Red Tape Reduction Action Plan

The Australian Government's deregulation agenda is guided by ten underlying principles. The starting point is the fundamental principle that regulation should not be the default option for policy makers.

As part of the Australian Government's plan to cut $1 billion in red tape annually, there will be two Parliamentary Repeal Days every year to cut unnecessary and costly legislation and regulation. The first Repeal Day was on 26 March 2014. All portfolios have been allocated a share of the $1 billion per annum savings target. Through the Red Tape Reduction Action Plan aged care related changes in regulation will contribute to government-wide red tape reductions including through each Repeal Day.

The Department of Social Services has developed a Framework for Best Practice Regulation to support an integrated and systematic approach to considering the need for new regulation and reviewing existing regulation across the portfolio. It is envisaged the Framework will support this shift from a traditional approach to regulation that has been overly focussed on compliance and enforcement to one that is based on working with stakeholders to define and better understand problems and risks, and encourage and support improved performance and innovation in service delivery.

This Red Tape Reduction Action Plan represents the first step toward reducing the regulation of the aged care sector. It sets out a range of actions that can be taken to reduce unnecessary red tape for aged care providers and consumers. It also identifies areas where there appears to be scope for red tape reduction, but where further exploration is required before specific actions can be agreed. Both the actions and areas to be explored reflect opportunities to rethink the regulation of aged care within the current policy framework.

In addition to this Plan, the Department of Social Services is progressing further work to examine the policy settings for aged care in line with the Government's deregulation commitments. In doing so, it is likely there will be significant further opportunities to reduce regulatory burden. The Department of Social Services' Framework for Best Practice Regulation will guide this policy development, as will work with the Aged Care Sector Committee. Achieving the red tape reduction included in this Action Plan will provide a solid foundation on which to progress this long term activity.

To support a coordinated approach to reducing red tape, the Red Tape Reduction Action Plan groups activities into five Action Areas as follows:

1. Policy settings and governance - the intent of this action area is to review current practices i.e. existing legislation and quasi-regulation for regulatory impact, and assess the case for changing policy settings.
2. Streamlining administrative requirements - the intent of this action area is to streamline non-financial data collection and processes.
3. Streamlining financial requirements for aged care providers - the intent of this action area is to streamline financial data collection and processes. As noted in the body of the action plan, this will be informed by the work of the Aged Care Financing Authority, which has provided recommendations to the Government on improving financial data collection from aged care providers.
4. Fit for purpose regulation - the intent of this action area is to engage entities with a regulatory role in systematic regulatory change, including evaluating and reviewing the impact of changes in regulation on provider accountability and consumer protection.
5. Simplifying consumer interactions with the aged care system - the intent of this action item is to simplify consumer interactions with the aged care system and to allow consumers to make informed choices and self-regulate their own care where appropriate.
## Red Tape Reduction Action Plan

