i> \$59.4 million in 2023–24 for <i>building a strong regulatory framework for aged care</i> \$41.3 million to <i>support aged care recipients to have greater choice and control in decision making</i> through the development of systems that will help them to choose their provider. \$72.3 million for a <i>new regulatory model and prudential framework, to be reflected in a new Aged Care Act</i>. This Budget investment will improve quality and safety, and restore trust and confidence through changes in how providers are regulated. \$25.3 million in 2023–24 for a <i>Preliminary Report on the capability review of the Aged Care Quality and Safety Commission</i> \$139.9 million over 4 years to <i>improve transparency through Star ratings</i> for better quality and analysis
Migration	\$1.9 billion over 5 years from 2022–23 to expand Australia's <i>engagement with Pacific Island countries (PALM Scheme)</i> <i>Aged Care Industry Labour Agreement</i> as a tripartite approach to address workforce shortages in aged care involving engagement with unions

	Visa changes for Graduates and Students including an <i>extension to 31 December 2023 of the exemption to the work hour limit for international students working in aged care.</i>
Jobs and skills	\$26.3 million over 5 years from 2022–23 to <i>boost employment services for young Australians in the care economy</i> (among others)
Health and aged care	\$112.0 million for My Medicare to support wrap around care (including GP in aged care incentive) for Australians in residential aged care
Specialisations	\$487 million over 4 years to extend <i>Disability Support for Older Australians (DSOA)</i> \$98.7 million for <i>local aged care providers in rural and remote areas to ensure their continuing viability.</i> \$77.3 million funding <i>uplift to the National Aboriginal and Torres Strait Islander Flexible Aged Care Program</i> to support the viability of aged care providers in rural and remote areas and providers of culturally safe care for First Nations elders. \$8.2 million to support <i>building the capacity of Aboriginal Controlled Organisations</i> so that First Nations elders will continue to receive the care they need on Country. \$1.6 million to appoint <i>an interim First Nations Aged Care Commissioner.</i>
Other	<i>Securing Australians' Superannuation Package</i> to increase the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance. From 1 July 2026, employers will be required to pay their employees' SG entitlements on the same day that they pay salary and wages. <i>Disability Workforce COVID-19 Leave Grant</i> to provide \$14.1 million over two years from 2022–23 for targeted financial support for disability workers who deliver personal support to National Disability Insurance Scheme participants, contract COVID-19, and do not have access to leave entitlements.

Additional Funding for the 15% Wage Increase

Overall

ACCPA [welcomed](#) the 4 May 2023 announcement by the Albanese Government that it will fund in full the Stage 2 Decision of Work Value Case which will result in a 15% increase to minimum award rates for more than 250,000 aged care workers from 1 July 2023. These workers are in specified classifications under the *Aged Care Award 2010*, *Nurses Award 2020* and *Social, Community, Home Care and Disability Services Industry Award 2010*. This outcome followed on from strong advocacy by ACCPA.

The Government released some details on 4 May 2023 on how the additional funding will work with sections for residential aged care, HCP and CHSP – [Better and fairer wages for aged care workers | Australian Government Department of Health and Aged Care](#).

Utilisation of the Additional Funding

The Department of Health and Aged Care (DoHAC) issued [further information on another part of its website on 9 May 2023 regarding this matter](#).

It is made clear that the additional funding from the Albanese Government, provided to implement Stage 2 of the Work Value Case, is to be used solely for increasing wages for employees employed in the covered award classifications and to pay for the associated on-costs. All the additional funding (as identified to providers) is to be used only for this purpose.

DoHAC have stated on their website that they will monitor how much providers spend on wages through:

- the [Quarterly Financial Report](#) (QFR), and
- publication of key sector trends in the [Quarterly Financial Snapshot](#).

DoHAC will also be requiring providers to confirm in the Quarterly Financial Report that they will pass on the full amount of funding for wages to their employees. There has been some discussion about the accountability measures and it is helpful that this in itself will not greatly increase the administration burden on providers.

