



Removal of low care – high care distinction in permanent residential aged care from 1 July 2014

Information for approved providers

The Australian Government has worked with governments, providers, consumers and stakeholders to reform the aged care system. This means some changes to your business strategies, to your prices, to your services, and to your workforce so that there is a sustainable, affordable and equitable system for our future.

What has changed?

From 1 July 2014, the distinction between low care and high care will be removed in permanent residential aged care. This has resulted in flexible, simple and more transparent arrangements in permanent residential aged care, reducing red tape for consumers and providers without compromising levels of care provided to residents.

The distinction previously operated in conditions of allocation for residential aged care places, care recipient approvals, care recipient classifications, and other arrangements.

Conditions of allocation on residential places

The Secretary of the Department of Social Services amended conditions of allocation on existing permanent residential aged care places to remove any low care or high care conditions of allocation with effect from 1 July 2014. You did not need to do anything for this change to occur.

Future allocations of permanent residential aged care places will not have low care or high care conditions of allocation.

Approval of care recipients

From 1 July 2014, new permanent residential aged care approvals are no restricted to a care level. Low care and high care permanent residential aged care approvals valid on 1 July 2014 became permanent residential aged care approvals without any restriction to a particular level of care. Any person with a permanent residential aged care approval may now be admitted to any residential aged care place, subject to availability and the provider's agreement.

All residential aged care approvals valid on or from 1 July 2014 are indefinitely valid, unless approval is for a specific period.

Providing 'ageing in place'

With removal of the distinction between low care and high care in permanent residential aged care, all permanent residential aged care is provided on an 'ageing in place' basis from 1 July 2014. All permanent residents will have the right to indefinite residence, unless the conditions are met for asking a resident to leave residential aged care as set out in the User Rights Principles.

You may wish to review how your resident agreement specifies your capacity to provide care and services if you have previously relied on references to providing 'low level' or 'high level' permanent residential aged care.

Classification of residents

From 1 July 2014, new and continuing permanent residents ceased to be classified as low care or high care recipients. Permanent residents continue to receive an Aged Care Funding Instrument (ACFI) classification, except that the 'interim low' ACFI classification has ceased.

Until you submit a new permanent resident's initial ACFI classification, an interim daily subsidy is paid. Once you submit the initial ACFI classification it will apply, backdated to the date of entry. Any difference between the interim subsidy and the ACFI subsidy over the period before you submitted the ACFI classification is balanced through the payment system.

Maintaining resident eligibility for other programs

From 1 July 2014, references to relevant ACFI classification ranges replaced any references to 'low care' and 'high care' in eligibility criteria determining permanent resident access to other Commonwealth programs. Permanent residents do not have reduced access to care and services as a result.

High dependency leave

High dependency leave ceased from 1 July 2014. High dependency leave arrangements previously allowed both a low care provider and a high care provider to be paid care subsidies for the same resident at the same time in certain circumstances.

Residential respite low care – high care distinction

Respite care recipients continue to receive low level and high level care approvals and resident classifications after 1 July 2014, as this distinction continues to determine residential respite care subsidies.

Further information

Information on aged care reforms is available at the [Department's website](#).