



Removal of low care – high care distinction in permanent residential aged care from 1 July 2014

Information for approved providers

The Australian Government has worked with governments, providers, consumers and stakeholders to reform the aged care system. This means some changes to your business strategies, to your prices, to your services, and to your workforce so that there is a sustainable, affordable and equitable system for our future.

What is changing?

From 1 July 2014, the distinction between low care and high care will be removed in permanent residential aged care. This will result in flexible, simple and more transparent arrangements in permanent residential aged care, reducing red tape for consumers and providers without compromising levels of care provided to residents.

The distinction currently operates in conditions of allocation for residential aged care places, care recipient approvals, care recipient classifications, and other arrangements.

Conditions of allocation on residential places

The Secretary of the Department of Social Services has amended conditions of allocation on existing permanent residential aged care places to remove any low care or high care conditions of allocation with effect from 1 July 2014. You do not need to do anything for this change to occur.

Future allocations of permanent residential aged care places will not have low care or high care conditions of allocation.

Approval of care recipients

From 1 July 2014, new permanent residential aged care approvals will not be restricted to a care level. Low care and high care permanent residential aged care approvals valid on 1 July 2014 will become permanent residential aged care approvals without any restriction to a particular level of care. Any person with a permanent residential aged care approval may be admitted to any residential aged care place, subject to availability and the provider's agreement.

All residential aged care approvals valid on or from 1 July 2014 will be indefinitely valid, unless approval is for a specific period.



Providing 'ageing in place'

With removal of the distinction between low care and high care in permanent residential aged care, all permanent residential aged care will be provided on an 'ageing in place' basis from 1 July 2014. All permanent residents will have the right to indefinite residence, unless the conditions are met for asking a resident to leave residential aged care as set out in the User Rights Principles.

You may wish to review how your resident agreement specifies your capacity to provide care and services if you are currently relying on references to providing 'low level' or 'high level' permanent residential aged care.

Classification of residents

From 1 July 2014, new and continuing permanent residents will cease to be classified as low care or high care recipients. Permanent residents will continue to receive an Aged Care Funding Instrument (ACFI) classification as at present, except that the 'interim low' ACFI classification will cease.

Until you submit a new permanent resident's initial ACFI classification, an interim daily subsidy will be paid. Once you submit the initial ACFI classification it will apply, backdated to the date of entry. Any difference between the interim subsidy and the ACFI subsidy over the period before you submitted the ACFI classification will be balanced through the payment system.

Maintaining resident eligibility for other programs

From 1 July 2014, references to relevant ACFI classification ranges will replace any references to 'low care' and 'high care' in eligibility criteria determining permanent resident access to other Commonwealth programs. Permanent residents will not have reduced access to care and services as a result.

High dependency leave

High dependency leave will cease from 1 July 2014. High dependency leave arrangements have allowed both a low care provider and a high care provider to be paid care subsidies for the same resident at the same time in certain circumstances.

Residential respite low care – high care distinction

Respite care recipients will continue to receive low level and high level care approvals and resident classifications after 1 July 2014. This distinction will continue to determine residential respite care subsidies.

Further information

Information on aged care reforms is available at the [Department's website](#).