**To be actioned**

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<tr>
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<td>1</td>
<td>Undertake an assessment of aged care regulatory framework against the Framework for Best Practice Regulation to identify further opportunities for reducing red tape.</td>
<td>Early 2015</td>
<td>The Department of Social Services’ (DSS) Framework for Best Practice Regulation will support an integrated and systematic approach to considering the need for new regulation and reviewing existing regulation across the portfolio.</td>
<td>Better policy on regulation&lt;br&gt;• Where regulation is imposed, providers, consumers and DSS will work collaboratively in co-designing regulatory responses.</td>
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<tr>
<td>2</td>
<td>Every policy option will be carefully assessed, its likely impact costed, and a range of viable alternatives considered in a transparent and accountable way against the default position of no new regulation&lt;br&gt;• Applies to the whole aged care system.</td>
<td>Ongoing</td>
<td>The Department of Social Services’ (DSS) Framework for Best Practice Regulation will support an integrated and systematic approach to considering the need for new regulation and reviewing existing regulation across the portfolio.&lt;br&gt;• Regulatory Impact Statements (RIS) will be prepared for all new substantive policies having regulatory impact.&lt;br&gt;• Consultation will be undertaken with regulated parties at all stages of the regulatory cycle: design, implementation and evaluation.</td>
<td>Better policy on regulation&lt;br&gt;• Providers, consumers and government benefit from good regulatory practice which can reduce costs, contribute to making the aged care system easier to navigate and facilitate re-directing resources to front-line care services for consumers.&lt;br&gt;• DSS will work with stakeholders to define, assess and develop proportionate responses to risks, while protecting the vulnerable.&lt;br&gt;• Where regulation is imposed, providers, consumers and DSS will work collaboratively in co-designing regulatory responses.</td>
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<td>3</td>
<td>Repeal of legislative building certification requirements&lt;br&gt;• Applies to residential aged care.</td>
<td>Completed</td>
<td>Relevant provisions of the <em>Aged Care Act 1997</em> (the Act) proposed for repeal introduced into Parliament on 19 March 2014.&lt;br&gt;• The Bill was passed by Parliament on 22 September 2014 and received Royal Assent on 16 October 2014. The changes took effect the day after Royal Assent, 17 October 2014.</td>
<td>Removal of duplication&lt;br&gt;• Certification requirements are drawn in part, from the Building Code of Australia (BCA).&lt;br&gt;• Regulation and enforcement of the BCA is the responsibility of state/territory governments.&lt;br&gt;• The objectives of Certification, to improve building stock in the aged care sector, have been achieved.&lt;br&gt;• Ceasing these duplicative requirements removes</td>
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| 4   | Remove the requirement to report infectious disease outbreaks to DSS. | July-Dec 2014 (Completed) | • No change in aged care legislation.  
• Consultation to be undertaken with Public Health Units (PHU) of state/territory governments and the Australian Aged Care Quality Agency (Quality Agency) to confirm that PHU concerns about systemic care issues at residential aged care services are referred directly to the Quality Agency rather than through the DSS. | Removal of duplication  
• Jurisdictional legislation requires residential facilities to notify PHUs in the event of an outbreak. PHUs monitor and manage outbreaks, providing relevant clinical and logistical expertise to support residential facilities.  
• There is no requirement under the *Aged Care Act 1997* for residential providers to notify DSS of outbreaks.  
• Direct referral processes between PHUs and the Quality Agency will ensure any systemic issues are able to be considered by the Quality Agency.  
• The Quality Agency will continue to be responsible for responding to systemic issues relating to infection control in residential aged care.  
• The Aged Care Complaints Scheme will continue to accept individual complaints regarding infection control and take action where appropriate. |
| 5   | Remove the annual fire safety declaration. | July-Dec 2014 (Completed) | • Requires changes to subordinate legislation, specifically the *Quality of Care Principles 2014*. | Removal of duplication  
• Fire safety regulation is the responsibility of state/territory governments.  
• Therefore the requirement for approved providers to notify the Department is redundant and imposes an unnecessary regulatory burden on providers.  
• The Accreditation Standards will continue to require approved providers to demonstrate compliance with their regulatory responsibilities, both State and Federal. |
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| 6   | Repeal the *Home and Community Care Act 1985* as this is redundant legislation.  
- There is no impact on providers or consumers as HACC activities are no longer regulated by this legislation.  
- The HACC Review Agreements were deemed National Partnership Agreements in the context of the Intergovernmental Agreement on Federal Financial Relations of 2008, made under the *Federal Financial Relations Act 2009*.  
- Since then, there has been a separation of roles and responsibilities in relation to HACC in all states and territories, except Victoria and Western Australia. (Negotiations with these states continue.) This will not affect the requirements of the Victorian and Western Australian Governments. The HACC programme in these states will continue to be governed by the HACC Review Agreement. |