To assist providers to set wage increases for employees in these classifications (for those on award level wage rates and for those on above award wage rates), DoHAC will be providing a schedule of wages.

Our comments

ACCPA will be pursuing this matter with DoHAC to ensure that this information is available to providers as soon as practicable. Leading aged care unions, in particular the ANMF, have continued to signal that this is a major priority for them and members should expect to see further public messaging from them in coming days.

Leave Liabilities Coverage

We are very aware that Members are highly concerned about the impact of the 15% increase in wages on their ongoing leave liabilities and have been advocating to Minister Wells and DoHAC on this topic.

In Budget Paper 2 (page 131) it states “\$98.7 million for a new grant program to fund historical leave provisions for Commonwealth-funded aged care providers”. We believe that

this provision provides for a grant to assist with increases in providers' leave liabilities as a result of the Stage 2 Decision from the Work Value Case.

Our comments

ACCPA will seek a timeline from DoHAC for when information will be available to providers on this Grant. We will inform Members of the outcome.

Annual Wage Review Outcome

The Annual Wage Review Decision from the Fair Work Commission is due in mid-June 2023 and is expected to deliver a higher increase in award wage rates than last year. This increase will be in addition to the 15% increase conferred to the award classifications specified by the Stage 2 Decision from the Work Value Case.

Our comments

It is unclear at this stage whether the additional funding announced on 4 May 2023 has taken into account the increase in costs for providers of the expected increase to minimum award rates. ACCPA will seek clarity on this highly important matter from the DoHAC as soon as practicable and inform Members of the outcome.

Delivery of the Additional Funding - Home and community care

There will be a subsidy increase of \$2.2 billion over 4 years for the additional funding for the Home Care Packages Program (HCPP). [There was some information published for HCP on 4 May 2023](#) on the delivery of the additional funding for the 15% wage increase from the Stage 2 Decision.

This information states a "grant opportunity will be available to providers later this year to cover any additional costs for the small number of care recipients whose packages may be fully expensed each month on nursing and personal care".

There is also \$311.2 million in the Budget for a new grant program for Commonwealth Home Support Programme (CHSP) providers to cover the cost of the 15% wage increase from the Stage 2 Decision. Some information on the delivery of the additional funding for this purpose is available [here](#) (published 4 May 2023).

Our comments

There is significant concern regarding the information on the delivery of funding to CHSP as it appears that the funding may only be available from 31 December 2023. Given that the new wage rates will commence on the first full pay period on or after 30 June 2023, it is not acceptable that the funding would commence 6 months later. ACCPA will seek urgent clarity on this highly important matter from the DoHAC as soon as possible and inform Members of the outcome.

We are aware that there are a number of Members who are HCP providers and also have other types of clients and that they are concerned about the impact of the 15% increase on their operations. It is noted that in the Budget there is a Veterans' Home Care and Community Nursing fees increase of \$82.5 million over 4 years. ACCPA will seek further information on how this fee increase will operate and inform Members of the outcome.

Delivery of the Additional Funding - Residential Aged Care

The Budget states that residential aged care funding will increase by \$8.5 billion over 4 years to provide the additional funding to providers.

Some information on the delivery of the additional funding for [residential care](#) to provide for the 15% wage increase from the Stage 2 Decision is available online.

The AN-ACC price for 2023/24 increases to \$243.10, a 17% uplift from the \$206 AN-ACC figure (derived after removing the \$10 BDF Supplement from the AN-ACC price of \$216), which is said to reflect the recommendation of the Independent Health and Aged Care Pricing Authority.

ACCPA notes StewartBrown analysis of the announcement saying that *‘this additional funding package as announced should provide sufficient funding levels to meet the requirements of the mandated care minutes (from October 2023) and to pass on the full quantum of the increase in award pay rates to employees.’*¹

In addition to the above amount of \$243.10, the sector will have the ‘new’ \$10.80 hotelling supplement, which we believe replaces the BDF supplement (which was part of the initial AN-ACC price of \$216.80) and which includes ‘funding to cover the pay rise for head chefs and cooks.’ This is provided in addition to the AN-ACC funding increase.

