



## Aged Care Update

23 October 2014

### Spring Repeal Day 2014 - Aged Care

The Omnibus Repeal Day (Spring 2014) Bill 2014 introduced into Parliament yesterday ( 22 October 2014) contains two measures that directly relate to aged care - one significant and welcome, and the other an inconsequential (from a sector perspective) tidying up of the statute books.

The Bill and Explanatory Memorandum may be [viewed here](#).

#### Key personnel

The Bill provides for the repeal the key personnel reporting requirement.

Under current provisions of the Aged Care Act 1997 (section 9-1(b)), aged care providers are required to notify the Department of Social Services (DSS) of all changes of key personnel, using a lengthy prescribed form. DSS currently receives about 10,000 reports of key personnel changes a year. It is hard to imagine that they are gainfully vetted.

DSS estimates annual compliance cost savings for providers of \$1.16 million.

However, the current approved provider obligation to notify DSS of any change in circumstances that materially affects the approved provider's suitability to be a provider of aged care is retained. Notification is required within 28 days after the change occurs.

As is currently the case, the Act refers providers to Section 8-3 in relation to what may constitute a material change. Section 8-3 sets out the matters that DSS must consider when assessing an applicant for approved provider status.

#### Home and Community Care Act 1985

The Bill provides for the repeal the Home and Community Care Act 1985.

The HACC Act has been redundant since 2009 when the bilateral Home and Community Care Program (HACC) Review Agreements between the Commonwealth and each of the state and territory governments were deemed National Partnership Agreements in the context of the Intergovernmental Agreement on Federal Financial Relations.

In addition, since then, the Commonwealth has taken full responsibility for HACC in all States, except Victoria and Western Australia. The repeal of the Act will not impact Victoria and Western

Australia or the HACC providers in these states, which remain governed by the bilateral HACC Review Agreement.

### **Red Tape Reduction Action Plan**

Minister Fifield has requested the Aged Care Sector Committee and DSS to develop an Aged Care Red Tape Reduction Action Plan for the Government's consideration. Needless to say, both the repeal of key personnel reporting and repeal of the HACC Act feature in the Plan, with all peak provider groups having called for the repeal of key personnel reporting.

It is understood that the Red Tape Reduction Action Plan will be released in the not too distant future.

*Disclosure Statement: The author of Aged Care Update, Nick Mersiades, is a member of the Aged Care Financing Authority. The opinions in this Update should not be read as being an expression of the views of the Aged Care Financing Authority.*

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