**Action area 2 – Streamlining administrative requirements**

| 7   | Streamline and simplify Programme Manuals to make them more practical and simpler for providers to use and understand.  
- Applies to the whole aged care system. | As manuals and forms are revised | No changes to aged care legislation. | Useable resources to support co-regulation  
- Having the right information in the right format at the right time can support and enable more efficient implementation of any regulatory requirements by providers.  
- This will support providers in meeting standards of care, and save time and resources in the administration of aged care services.  
- Using a co-design approach to re-working Programme Manuals will result in better, more useable products being disseminated. |

| 8   | Streamline and simplify forms using a ‘red tape lens’ as opportunities arise.  
- Applies to the whole aged care system. | Ongoing | Changes may be needed in aged care legislation and relevant Principles. | Simpler smarter data management  
- The ‘collect once use often’ principle to data gathering from providers will need to be adopted, and progressively implemented.  
- Standardised form design, including maximising the use of smart (web based) forms will save providers and consumers time and resources. |
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| 9   | Streamline the 2014 Aged Care Approvals Round (ACAR) application process.  
    • Applies to the allocation of places for residential and home care. | Completed | • Action taken under existing aged care legislation. | **Simplifying processes - applications**  
    • In the 2014 round, improvements were made to no longer include provisions which require approved providers to submit information which is already held by DSS.  
    • Also reduced the amount of information approved providers were required to provide and allowed electronic submission. |
| 10  | Ongoing improvements to streamline subsequent Aged Care Approvals Rounds.  
    • Applies to the allocation of places for residential aged care and home care. | At each ACAR | • Action taken under existing aged care legislation. | **Simplifying processes - applications**  
    • More changes in the application process will further reduce the information provision burden on providers and contribute to streamlining the approval process in DSS. |
| 11  | Review of places management, including but not limited to streamlining the transfer of places.  
    • Stage 1 will include a review of the current requirements and generate options for reducing red tape.  
    • Stage 2 will be the implementation of the preferred option/s.  
    • Applies to residential aged care and home care. | Stage 1: July 2014-June 2015  
    Stage 2: July-Dec 2015 | • No changes in aged care legislation needed for stage 1.  
    • Stage 2 may potentially involve changes to the Act and related Principles. | **Simplify requirements of providers**  
    • This involves:  
    - reviewing and revising all places management forms so that they only seek information that is legislatively required;  
    - reviewing and revising the requirements in relation to the transfer of places to ensure that the requirements are fit for purpose; and  
    - reviewing and revising the requirements in relation to managing provisionally allocated places to ensure that the requirements are fit for purpose.  
    • These changes will lessen the red tape burden on providers and ensure that the Department is able to more efficiently and effectively manage aged care places. |

**Action area 3 — Streamlining financial requirements for aged care providers**

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| 12  | Remove the Conditional Adjustment Payment (CAP)  
    • Applies to residential aged care. | Completed | • Changes were made to the Aged Care Principles and Determinations that commenced on 1 July 2014. | **Rationalisation of financial reporting requirements**  
    • Subsidy arrangements have been simplified and red tape reduced by removing the eligibility requirements for the CAP and rolling the existing |
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<td>13</td>
<td>Rationalise the reporting required of Home Care Package providers.</td>
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<td>8.75 per cent CAP for residential care providers into basic subsidy from 1 July 2014.</td>
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<td>- Stage 1 will include simplifying and streamlining the financial reporting process to reduce the administrative burden for all HCP providers by no longer requiring home care providers to submit accredited audited financial statements, align aged care service reporting periods to 31 October and streamline reporting by enabling online submissions.</td>
<td>Stage 1 (Completed)</td>
<td>- No changes in aged care legislation</td>
<td>- Mandatory financial reporting by all residential care providers commenced from 1 July 2014, whereas under the previous arrangements providers could elect not to provide financial reporting and therefore forego the CAP.</td>
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<td>- Stage 2 will be informed by work being undertaken by the Aged Care Financing Authority (ACFA).</td>
<td>Stage 2 for 2014-15 reporting Jan-June 2015</td>
<td>- Whether changes in aged care legislation are needed will be subject to ACFA’s advice and Ministerial decision.</td>
<td>- Rationalisation of financial reporting requirements</td>
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<td>- Applies to home care</td>
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<td>- ACFA is to provide options for improving the collection of the appropriate financial data from aged care providers, including options to rationalise financial reporting requirements.</td>
<td>- Some changes have already been introduced to streamline reporting, covering financial, output and quality. For Stage 1 there will be a decrease in the administrative reporting and financial burden for home care providers.</td>
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<td>- For stage 2, ACFA will provide options for a financial reporting framework for all sectors of aged care (including residential care, home care and the Commonwealth Home Support Programme from July 2015) including a rationale and an analysis of the reporting burden on the provider for each option proposed.</td>
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| 14  | Remove requirements for a progressive financial activity report for some National Respite for Carers Program and Day Therapy Centres providers.  
   - Applies to National Respite for Carers Programme and Day Therapy Centres providers. | February 2014 (Completed) | No changes to aged care legislation required. | Removal of unnecessary reporting requirement  
   - Progressive financial reporting is an unnecessary burden for the services involved.  
   - The provision of annual reports will be sufficient given the experience and quality of the services and the extent of quality control that exists in these programmes. |
| 15  | Streamline the current Annual Prudential Compliance Statements (APCS) form within the current legislative framework.  
   - Applies to residential aged care. | July-Dec 2014 (Completed) | For 2013-14 the APCS form has been reduced from 21 to 14 pages. Reporting items have been simplified where possible within the legislative framework | Streamlining of financial reporting requirement  
   - The preparation of the APCS has been supported since 2012-13 through a providers’ self-assessment toolkit, developed in consultation with the sector.  
   - Further streamlining can now be undertaken in light of experience in using the toolkit and assessing the use of the data provided. |