This is, therefore, not an entirely new allowance, but a replacement for the BDF supplement. As a result, the effective increase is 80 cents, to cover the wage increase for chefs and cooks.

These measures more clearly separate out funding for care (AN-ACC – now set at \$243.10) from funding for hotel type services (the hoteling supplement – set at \$10.80), whereas currently they are mixed together in the \$216 AN-ACC price.

Our comments

As stated earlier, while this increase in funding should fully cover the 15% fair work increase, it is unclear whether this is also intended to cover the Annual Wage Review outcome or if this is intended to be covered by the 5.7% indexation rate. ACCPA will seek clarity on this highly important matter from the DoHAC as soon as practicable and inform Members of the outcome.

A positive aspect of this pricing is that the sector will have an uplift of around \$36.30 per day for care provision and we are encouraged by StewartBrown’s analysis.

Also, these measures more clearly separate out funding for care (AN-ACC – now set at \$243.10) from funding for hotel type services (the hoteling supplement – set at \$10.80), whereas currently they are mixed together in the current \$216 AN-ACC price.

However, we note that currently providers experience a loss in daily services with revenue not meeting costs. The additional 80 cents, while it may well cover the payraises for head chefs and cooks, does not fix this shortfall, which only serves to re-enforce the importance of our engagement in the national conversation about consumer contributions which we see as a way to resolve this issue in the long term.

We also note the reference to reflecting the residential aged care pricing recommendation of IHACPA and will seek further confirmation from Government about if/when IHACPA’s formal aged care pricing advice will be published.

¹ StewartBrown, [Aged Care Funding Budget Announcement – Analysis](#), May 2023, p.2

Home and community care

In-home aged care program design

The Support at Home program will be postponed to commence on 1 July 2025. This will be accompanied by the allocation of an additional \$172 million over 4 years, including:

- \$71.5 million over 4 years from 2023–24 for the Independent Health and Aged Care Pricing Authority to undertake pricing and costing research activities to develop efficient unit prices annually for the Support at Home Program.
- \$73.1 million in 2023-24 to develop ICT capability for the new Support at Home Program;
- \$15.7 million over two years from 2023–24 to establish a single aged care assessment system, including the establishment of a First Nations assessment workforce;
- \$10.9 million through to 2024–25 to run a trial to test products and services for a new assistive technologies loan program, commencing in July 2024 within 2 states and territories;
- \$0.7 million in 2023–24 to establish the Aged Care Sustainability Taskforce to provide advice to Government on the creation and maintenance of a high quality and sustainable aged care system; and
- \$0.1 million in 2023–24 for an Independent Implementation Readiness Assessment of the aged care reforms.

Our comments

ACCPA advocated for a postponement of the new Support at Home Program, following a lack of detail regarding the new design.

A responsible reform implementation schedule is required and we have long been concerned that too much remains to be done to deliver the new scheme in 2024.

This includes establishing a new Aged Care Taskforce to review aged care funding arrangements and develop options to make the system fair and equitable for all Australians, as well as researching the cost-benefit of funding higher levels of in-home aged care that extends beyond that provided to the equivalent of level 4 home care package funding.

Home care packages

The Budget includes \$166.8 million for an additional 9,500 Home Care Packages to be released during 2023-24. By June 2024, there will be around 285,100 home care packages available to older people in Australia.

Our comments

ACCPA's [Federal Government Pre-budget Submission 2023-24](#) estimated the need to release an additional 20,000 HCPs to ensure care-recipients are accessing approved levels of support matched to assessed need prior to transitioning to the Support at Home Program.

With the commencement of the new Support at Home Program now commencing 1 July 2025 the allocation of near 10,000 HCPs during 2023-24 appears in line with our submission projections. Additional home care package releases will likely be needed in the following 2024-25 budget year as well.

