



# About the *Aged Care Act 2024*

The new Aged Care Act will start from 1 July 2025. It will be the main law that sets out how the aged care system operates. This fact sheet gives a summary of each chapter of the Act and explains what the Australian Government is doing to support the changes now and in the future.

## Background to the new Act

The [Royal Commission into Aged Care Quality and Safety](#) (Royal Commission) released its final report in March 2021. It set out ways to improve the aged care system. The Royal Commission's number one recommendation for the Australian Government was to develop a new rights-based Aged Care Act.

We asked everyone for their feedback on changes to aged care law and introduced the Aged Care Bill 2024 in September 2024. It was passed by the Australian Parliament (the Parliament) in November 2024 and was approved as a new law on 2 December 2024. The new Aged Care Act will start from 1 July 2025.

The Parliament also passed the Aged Care (Consequential and Transitional Provisions) Bill 2024 in November 2024. This piece of law supports the change over to the new Aged Care Act.

## Overview of the new Act

The new Act responds to 58 recommendations from the Royal Commission. It also makes laws about:

- a Statement of Rights for older people
- who can access aged care services

- funding of aged care services delivered under the new Act, including what the government will pay and what an older person can be asked to pay
- the Support at Home program
- strengthened Aged Care Quality Standards – these outline what quality and safe aged care services look like
- stronger powers for the regulator, the Aged Care Quality and Safety Commission.

The new Act aims to make Australia's aged care system stronger. It will affect everyone who is part of the aged care system. It will:

- change how aged care providers deliver services to older people in their homes, community settings and residential care homes
- introduce laws to make sure aged care is safe, and people are treated with respect and have quality of life
- replace the aged care laws we have now.

The new Act covers aged care services that the government funds. This includes programs that aged care laws did not cover in the past. For example, the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program and the Commonwealth Home Support Programme (CHSP).

The new Act also has a new regulatory model to manage aged care. This model aims to support registered providers to deliver high quality aged care and be more accountable.

## **Chapter 1 – Introduction**

Chapter 1 explains the ideas and terms used in the new Act. This makes sure everyone uses the terms in the same way, and that roles and duties are clear.

Chapter 1 includes:

- the objects of the new Act – this describes the purpose of the law
- the Statement of Rights – this outlines the rights older people have in the aged care system
- the Statement of Principles – this guides how workers and organisations must behave and make decisions under the new law.

It also explains the role of supporters to help older people make decisions.

## **Chapter 2 – Entry to the aged care system**

Chapter 2 covers who can access funded aged care services.

It includes what age people must be to access aged care. This will help meet the government's goal to have no younger people living in aged care homes.

The Chapter covers how people get approved to access aged care services. A single assessment pathway brings together the different assessment services into one system.

Chapter 2 also includes the process for:

- how we assess needs and decide funding for residential care using the Australian National Aged Care Classification (AN-ACC)
- how we assess needs and decide on services a person can access, and funding for the Support at Home program
- who gets priority access for funded aged care services
- how people get a place to access aged care services.

### **Chapter 3 – Registered providers, workers and digital platform operators**

Providers must register with the Aged Care Quality and Safety Commission (Commission) before they can deliver aged care services. Chapter 3 explains how the Commission will assess applications to register. The Commission will also approve residential care homes as part of this process.

Chapter 3 outlines the rules and obligations for:

- registered providers, even if they subcontract some services
- workers
- responsible persons – people in leadership roles within aged care providers.

The Commission will be able to take regulatory action if a provider does not meet the conditions of registration. This may include serious civil penalties.

Chapter 3 also outlines new duties for registered providers and responsible persons. There are also new duties for digital platform providers that make aged care websites, apps or systems to support the delivery of aged care services.

### **Chapter 4 – Fees, payments and subsidies**

Chapter 4 explains how funding for aged care services will work. This includes what the government will pay and what registered providers can ask older people to pay.

Chapter 4 sets out:

- when government funding will be based on subsidies or grants
- when funding is paid through specialist aged care programs, such as the CHSP or NATSIFAC program.

Chapter 4 notes the subsidy parts that are based on a person's needs and the parts that are based on a provider's fixed costs.

It also sets out what people may need to pay for funded aged care services and how providers must manage those payments.

The Chapter outlines how means testing works for residential care and Support at Home. Means testing does not apply to specialist aged care programs.

Chapter 4 has rules about how registered providers can:

- sign accommodation agreements with older people
- charge for accommodation
- manage refundable accommodation deposits.

## **Chapter 5 – Governance of the aged care system**

Chapter 5 explains who will manage the aged care system and how. This is called governance.

