

12 June 2025

Alison Roberts, Martin Stokie & Angela Jackson
Commissioners
Productivity Commission

Dear Dr Roberts, Mr Stokie and Dr Jackson,

Inquiry into delivering quality care more efficiently

Ageing Australia welcomes the opportunity to provide feedback to inform the Productivity Commission inquiry into delivering quality care more efficiently.

Ageing Australia is the national peak body for aged care, representing providers of retirement living, seniors housing, residential care, home care and community services. We advocate for our members, providing expert advice, resources and tailored services to ensure they deliver exceptional care to older Australians

We acknowledge this consultation is seeking feedback on three areas: 'reform of quality and safety regulation to support a more cohesive care economy', 'embed collaborative commissioning to increase the integration of care services', and 'a national framework to support government investment in prevention'. For this submission, we will focus our feedback on the first area, highlighting issues and impacts of regulatory burden for aged care providers, including those operating across the disability and health systems. We also provide additional feedback regarding the role of innovation in supporting more efficient care delivery.

Pending the Productivity Commission's findings and recommendations as part of this inquiry, Ageing Australia's recommendations for the Government are provided below.

Recommendations

- R1 To progress regulatory alignment and streamlining across the care economy, the following actions should be prioritised:**
- (a) identify opportunities for regulatory alignment across the care economy.**
 - (b) initiate a formal program to test and evaluate options for regulatory alignment and streamlining with the care sector, including opportunities (e.g. via a taskforce) to address the dual regulatory inefficiencies of aged care and NDIS in the near term.**
 - (c) identify any barriers to implementation and associated mitigation strategies to optimise efficiency.**
 - (d) publish timelines and regular sector updates on progress towards regulatory alignment and streamlining.**
- R2 Consider and identify opportunities to maximise the efficiency and effectiveness of regulatory requirements *within* aged care, including more nuanced policy settings that foster innovation in care models.**
- R3 Invest in the digital capability of care service providers to enable uptake of innovation and transformation opportunities, enhancing quality of care and creating efficiencies.**

Regulatory burden across the aged care, disability and health sectors

Ageing Australia has a longstanding interest in a sustainable care economy that can deliver quality care, while striking the right balance with regulation.

Achieving greater regulatory alignment is one way to reduce the dual compliance burden on care service providers, while maintaining appropriate standards for quality and safety. Although the care sectors are not homogenous, greater streamlining and harmonisation of regulation can support increased administrative efficiency and provide clearer expectations for providers and workers operating or working across the care economy.

We note work on alignment of policies across the care economy is underway by the [Care and Support Economy Reform Unit](#), however publicly available information on this work is limited. We therefore welcome this inquiry's focus on aligning safety and quality regulation across care sectors.

Below is an overview of key issues and impacts of regulatory burden, raised by aged care providers who operate across the aged care, disability and/or health sectors. These issues should inform any potential solutions to align and streamline regulations.

Aged care and NDIS

Ageing Australia has continuously advocated for greater harmonisation of regulations across aged care and the NDIS.¹ Our members are committed to providing quality care but experience ongoing regulatory burden from operating under both systems, especially those with a small number of NDIS participants in their care. This can result in a disproportionate investment in training, documentation, and compliance systems. Staff can also experience confusion navigating competing regulatory expectations, leading to inefficiencies.

There can also be significant costs associated with operating under these dual systems. We have heard that tens of thousands of dollars per year can go towards costs such as accreditation, staff time/positions dedicated to NDIS compliance, staff training, system configuration, worker screening, and reporting and audit preparation.

Key areas of specific concern from providers include the following:

- **Registration, accreditation and audit**

Administrative burden and costs associated with registration, accreditation and audit under dual systems is a particular pressure point for providers operating under the aged care system and NDIS. Dual registration requires providers to engage with two regulators, undergo separate audits, and maintain compliance with two sets of quality standards, policies, and reporting obligations. Accreditation processes can also require substantial time commitment from staff to ensure all requirements are met. While audit costs can vary, one provider estimates they have paid \$90,000 in fees to an external company within the past eighteen months, for a full audit and mid-term audit. The level of burden and cost is also not proportionate to providers who only have a small number of NDIS participants in their care.