**Action area 4 ─ Fit for purpose regulation**

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| 16  | Simplify Key Personnel requirements.  
   - Applies to residential aged care and home care providers. | July-Dec 2014 | Legislative changes will be required to the Act and the relevant Principles.  
   - Consultations will be needed with peak organisations in aged care and consumer representative on options for change, the case for change and risk assessment of changes proposed.  
   - Any legislative changes will need to be explained so that the continuing responsibility of providers for ensuring the suitability of their personnel is clear. | Removal of a regulatory requirement adding no value  
   - Providers are already responsible for ensuring the basic suitability of their Key Personnel, in that they must take all reasonable steps as set out in the *Sanctions Principles 2014* to ensure Key Personnel are not a disqualified individual.  
   - The notification to DSS of changes to Key Personnel is an unnecessary administrative burden on approved providers as providers often have to provide the same information numerous times. This provides little probative value to DSS as a regulator.  
   - The Accreditation Standards will continue to require approved providers to demonstrate compliance with their regulatory responsibilities including the requirement to ensure Key Personnel are not disqualified individuals. |
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| 17  | Streamline police check requirements.                      | Jan-June 2015            | Changes will be needed to the Accountability Principles 2014. | Streamlining of a needed requirement  
• Proposed changes will better align police check requirements across the spectrum of aged care service provision and will be more consistent with requirements of other departmental programmes that provide services to vulnerable people. This will result in improved workforce flexibility and reduced administrative burden for providers. |
| 18  | Streamline fee advice letters.                             | July-Dec 2014 (Completed) | No change in aged care legislation.                  | Clearer information for consumers  
• Multiple letters, which would otherwise have been issued at the same time, have been consolidated into one letter. In particular, the initial asset and income assessment result letter has been consolidated with the initial fees and charges notification letter. |
| 19  | Streamline means testing forms and processes. New forms and processes commenced on 1 July 2014. | Completed                | No change in aged care legislation.                  | Clearer information for consumers  
• New forms and processes commenced on 1 July 2014.  
• Greater alignment with pension means testing rules and greater use of information already held by the DHS. |
| 20  | Streamline consumer interaction with the aged care system by creating a central client record within My Aged Care, which gives aged care service providers a centralised view of a client. This means that clients “tell their story” once. | Jan-Dec 2015             | Proposed amendments to the Healthcare Identifiers Act 2010. | Better and more accessible information for consumers  
• The recording of client information in this way helps consumers access different types of aged care services at different times.  
• The administrative burden on providers is reduced through having access to one central record. |

**Action area 5 — Simplifying consumer interactions with the aged care system**
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<td>• Applies to the whole aged care system.</td>
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<td>• The provision and use of the information is subject to appropriate and continuing privacy protections.</td>
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Work has commenced to explore the feasibility of the options included in this table. The timeframes included are indicative of the expected completion date should the exploratory work suggest they be progressed for action.