Residential care

Younger People in Residential Aged Care

The Government will provide \$7.3 million over 3 years from 2023–24 for a package of initiatives to further reduce the number of people under the age of 65 living in residential aged care. Funding includes:

- \$3.6 million over two years from 2023–24 to provide targeted education and training packages for General Practitioners, clinical staff, social workers, carers, advocates, families, and other organisations and people that support and influence the decision-making of younger people in residential aged care;
- \$2.4 million over 3 years from 2023–24 to establish a central function in the Department of Health and Aged Care to support nationally consistent decision making on the eligibility of younger people seeking to enter residential aged care; and
- \$1.3 million in 2023–24 to evaluate actions already taken by governments to reduce the number of younger people in residential aged care, to inform future initiatives to best meet the residents' and facility's needs.

Our comments

ACCPA welcomes this initiative and will engage with Government agencies and members to help inform achievement of reduction of younger people in residential aged care with a goal to move from a facility.

Migration

Industry Labour Agreement

The Australian Government has also announced a new Aged Care Industry Labour Agreement as part of 'a tripartite approach to address workforce shortages in aged care'.

Access to the Agreement will be provided to employers who have entered into a Memorandum of Understanding with the relevant industry union and the agreement will be negotiated directly between unions and employers.

The Agreement also provides an expedited two-year pathway to permanent residency and can be applied for by employers immediately. These applications, as well as the associated visa applications, will be processed by the Department of Home Affairs as a matter of priority.

Our comments

ACCPA welcomes the opportunity for an industry labour agreement that will result in faster access to migrant workers through the migration system once a tripartite process has been followed. We will be making further enquiries as we are keen to understand how it would work in practice, particularly if multiple unions could be involved (including whether there will be any template development on the part of the unions). We are also in discussions with the Department of Home Affairs to host a member webinar on the initiative.

Visa changes for Graduates and Students

The Government will grant an extra two years of post-study work rights to international higher education graduates of Australian institutions with eligible qualifications to strengthen the pipeline of skilled labour. This measure will apply from 1 July 2023.

The work hour cap for international student visa holders will be reinstated from 1 July 2023, following its removal during the COVID-19 pandemic. It will be increased by 8 hours from

pre-pandemic levels to 48 hours per fortnight. International students working in the aged care sector will be exempt from the 48 hour per fortnight work limit until 31 December 2023.

Our comments

ACCPA welcomes the extension to 31 December 2023 of the exemption to the work hour limit for international students working in aged care, following our advocacy.

However, reimposing the work hour limit from 1 January 2024 may need to be revisited if significant aged care worker shortages continue.

Enhancing Pacific Engagement

The Government will provide \$1.9 billion over 5 years from 2022–23 to expand Australia's engagement with Pacific Island countries. Funding includes:

- \$370.8 million over 4 years to expand and improve the Pacific Australia Labour Mobility (PALM) scheme, to support sustainable scheme growth and improve support for workers in line with Australian and Pacific aspirations.

Our comments

ACCPA is actively involved in the PALM Scheme and note members report excellent outcomes once workers are in place. We will continue to take opportunities to engage with members on possible improvements to the Scheme now it is operating under the auspices of the Department of Employment and Workplace Relations.

Jobs and skills

Boosting Employment Support

The Government will provide \$26.3 million over 5 years from 2022–23 to boost employment services **for young Australians in the care economy**, continue pre-employment services for First Nations people who are incarcerated, trial a new regional employment service approach and support workers and communities through enhancements to the Local Jobs Program.

Funding includes:

- \$15.2 million over two years from 2022–23 to support the establishment of the Y Careers Agency to provide young people with employment opportunities in the care economy, including the early childhood education and care, disability and aged care sectors.

Y Careers delivers on the Government's election commitment as published in the Plan for a Better Future.

Our comments

ACCPA is actively engaging with the [Department of Prime Minister and Cabinet's Care Economy Taskforce](#) and considers there will be more opportunities to advocate as part of this broader agenda for the interests of our members.