A range of roles will manage the aged care system:

- the Secretary of the Department of Health and Aged Care, called the System Governor – manages how the aged care system runs, including making access to services fair
- the Inspector-General of Aged Care – monitors the aged care system and reports to the Parliament
- the Aged Care Quality and Safety Commissioner (Commissioner) – manages provider registration and regulates aged care quality, safety and financial matters. They also make sure aged care providers work in an open and ethical way
- the Complaints Commissioner – handles complaints made to the Commission
- the Aged Care Quality and Safety Advisory Council – oversees the work of the Commission.

## **Chapter 6 – Regulatory mechanisms**

The Commissioner, Complaints Commissioner and System Governor will have a range of powers to carry out their roles. Chapter 6 explains how they can use these powers. It also explains when the Commissioner can allow an authorised person to enter a residential care home without a provider's consent or a warrant.

Chapter 6 provides powers for getting information and issuing notices. These powers make sure the Commissioner, Complaints Commissioner and System Governor can get the information they need to fulfill their roles.

The Chapter also allows for the use of banning orders. A banning order is a way to stop workers and providers who do the wrong thing from delivering types of aged care services.

## **Chapter 7 – Information management**

Chapter 7 includes new rules for managing information in the aged care system. This will help protect people's privacy. It will also help make sure information on registered providers is transparent.

The Chapter includes:

- an updated framework to manage information
- a new definition of protected information
- who can collect, use and disclose protected information and when.

Chapter 7 also includes more to protect whistleblowers – people who call out issues. This is to make sure older people, their families and carers, and workers can report information without fear of being punished or treated unfairly.

People can make a report if they know or think someone has not followed the law.

## **Chapter 8 – Miscellaneous**

Chapter 8 covers other matters that will support the aged care system. It includes:

- how and when the System Governor, Commissioner and Complaints Commissioner can have others act on their behalf
- when the System Governor and the Commissioner can approve forms, charge fees and use computer programs to make specific decisions
- that the Minister for Aged Care can make rules.

This Chapter allows people to ask for a review of certain decisions made by the Commissioner, Complaints Commissioner, System Governor and the Independent Health and Aged Care Pricing Authority.

It also explains that the System Governor will report on their work and review refundable accommodation deposits each year.

## **Support for the new Act and next steps**

### **Aged Care (Consequential and Transitional Provisions) Act 2024**

The *Aged Care (Consequential and Transitional Provisions) Act 2024* became law on 10 December. It is a piece of law that allows the new Aged Care Act to start and supports the transition to the new Act.

Its 4 main aims are to:

- make the new Aged Care Act the main set of laws for aged care by removing laws we have now – including the *Aged Care Act 1997*, the *Aged Care Quality and Safety Commission Act 2018* and the *Aged Care (Transitional Provisions) Act 1997*
- make sure information about aged care law refers to the *Aged Care Act 2024* instead of the old laws
- explain the way the current laws will change to the new Act from 1 July 2025
- change freedom of information laws, the *National Disability Insurance Act 2013* and the *Crimes Act 1958* to respond to Royal Commission recommendations 77 and 88.

It will make sure that older people continue to get safe, quality care as we change to the new law. It also allows for approved aged care providers to become registered providers under the new system.

## Getting feedback on the Rules

A set of Rules will support the new Act. The Rules explain how the new Act will be put into practice. We can review and change these details over time if we need to. For example, if any issues come up or there are changes to best practice.

Most of the Rules already exist and will become part of the new Act. But there will be some new Rules. For example, Rules that explain how funding for Support at Home will work.

We would like feedback to help us:

- improve the Rules based on what the community tells us
- make sure the Rules include feedback we got in previous consultation
- find out what providers need to prepare for the new Act.

The consultation is also a way to help everyone understand how the Rules affect older people and their care.

Find out more about consultation on the Rules at [www.health.gov.au/our-work/aged-care-act/consultation](http://www.health.gov.au/our-work/aged-care-act/consultation).

## Helping people prepare for the new Act

We will support older people, their families and carers, and the aged care sector get ready for the new Act.

We will make sure people affected by the changes understand:

- what it means for them, what is changing and what is staying the same
- what they need to do to prepare and when to make the changes
- what information and guidelines we will provide, and when and how to access them.

We created the Aged Care Transition Taskforce to help the aged care sector adjust to the new Act. The Taskforce will work with the sector to find and solve issues and give advice to the government.

People on the Taskforce are experts with a range of experience in aged care. They include people with experience in and with regulation, service delivery, education and training, data and digital, older people, First Nations people, the aged care workforce, clinical care and primary care.

The Taskforce will also oversee and guide the changes to make sure they are carried out properly.

Find out more about the Aged Care Transition Taskforce at <https://www.health.gov.au/committees-and-groups/aged-care-transition-taskforce>.