The Department of Health (the Department) welcomed participants to the second Resource Utilisation and Classification Study (RUCS) and Residential Aged Care Funding Reform Stakeholder Forum.

Professor Kathy Eagar from the Australian Health Services Research Institute (AHSRI) at the University of Wollongong provided participants with an update on the RUCS project. The slides from the presentation are available on the Department’s website. The main focus of Professor Eagar’s presentation was version 1 of the University’s proposed Australian National Aged Care Classification (AN-ACC). The AN-ACC has 13 classes broken up into the following branches:

- End of life care at admission (one class)
- Independent mobility (two classes)
- Assisted mobility (five classes)
- Not mobile (five classes).

Professor Eagar also presented the preliminary results from Study Two, the fixed costs analysis study. The drivers of fixed costs were specialised Indigenous care and very remote facilities e.g. those located in Modified Monash Model 7 locations. Remoteness is closely associated with small size (less than 30 beds) and low occupancy (less than 80%).

Participants generally reacted positively to version 1 of the AN-ACC and the preliminary Study Two results. Professor Eagar’s presentation was filmed and the video and transcript of the presentation are both available on the Department’s website: https://agedcare.health.gov.au/reform/resource-utilisation-and-classification-study

Following Professor Eagar’s presentation, participants discussed a range of issues associated with residential aged care funding reform, including the control of delivery of care, assessments and workforce implications. External assessments were generally viewed favourably within this discussion.

Future RUCS work and possible implementation pathways and timelines for funding reform were also discussed during the Forum. Participants viewed an approach that included check points to test and adjust components of the reform prior to implementation as sensible and practical.

The Department reiterated that no Government decisions have been made on residential aged care funding reform.