

## 2024 Budget Wrap-Up

From an Aged Care perspective, last year's budget set a high bar in additional funding. While the 2024 Budget is far more modest, it still positions the sector well for the significant push still needed towards implementing the new Aged Care Act.

When asked about the government's response to the Aged Care Taskforce and the timing of the new Act's tabling, Minister Wells reiterated that both initiatives are being worked on 'day and night' to ensure their timely finalisation. While this may disappoint some in the sector who hoped for more immediate progress, taking the time to integrate these initiatives carefully should result in a much smoother transition.

ACIA is also heartened by a conversation with staff from Minister Well's office who confirmed that ensuring sector sustainability remains a high priority for the government.

Minister Wells has also confirmed that the Support at Home Program will still commence on 1 July 2025, with details to be included in the new Aged Care Act. ACIA has long advocated for the concurrent commencement of the new Act and the Support at Home Program as a commonsense approach, emphasizing the growing importance to the community of ensuring people have the right to age in place.

Major Investments:

### New Aged Care Act Support:

- **\$1.4 billion** to upgrade technology systems and digital infrastructure, including:
  - **\$1.2 billion** over five years to sustain current systems and support the introduction of the new Aged Care Act, set to start on 1 July 2025.
  - **\$175 million** over two years for ICT related to the new Support at Home Program and Single Assessment System.
- **\$111 million** to enhance the Aged Care Quality and Safety Commission's capabilities, based on David Tune's Independent Capability Review recommendations, and to implement the new Aged Care Act's regulatory framework.
- **\$88.4 million** to attract and retain the aged care workforce, including **\$22 million** over three years to extend the Home Care Workforce Support Program. This targets workforce growth in regional, rural, and remote areas and improves career pathways for aged care nurses.

### Home Care Packages:

- **\$531.4 million** for an additional 24,100 Home Care Packages in 2024-25 to reduce wait times and help more Australians age at home. Minister Wells mentioned that this increase should bring package wait times down to around six months.

Wage Increases:

- The Government is committed to funding the latest increase in the award wage for direct and indirect aged care workers once the Fair Work Commission makes its final determination. The next hearing date for the Commission is Tuesday, 21 May 2024.

## Strengthening Medicare and Health Connections:

Innovative strategies are likely to include virtual care, linking hospitals with aged care facilities, and providing geriatric in-reach services to care for older people in place. These measures aim to prevent hospital admissions and ensure proper care without unnecessary hospital stays.

These measures are part of broader negotiations for a new hospital funding agreement between the Commonwealth and states and territories, focusing on comprehensive reform rather than just hospital financing. This includes addressing the critical challenge of hospital systems where older patients often stay longer than clinically necessary due to a lack of suitable discharge options.

## Outreach and Virtual Care:

- **\$882.2 million** to avoid unnecessary hospital admissions and support quicker, safer discharges.
- **\$1.2 billion** for hospital outreach, virtual care services, and upskilling the residential aged care workforce.
- **\$190 million** for short-term care through the extended Transition Care Programme.

## GP Incentive Payments:

- Starting 1 August 2024, GPs will receive quarterly incentive payments to ensure continuous care for MyMedicare registered residents in aged care.

## Cheaper Medicines and Pharmacy Support:

### PBS and Vaccinations:

- **\$0.9 million** to increase options for free vaccinations in aged care.
- **\$318 million** over five years to freeze the cost of PBS prescriptions for pensioners and Commonwealth Seniors Health Cardholders.
- Continued funding to engage pharmacists in aged care homes for on-site advice and medication reviews.

## Dementia Care:

### Enhanced Support:

- **\$101.4 million** for better dementia care, including new diagnosis and treatment advancements, and expanding options for patients with high-level dementia to move to appropriate care settings.

## Additional Initiatives:

### Reducing Call-Waiting Times:

- **\$37 million** for the My Aged Care Contact Centre to reduce call-waiting times for those seeking information and access to aged care services.

### Reallocation of Funds:

- The Budget reallocates unspent funds from the Commonwealth Home Support Program over five years from 2023-24 to other sub-programs within aged care services, resulting in **\$16 million** in savings this financial year. Minister Butler noted that this is an across-portfolio approach to reallocating unspent funds to other priority areas, ensuring efficient use of funds when workforce constraints or other issues prevent their immediate use within their intended program.

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