- **Behaviour Support Plan (BSP) and restrictive practice requirements**

Providers have expressed concerns about the differing requirements for BSPs and restrictive practices between aged care and NDIS, including that NDIS requirements for behaviour support planning are highly prescriptive. Under the NDIS, BSPs must be developed by authorised behaviour support practitioners, and both interim and comprehensive plans are required. Requirements to interpret and apply two separate regimes can result in confusion for clinicians and staff, delays in care planning, and risks inconsistent practice if regulatory frameworks are misunderstood or applied inconsistently.

The process to develop, submit, and authorise these plans can be lengthy and is administratively burdensome, which can result in delays and significant resource

¹ See e.g. Ageing Australia [submission](#) to the inquiry into National Disability Insurance Scheme Amendment (Getting the NDIS Back on Track No. 1) Bill 2024 (May 2024).

expenditure. We have also received feedback that the complicated and evolving NDIS requirements frequently lead to BSPs being returned for revision, resulting in substantial re-work. Additionally, provider feedback indicates that there can be an additional administrative burden when negotiating with plan managers and the NDIA to secure appropriate BSP funding. This can be a complex and time-consuming process, resulting in delays implementing the required supports. It can also detract from direct care provision and create frustration for providers and care recipients.

- **Incident reporting**

There are separate incident reporting schemes and requirements for aged care and NDIS. It is duplicative for providers when incidents must be reported to both the Aged Care Quality and Safety Commission (ACQSC) and NDIS Quality and Safeguards Commission (NDIS Commission). We have also received feedback that there can be conflicting advice provided by the ACQSC and NDIS Commission when a serious incident is reported to both regulators.

- **Worker screening and workforce requirements**

The NDIS requires a NDIS worker screening check for staff in risk assessed roles, which is beyond the police check requirements for aged care (noting NDIS checks are recognised in aged care). We have received feedback that each state/territory has different registration processes, costs and response timeframes, and that the cost and time involved in getting a NDIS worker screening check can deter staff entering the sector and/or result in significant delays to staff being able to commence on shift. Further, one provider reported that due to the worker screening requirements, they had some volunteer organisations rescinding services to their residents. We note there is currently work underway to introduce a new aged care worker screening check for risk-assessed roles, which will to adopt the same process as NDIS worker screening checks. An aligned approach to worker screening across aged care and NDIS is welcomed, but it is important that this approach is efficient and consistent.

Providers have also expressed concern about the resource strain of other workforce requirements, such as tracking two separate banning order registers and managing different definitions of 'key personnel' and associated processes (plus meeting distinct notification and suitability assessment requirements).

Other issues reported by providers include managing wages and awards when staff work across both aged care and NDIS, and slow processing times/communication with the NDIA and NDIS Commission.

Aged care and health

There is also duplication for aged care providers who are accredited against the National Safety and Quality Health Service Standards (NSQHSS). Providers who operate in both the aged care and health systems have expressed concerns about the burden on resources (including staff time) and budgets to meet the regulatory requirements in both systems, including accreditation audits for both.

There is also overlap between the NSQHSS and strengthened Aged Care Quality Standards (Strengthened Standards). For example, there is conceptually similar content on infection prevention and control (NSQHSS Standard 3, Strengthened Standard 4.2) and clinical governance (NSQHSS Standard 1, Strengthened Standard 5.1).

