

MEDIA RELEASE

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New aged care funding welcome but even more home care packages still needed

Australia's peak older persons advocacy body, COTA Australia, has welcomed the Morrison Government's announcement of an additional \$553 million in aged care funding included in today's Mid Year Economic and Fiscal Outlook (MYEFO).

COTA Australia Chief Executive, Ian Yates, said the additional 10,000 high level home care packages – at \$287 million representing more than half the extra funding - are particularly welcome, as they will be released early 2019 and will enable many more people wanting to stay at home to do so.

“However, the 10,000 new Level 3 and Level 4 packages are only one third of the urgent increase of 30,000 high level home care packages COTA called for on 26 September in our Position Paper *“Keep fixing Australia's aged care system...taking the next steps in tandem with the Royal Commission”*, Mr Yates said.

“This a good step, a welcome step, but one that will still leave too many older Australians that the government has itself assessed as in need of high level care at home, without that care.

“We really need to reduce the waiting list so that no one waits more than three months for care. The reality is that when someone needs high-level support at home they can't afford to wait. The risk to them and the burden on family is unacceptable, as is forcing people into residential care prematurely.”

Mr Yates also welcomed additional support for residential aged care services in regional areas and reduced home care package fees for many consumers.

Today's announcement includes a 30% increase in the Viability Supplement for residential aged care providers in rural and remote areas at a cost of \$102 million, which provides extra funds to more than 550 services providing around 13,500 residential care places; and an increase of 30% in the Homeless Supplement at a cost of over \$9 million to 42 residential services supporting more than 1,700 residents.

“Although these are interim measures awaiting a more far reaching review of aged care funding that we hope the Royal Commission will deliver, they are important supports to some of the most stressed residential care services”, Mr Yates said.

Mr Yates said the reduction in the maximum fee payable by consumers for Level 1 to Level 3 packages and increasing the government contribution to each package by the same amount is also welcome.

“This begins to address an historical anomaly, that both sides of politics in government had so far failed to fix - but it is significantly less than the Tune Review recommendation on making fees proportional to each package level and compulsory, and it's questionable whether this will fully remove disincentives for people accepting lower level packages”, Mr Yates said.

“Overall this package of measures is very welcome, but still falls short of a comprehensive response to fixing the aged care challenges of today, while the Royal Commission deals with the longer term. We will keep pressing the government for more resources in the Budget on 2 April, and the Opposition for a clear commitment on the numbers of additional Home Care Packages they would provide if in government.

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