

# Governance and reporting for approved providers Draft Legislation

Submission

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## Contents

Background.....	3
Response.....	3
Key points .....	3
Comments on the provider governance provisions .....	3
Expectations under the draft legislation .....	4

## About ACCPA

Aged and Community Care Providers Association (ACCPA) is the national Industry Association for aged care providers offering retirement living, seniors housing, residential care, home care, community care and related services.

ACCPA exists to unite aged care providers under a shared vision to enhance the wellbeing of older Australians through a high performing, trusted and sustainable aged care sector. We support our members to provide high quality care and services while amplifying their views and opinions through an authoritative and comprehensive voice to the government, community and media.

Our sector serves to make better lives for older Australians, and so do we.

## Background

The Department of Health and Aged Care (Department) has released an exposure draft of the *Aged Care Legislation Amendment (Governance and Reporting for Approved Providers) Principles 2022* (Draft Principles).

These principles support the measures included in the *Aged Care and Other Legislation Amendment (Royal Commission Response) Act 2022*.

This consultation follows public consultation on Provider Governance in February 2022, which ACCPA participated in.

The measures are said to address Recommendations 88 to 90 of the Royal Commission into Aged Care Quality and Safety. These recommendations seek to improve the governance systems of approved providers of Commonwealth-funded aged care.

ACCPA is pleased to respond to the exposure draft and provide our response below.

## Response

### Key points

- ACCPA is broadly supportive of the introduction of strengthened provider governance provisions for approved providers as a key opportunity to inform continuous quality improvement in aged care services.
- ACCPA welcomes the transition period for existing providers to implement the provider governance provisions to 1 December 2023.
- While the provisions of the draft legislation are broadly manageable by providers, it does come with increased governance and administration impost without being directly funded for these reforms.
- Some providers, particularly smaller provider, may be challenged by the substantial nature of the mandatory reporting requirements identified in the draft legislation.

### Comments on the provider governance provisions

ACCPA is broadly supportive of the introduction of strengthened provider governance provisions for approved providers. We consider it an important part of the reforms following the Royal Commission into Aged Care Quality and Safety - contributing to building an aged care system that all Australians can have confidence in, particularly those receiving care.

The establishment of quality and consumer advisory structures as part of provider governance structures are a key opportunity to inform continuous quality improvement in aged care services, which providers can utilise to help improve care experiences and outcomes for service users.

We note the implementation of the provider governance provisions may be challenging for smaller providers, including those in regional, rural and remote locations, community-owned or faith-based structures and those in home and community care, therefore clear guidance, including on the possibility to seek an exemption will be important.

We have previously expressed concern about the interpretation of 'independent' in the requirement for independent, non-executive Directors as well as the need for clarity about what is sufficient for someone on the governing body to have experience in the provision of 'clinical care'. We have also noted there may be additional costs incurred by providers in attracting independent, non-executive Directors to aged care.

The reforms will potentially require additional practices to be established, or adjustment to existing practices and will come with increased governance and administrative costs which are not directly funded. ACCPA has explored this issue in its submission to the Independent Hospital and Pricing Authority.<sup>1</sup>

We welcome the transition period for existing providers to implement the provider governance provisions to 1 December 2023.

## Expectations under the draft legislation

ACCPA's view is that the provisions of the draft legislation are broadly manageable by providers.

With respect to rule 53(C), the breadth of coverage of mandatory reporting requirements for the quality care advisory body is substantial and while much is likely to be already collected by providers in the course of their business, will be a significant effort to manage for reporting purposes of this body. We anticipate smaller providers who do not have sophisticated IT systems or specific governance roles may find this challenging.

Rules 53E(a) and (b) refer to 'details' about feedback/complaints and improvements to services but there is no definition as to the level of detail required, eg, reporting on numbers of complaints, categorising feedback etc. We recommend the use of nomenclature 'summary of' or 'information about', so providers have flexibility with respect to how they report.

Regarding rule 53E(c), and the need to report on diversity and inclusion practices is a broad topic. It will be important to ensure clear guidance is developed to explain what might be captured under this requirement.

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<sup>1</sup> Aged and Community Care Providers Association, Submission to Independent Hospital and Pricing Authority - Towards an Aged Care Pricing Framework Consultation Paper, October 2022 at [https://www.accpa.asn.au/wp-content/uploads/2022/10/ACCPA-Submission-on-IHACPA-Consultation-Paper\\_19-Oct-2022.pdf](https://www.accpa.asn.au/wp-content/uploads/2022/10/ACCPA-Submission-on-IHACPA-Consultation-Paper_19-Oct-2022.pdf)