In the context of the above, and pending the Productivity Commission's findings and recommendations, the Government should identify opportunities for regulatory alignment across the care economy. Opportunities for alignment could include streamlined pathways for recognising compliance across sectors (e.g. mutual recognition of standards and behaviour support requirements) and a single reporting process for incidents. A formal program should be initiated to test and evaluate these options with the care sector, including opportunities (e.g. via a taskforce) to address the dual regulatory inefficiencies of aged care and NDIS in the near term, to ensure they are appropriate and feasible. Barriers to implementation and associated mitigation strategies should also be

identified to optimise efficiency. The Government should also publish timelines and regular sector updates on progress towards regulatory alignment and streamlining, to promote transparency and provide assurance to the sector that this work is being prioritised.

R1 To progress regulatory alignment and streamlining across the care economy, the following actions should be prioritised:

- (a) identify opportunities for regulatory alignment across the care economy.*
- (b) initiate a formal program to test and evaluate options for regulatory alignment and streamlining with the care sector, including opportunities (e.g. via a taskforce) to address the dual regulatory inefficiencies of aged care and NDIS in the near term.*
- (c) identify any barriers to implementation and associated mitigation strategies to optimise efficiency.*
- (d) publish timelines and regular sector updates on progress towards regulatory alignment and streamlining.*

Regulatory burden within aged care

The regulatory requirements within aged care alone are significant and contribute to excessive compliance and reporting burden within the sector. Indeed, the high level of regulation of the aged care sector post-Royal Commission into Aged Care Quality and Safety has led to aged care workers needing to spend more time on administrative and compliance activities such as reporting rather than providing direct care. The new Aged Care Act, due to commence on 1 November 2025, is likely to continue this trajectory through introducing additional reporting requirements.² As a result, Ageing Australia has advocated for streamlining of requirements where possible.³

We note that this inquiry is not examining whether the regulations in each sector are appropriate. However, to promote the efficient delivery of quality care, regulatory requirements within aged care should be reasonable and not create undue compliance burden. We recommend that any work undertaken by the Government to align and streamline regulation across care sectors should also consider and identify opportunities to maximise the efficiency and effectiveness of regulatory requirements *within* aged care.

R2 Consider and identify opportunities to maximise the efficiency and effectiveness of regulatory requirements within aged care, including more nuanced policy settings that foster innovation in care models.

Supporting innovation to enhance efficiency of care delivery

Innovation is a key enabler of efficient, quality aged care services. While, as noted above, the appropriateness of regulations in each care sector is outside the scope of this inquiry, we believe this is an important consideration for unlocking innovation. To illustrate this, an unintended consequence of introducing mandatory care minutes targets in aged care has been to stifle innovation. It has required providers to adopt a one-size-fits-all care model, limiting their ability to use or explore innovative care models (e.g. virtual nursing), which could support both efficiency and quality. There is a strong focus on measuring a service's compliance with the care minutes targets, while minimal attention is being given to whether a service's staffing arrangements are improving care and well-being outcomes for residents. Policy settings should be sufficiently nuanced and flexible to enable innovation.

Reducing compliance burden through alignment of regulation across the care economy is one way to foster innovation, as it will lead to cost savings that can be reinvested by the provider into other areas. This could include data and digital solutions that promote

² See Ageing Australia submissions to new Aged Care Act Rules consultations [release 3](#) (March 2025) and [release 4b](#) (May 2025).

³ Ibid.

increased efficiency, while delivering quality care. There are providers already leading in this space – for example, we are aware of providers using artificial intelligence to monitor for falls.

To enable uptake of innovation and transformation opportunities, and in turn enhance quality of care and creating efficiencies, the Government should invest in the digital capability of care service providers.

R3 Invest in the digital capability of care service providers to enable uptake of innovation and transformation opportunities, enhancing quality of care and creating efficiencies.

Thank you again for the opportunity to provide feedback to this inquiry. If you would like to discuss this submission or have any questions, please contact Anne Liddell, Head of Strategic Policy, at Anne.Liddell@ageingaustralia.asn.au or Keelie Bormann, Senior Policy Advisor, at Keelie.Bormann@ageingaustralia.asn.au.

Yours sincerely,

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