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| 21 | Investigate other requirements contained in Aged Care legislation where those consumer protections are replicated in whole of government regulation such as the Competition and Consumer Act 2010 and common law such as the law of contract.  
- Applies to the whole aged care system. | Jan-Jun 2016 | • Changes to aged care legislation may be required.  
• Analysis and assessment will be needed of laws relating to consumer protection that have an impact on the sector and which are duplicated in or overlap with aged care legislation.  
• Consultation will be needed with the sector, consumer representatives and the relevant consumer authorities on the relevance, materiality and adequacy of protections provided through other laws.  
• Consumers will need to be assured that where duplication is removed the protections provided by other laws are relevant and material to aged care. | Consideration of duplication  
• Removing duplication will make providers and consumer rights and obligations clearer.  
• The Quality Agency will continue to be responsible for overseeing the implementation of quality standards that apply to residential aged care and home care providers.  
• These ensure that providers have systems in place to identify and ensure compliance with all legislative and regulatory requirements. |
| 22 | Explore removing the food safety requirements in accreditation imposed through the quality standards.  
- Applies to residential aged care. | July-Dec 2015 | Changes to aged care legislation may be required. | Consideration of duplication  
• Removing duplication will make providers and consumer rights and obligations clearer.  
• Food safety regulations are the responsibility of state and territory governments. The Accreditation Standards require Commonwealth-subsidised aged care homes to have systems in place to identify and comply with all relevant legislation, regulatory requirements, professional standards and guidelines. The Standards do not list the various regulations or guidelines, including food safety standards and regulations. The Australian Aged Care Quality Agency (Quality Agency) assesses homes’ performance against the Accreditation Standards. There is no |
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| 23  | Investigate removing the requirement for providers to report the unexplained absence of a resident to the Department.  
- Applies to residential aged care. | July-Dec 2015 | - Changes in aged care legislation would be required.  
- The risks associated with removing this requirement will need to be assessed.  
- Consultation with peak organisations and consumer representatives will need to occur. | specific reference to food safety standards in the Quality Agency’s Results and Processes Guide.  
- Consumers can be assured that where duplication is removed, the protections provided by other laws remain material to their aged care.  
- Industry feedback reports that this requirement is onerous and notifying the department shifts a provider's focus from the search for the resident.  
- DSS has no role in searching for residents who go missing, as this is the responsibility of police and other relevant emergency services.  
- The Accreditation Standards require, among other things, that care recipients live in a safe and comfortable environment that ensures the quality of life and welfare of care recipients. This requirement would remain.  
- Complaints can also be raised with the Aged Care Complaints Scheme if there are concerns about the level of care provided. Given these protections, it is proposed to explore opportunities which reduce the duplication between the Department and police/emergency services. This would allow providers to focus their efforts on locating the missing resident rather than making reports to the Department that do not assist in the management of the absence.  
- The Department’s efforts may be directed towards supporting providers to understand their duty of care in relation to missing residents through targeted communication materials, which encourage providers to consider the adequacy of their arrangements, particularly when persons go missing without explanation. |
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| 24  | Explore simplifying the approved provider application form and approval requirements.  
   Stage 1 will look to revise the approved provider application form with a view to simplifying the form while still capturing key information for the assessment of the applicant and its Key Personnel’s suitability.  
   Stage 2 will explore the statutory decision making timeframes, the length of time an approval remains ‘current’, and the process for ‘renewal’ of approved provider status.  
  • Applies to residential aged care and home care providers. | Stage 1 July 2014-June 2015  
