

The AN-ACC Funding Model: An Introduction

The Australian Government has approved the continued development of the Australian National Aged Care Classification (AN-ACC) funding model as a possible replacement for the Aged Care Funding Instrument (ACFI).

The AN-ACC model aims to:

- make funding for residential aged care fairer and more stable
- improve the assessment process for funding so it is more accurate and nationally consistent
- remove the paperwork burden on aged care providers and their workers so they can spend more time on providing safe and effective care.

Did you know?

The AN-ACC funding model was developed for the Australian Government by the Australian Health Services Research Institute, University of Wollongong, and has been independently researched, trialled and tested.

What changes are being proposed for residential aged care funding?

The AN-ACC model would introduce changes in three main areas:

1. **Funding** – Funding would consist of three separate components:
 - a. a *variable* component reflecting the casemix classification of residents, determined by an AN-ACC assessment of a person's care needs
 - b. a *fixed* component reflecting the characteristics of a facility i.e. region in which the facility is located and associated delivery costs for that region
 - c. a *one-off* adjustment payment for new residents.
2. **Casemix Classification** – Every person within a Government funded residential care facility will be allocated a classification of 1 to 13 based on the results of an AN-ACC assessment. This classification will determine the *variable* component of the funding.

3. **AN-ACC Assessment** – Designed by clinicians, AN-ACC assessments look at a person’s functional, cognitive and physical capability to ensure they get the right amount of funding to support their care needs. Dedicated and clinically trained assessors will conduct face-to-face AN-ACC assessments except when a person is palliative (separate processes apply for determining palliative cases).

When will the AN-ACC assessments take place?

Starting in April 2021, over a 12 month period, everyone living in a Government funded RACF will have an AN-ACC assessment. This period is referred to as the ‘shadow assessment period’, because it will run alongside the current ACFI funding arrangements. These assessments will facilitate an easy transition to the proposed AN-ACC funding model.

Did you know?

There will be no change to the current ACFI funding system during the shadow assessment period – ACFI assessments and reviews will continue as normal for new and existing residents.

Who will conduct AN-ACC assessments?

AN-ACC assessments will be conducted by specially trained and qualified aged care clinicians who will visit all Australian Government funded residential facilities across Australia.

More information

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