
THINKING AHEAD – AN EVIDENCE-BASED EXERCISE.

AGED CARE; ONE OF THE FORCES SHAPING AUSTRALIA'S ECONOMIC FUTURE.

We start by borrowing the Intergenerational Report 2023 – Australia's future to 2063 to frame this newsletter. Published by the Department of Treasury, the report's 6th iteration provides a big picture view of the Australian economy over the next 40 years.

Demand for care and support services is rising [1].

The Australian population is expected to age with people aged 65 years and older to more than double over the next 40 years. As a result, the Care Economy is a critical area for economic development.

Looking forward, Aged Care is deemed to be one of the sectors with the largest increase in costs; growing from 1.4% to 2.5% of Australia's GDP – faster than that forecasted for the NDIS or Defence.

The Treasurer in his foreword, reflected there is work to be done for the Australian economy to meet challenges posed by rising costs (Aged Care amongst others) combined with the slowing economic environment.

Data to inform a better Aged Care system.

There are typically two levers to containing net costs – create more revenue or spend more effectively. For this discussion, we will be focussing on the latter.

In a world of technological and digital transformation, data is the platform to ensure decisions – often accompanied by spend, are considered against evidence.

Recognising this, the Department of Health and Aged Care have outlined a series of new reporting requirements to improve the transparency over aged care providers and services.

By 31 October 2023, residential care, home care and transitional care providers are required to report additional data about their operations such as key personnel details, feedback, complaints and improvements [2].

Reporting data takes effort.

These new reporting requirements are in addition to the financial information aged care providers need to report, some report every quarter.

At a high-level, these requirements mean that providers have to consolidate data from different systems – for example, financial information from a Financial Management system and personnel details from another Human Resource Management System. The added complexity means that providers will have to review their current data platforms – the key is to have effective and efficient reporting processes to meet requirements while not adding to operating burdens.

Increasing scrutiny through data being reported.

To drive better care outcomes, the Department of Health and Aged Care have confirmed selected data reported by providers will be published on the My Aged Care portal [2]. Effectively, Older Australians will be able to use this information to make more informed decisions for their care.

Now, more than ever, reporting complete and accurate data matters. From a provider's point of view – their data is now influencing not only subsidies (amount that the Government subsidises for Aged Care services), but also as a point of difference against other competing providers in the growing care and support market.

Canberra

Ground floor, 65 Canberra Ave, Griffith ACT 2603, Australia
Tel +61 2 6262 5422, connect@altis.com.au
www.altisconsulting.com

Greater transparency - a goal not only for Aged Care.

The Government's push for transparency extends beyond Aged Care. Looking at the latest NDIS Review – What we have heard report [3], one of the key challenges facing the program is that the NDIS markets are not working as expected. This is because there is no clarity over whether NDIS participants are achieving desired outcomes or whether there are choice and controls over the services and providers they engage with. Note these are similar to the issues discussed above that prompted the Department of Health and Aged Care to expand reporting requirements.

Looking forward, the need for data will continue to grow. It is important that providers, especially those providing services across the care and support sector (NDIS, Aged Care and Veterans' Care) maximise the value of data by ensuring their data platform is sufficiently dynamic to changing requirements.

SOURCES

[1]<https://treasury.gov.au/sites/default/files/2023-08/p2023-435150.pdf>

[2]<https://www.health.gov.au/resources/webinars/greater-transparency-about-aged-care-providers-and-services-upcoming-reporting-requirements>

[3]<https://www.ndisreview.gov.au/resources/reports/what-we-have-heard-report>

Canberra

Ground floor, 65 Canberra Ave, Griffith ACT 2603, Australia
Tel +61 2 6262 5422, connect@altis.com.au
www.altisconsulting.com