Stage 2 July 2015-June 2016 | • Changes to aged care legislation would be required.  
• Consideration of greater alignment with what is expected of other social services providers, such as disability.  
• Consultation needed with sector peak organisations on areas for improvement and the evidence base supporting new approaches. | Streamlining processes  
• Simplifying the approved provider application process accords with good business practice and will save time for prospective providers by removing extraneous information requirements.  
• Given experience with the operation of the market under the Aged Care Act since 1997, together with the extensive reform process that is being implemented, it is expected that action on reviewing provider entry and renewal processes is reasonable and well timed. |
| 25  | As part of the implementation of the next stage of My Aged Care, explore how aged care recipients register authorised representatives (nominees) with each Government agency they deal with in relation to their | July 2015 onwards | • No changes to aged care legislation.  
• Interaction with privacy requirements will need to be considered. | Better information to support consumers  
• The Department will look to align nominee processes within the Department of Human Services with representative processes within My Aged Care.  
• The registration of authorised nominee details (together with a ‘change and check’ facility for updating details) will assist both providers and consumers in offering and accessing services. |
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<td>26</td>
<td>Examine expanding the role of My Aged Care to include linking with, and updating of, departmental databases i.e. organisation and service detail changes and updates linked directly to DSS databases such as NAPS (National Approved Provider System).</td>
<td>July 2015 onwards</td>
<td>• No change to aged care legislation.</td>
<td>Simpler smarter data management • Examine opportunities to link different databases to provide access to information and reports of value to providers in the conduct of their business. • Electronic updating will save time, improve accuracy and free resources to focus on consumer care.</td>
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<td>27</td>
<td>Explore options to streamline reporting processes and minimise any red tape associated with the compulsory reporting requirements in relation to alleged reportable assaults.</td>
<td>Jan-June 2016</td>
<td>• Changes to aged care legislation would be required. • The risks associated with streamlining the reporting process will need to be assessed. • Consultation with peak organisations and consumer representatives will need to occur.</td>
<td>Streamlining of reporting process • In 2012-13, there were 2,256 notifications of reportable assaults to DSS. Each report requires providers to participate in an initial 30 minute phone call and further follow up calls as required. • Explore opportunities to streamline reporting processes to reduce regulatory burden on approved providers while continuing to ensure appropriate action in relation to alleged assaults. • It is not proposed that the reporting requirement be removed.</td>
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<td>• Applies to residential aged care.</td>
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<td>28</td>
<td>Explore options to allow providers who have sustained high performance the ability to operate with greater autonomy through extended periods of accreditation.</td>
<td>Sept 2014 onwards</td>
<td>• Consultation with approved providers and consumer representatives is underway to establish and test the areas in which high performance can be assessed for greater autonomy. • Analysis of provider performance over time will be required as part of risk analysis. • Consumers will need to be reassured</td>
<td>Recognition of sustained good provider performance • Based on clear and publicly demonstrated transparent criteria, providers with a sustained record of good performance may be subject to reduced regulatory requirements and earned autonomy. • Consumers will be assured that providers recognised in this way provide the highest standard of care.</td>
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| 29  | Explore opportunities to simplify and streamline regulations in conjunction with the Aged Care Financing Authority’s review of access for supported residents.  
- Applies to residential aged care. | ACFA to provide advice by 31 December 2015, to the Assistant Minister for Social Services |  
- Changes to aged care legislation may be required.  
- Consultations will be undertaken with the sector on the regulatory impact of the requirements relating to supported residents.  