Health and aged care

Pharmacists

On 26 April 2023, Minister for Health and Aged Care Mark Butler [announced](#) that the onsite pharmacists program would no longer be delivered by aged care facilities, but community pharmacies instead.

The decision is at odds with a [previous announcement made by government](#) in December 2022 that the \$345.7 million would be directed to aged care providers so that “residential aged care homes can choose to employ or engage pharmacists to tailor medication management to best meet the residents’ and facility’s needs.”

Our comments

ACCPA was not aware of the change of policy in advance, and we have been making enquiries with the Government since it was announced. We also put out a media release noting the government’s decision to overturn a commitment to provide \$345.7 million over four years to fund the embedding of an accredited pharmacist in residential aged care homes is a blow to many aged care homes.

We are [disappointed](#) with this change of policy direction noting at no stage during the on-site pharmacist consultation process that a community pharmacy-based funding model was being considered. We also understand the government will undertake consultation with the sector on the design of enhanced outreach medication management programs for aged care residents.

My Medicare

This Budget delivers \$6.1 billion in strengthening Medicare measure to revamp primary healthcare. The measure includes: \$19.7 million over 4 years to implement MyMedicare; \$98.9 million over 4 years to support wraparound primary care for frequent hospital users; and \$112 million over 4 years in new incentives for GPs (General Practice in Aged Care Incentive) to provide care to aged care residents through MyMedicare.

MyMedicare is a new voluntary patient registration model which formalises the relationship between a patient and their preferred practice, GP and care team, to improve continuity of care. MyMedicare will enable blended funding models to better serve the needs of patients and allow health teams to provide more tailored care. Under MyMedicare older patients with complex, chronic disease who go to hospital 10 or more times each year will be supported by comprehensive, team-based and tailored care they need, without needing to go to a hospital. Providers will receive incentive payments to deliver wraparound, tailored care to keep patients with complex, chronic disease out of hospitals.

The new General Practice in Aged Care Incentive (GPACI) will be established to give aged care residents better access to high quality, continuous and person-centred primary care.

From 1 July 2024, the new incentive will include:

- Additional payments to GP and primary care clinics for regular appointments, health assessments and care planning with aged care residents.
- A voluntary patient registration scheme where aged care residents can elect their preferred primary care provider to enable greater continuity of care.
- Funding for Primary Health Networks to work with aged care homes to match each resident – or potential resident – with a regular primary care provider, and to commission GPs to provide care in areas of workforce shortage. (Residents can

choose their preferred provider or choose to be matched to a suitable one by their local Primary Health Network).

Our comments

ACCPA welcomes the introduction of the My Medicare to support wrap around care to improve older people's access to a comprehensive and continuity of primary care particularly GP care. We have strongly argued for better access to GP care for aged care residents.

Older people access GPs for a variety of reasons including short term illnesses, preventive health practices and management of long-term health conditions. It is therefore important that older people especially those with complex health care needs are able to access a GP in a timely manner and receive care that meets their needs, both in terms of ease of access and the quality of care provided. When access to GP care is inadequate (or fragmented), health outcomes are poorer and there are increased visits to hospital emergency departments.

We would also support the expansion of the Nurse Practitioner model of care across the country to support aged care.

ACCPA would also welcome the opportunity to contribute to design of the wrap around primary care model to support general practices through a blended funding model linked to My Medicare to work in primary healthcare teams, as it relates to the care of older people in residential aged care homes.

Next steps

ACCPA has commenced the process of engaging with the Australian Government and its relevant Departments on the additional detail our members will need to manage the implementation of the budget measures and seek any refinements where possible.

We will also use this information to determine our post-Budget advocacy and encourage further Government efforts to support a sustainable aged care sector.

We will continue to update members as we learn more post-Budget. You can stay in touch via our weekly newsletter, ACCPA Informer as well as participation in member forums and special interest groups.

Please contact the Policy and Advocacy team at policy@accpa.asn.au with any questions to or to share your views.