

Nick Ryan
Chief Executive Officer
Australian Aged Care Quality Agency
emailed to qualityagencypolicy@aacqa.gov.au

21 July 2017

Dear Nick,

RE: CONSULTATION ON COST RECOVERY IMPLEMENTATION STATEMENT

Thank you for the opportunity to provide input towards the Australian Aged Care Quality Agency's (*the Agency*) consultation on the draft Cost Recovery Implementation Statement (CRIS), which introduces a new levy, payable by approved providers of residential aged care services, for unannounced site visits conducted by the Agency from 1 July 2018.

Alzheimer's Australia is the peak body providing support and advocacy for people living with dementia, their families and carers in Australia. Given the high and ever-increasing prevalence of dementia, and its correlation with age, it is critical that aged care services are equipped and motivated to provide high quality, appropriate care to people with dementia.

As outlined in your consultation paper, currently, the Agency recovers the regulatory cost of assessment and determination of applications by approved providers for accreditation or re-accreditation of their residential aged care service. However, cost recovery does not currently apply to unannounced visits.

As the paper further notes, unannounced visits are an important part of the Quality Agency's compliance monitoring framework. Consumers consulted by Alzheimer's Australia have expressed a strong view towards shifting the primary approach of accreditation and assessments to unannounced visits rather than planned visits.¹ As such, Alzheimer's Australia is supportive of an infrastructure that ensures funding certainty to undertake a minimum of one annual unannounced visit each year per home. These visits should continue to include interviews with consumers or their representatives and are an important part of ensuring consumer input into the compliance and regulatory framework across aged care.

In relation to the proposed levy, some of Alzheimer's Australia's stakeholders have expressed concerns about the possibility that providers may pass on the cost of the unannounced site visit levy to consumers. Alzheimer's Australia would therefore request further information on whether

¹ Alzheimer's Australia 2013. Quality of Residential Aged Care: The consumer perspective. Retrieved from: https://fightdementia.org.au/sites/default/files/20131112_Paper_37_Quality_of_Residential_Aged_Care.pdf

additional consumer protections would form part of this levy and whether any measures will be put in place to ensure that these costs are not borne solely by consumers.

Of course, the proposed implementation of the levy also comes at a time when the sector is dealing with a range of overlapping reviews, significantly in light of the ongoing Ministerial review of aged care regulatory processes, as well as the Senate Standing Committee into Community Affairs Inquiry into the effectiveness of the Aged Care Quality Assessment and accreditation framework and the Aged Care Legislative Review. The recommendations that flow from these investigations could therefore impact the implementation of the proposed levy or alter the context or driver for change.

We look forward to continuing to work with the Agency into the future. Please do not hesitate to contact us should we be able to be of any further assistance.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Maree McCabe', written in a cursive style.

Maree McCabe
CHIEF EXECUTIVE OFFICER
Alzheimer's Australia