**Simplifying regulations**  
- Under its operating framework, the ACFA is required to provide advice by 31 December 2015, to the Assistant Minister for Social Services on cost neutral mechanisms to ensure access to care for supported residents, including reviewing the efficiency, effectiveness, and appropriate level of:  
  - the supported resident ratio for each aged care planning region, and  
  - the ‘40 per cent’ rule for the Accommodation Supplement.  
  
[Where the payment to providers of the maximum accommodation supplement is conditional on having at least 40 per cent of supported residents in a facility.] | |
| 30  | In line with the improvements to social services grant programmes working towards a single coherent grants regime, and in the context of the broader aged care programme, pursue opportunities within the Commonwealth Home Support Programme to streamline administrative arrangements.  
- Lies outside aged care legislation.  
- Action has been taken in 2014 to initiate streamlined grant programmes for DSS, incorporating the first steps towards  
  - One grant agreement per provider  
  - Longer term grant agreements  
  - Streamlining reporting arrangements  
  - Providing access to a simple and easy to use IT system, the *DSS Data Exchange*, for recording outcomes focused data.  
  - Simplified financial acquittal reporting.  

**Streamlining of contractual obligations**  
- This will simplify provider interactions with DSS and streamline provider record keeping.  
- Single and consistent funding arrangements under one programme schedule (where possible) and one programme manual will assist providers in managing programmes.  
- Streamlined and consistent reporting requirements (for financial, output and quality reporting) will reduce the burden on providers and improve accountability.  
- Streamlined programme requirements will improve consistency in provider obligations (e.g. asset management, subcontracting requirements, notification of serious incidents, acknowledgement of funding etc). | |
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| 31  | Explore opportunities to streamline permitted use reporting arrangements.  
    - Legislative change (to the Fees and Payments Principles) will depend on the extent of changes proposed.  
    - Consultation will be needed with peak organisations and consumer representative on proposed changes.  
    - The risks associated with streamlining measures will need to be assessed. | Streamlining financial reporting  
    - This refers to reporting of the uses that providers can make of Aged Care Accommodation Payments paid by consumers.  
    - Providers currently report through the Annual Prudential Compliance Statement.  
    - Possible changes will be considered in light of the ACFA report on improving the collection of financial information. |
| 32  | Explore opportunities to reduce the regulatory burden of the Annual Prudential Compliance Statement through eliminating elements that are less effective in identifying compliance risks, coupled with mandatory reporting of key events.  
    - Legislative change (to the Fees and Payments Principles) will depend on the extent of the changes proposed.  
    - Evidence will need to be assessed for identifying elements that are less effective in identifying compliance risk.  
    - Appropriate systems for reporting on the key events will need to be established.  
    - Models of sampling rather than 100% reporting would require increased audit effort. | Streamlining financial reporting  
    - Reduction in the number of reporting elements while maintaining the required standard of compliance will save time and resources for providers and DSS.  
    - Event-based reporting would assist DSS to identify and engage with providers at significant risk of financial failure. |

Action area 4 — Fit for purpose regulation

| 33  | Examine consequences of revised privacy legislation and explore opportunities to streamline administrative processes to reduce the red tape burden on providers.  
    - Applies to the whole aged care system. | July 2014-June 2015 |  
    - Lies outside aged care legislation.  
    - Feedback needed from the sector on the red tape burdens arising for the sector from revised privacy legislation.  
    - Analysis required to assess the specific impact of the privacy legislation on the aged care sector, and of any differences when compared with other sectors working with vulnerable client groups.  
    - Consultation will be needed with sector peak organisations, consumer representatives and the Office of the Privacy Commissioner. | Interaction with legislation outside the Aged Care Act  
    - On 12 March 2014, the Privacy Amendment (Enhancing Privacy Protection) Act 2012 (Privacy Amendment Act) commenced including 13 harmonised Privacy Principles, data handling, credit reporting recognising external dispute resolution schemes.  
    - The aim will be to ensure that methods are developed to enable aged care providers to meet their privacy obligations without attracting onerous red tape burdens. |
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| 34  | Explore abolishing the administrator/advisor panels and associated legislative requirements.  
Applies to residential aged care and community services. | Jan-June 2015  
| | | | Changes to aged care legislation would be required.  
Consideration of whether a provision of this kind is needed in ‘black letter law’ and whether other forms of non-regulatory support can achieve the desired aim.  
Consultation will be needed with sector peak organisations, consumer representatives and the Quality Agency. | Evaluating effectiveness of compliance activities  
The current arrangements for the panels have been in operation since the Act commenced. The panels purport to assist approved providers under sanction to return to, and maintain compliance with their responsibilities under the Act.  
Including these arrangements in legislation limits flexibility and can result in responses that do not take account of the fact that, in most cases, approved providers are best placed to determine what resources are required to meet their obligations.  
The impacts on approved providers and panel members will be assessed, and potential alternative approaches developed. This includes a review of the current delivery model and whether better outcomes could be achieved through a more streamlined delivery model. |

**Action area 5 — Simplifying consumer interactions with the aged care system**

| 35  | As part of the next stage of My Aged Care, explore streamlining assessment process to reduce duplication and effort.  
Applies to the whole aged care system. | Jan-Dec 2015  
| | | | Changes to aged care legislation could be required, depending on agreed processes to reduce duplication and effort.  
Transparency and clarity for consumers will be a significant consideration. | Streamline processes involving consumers  
An integrated, consistent approach to assessment processes reduces time spent by consumers negotiating the aged care system. |