

# NATIONAL PARTNERSHIP AGREEMENT ON FINANCIAL ASSISTANCE FOR LONG STAY OLDER PATIENTS

Council of  
Australian  
Governments

An agreement between

- n the Commonwealth of Australia and
- n the States and Territories, being:
  - t The State of New South Wales
  - t The State of Victoria
  - t The State of Queensland
  - t The State of Western Australia
  - t The State of South Australia
  - t The State of Tasmania
  - t The Australian Capital Territory
  - t The Northern Territory of Australia

This Agreement will assist with the costs incurred by State and Territory governments in caring for Long Stay Older Patients.

# National Partnership Agreement on Financial Assistance for Long Stay Older Patients

## INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

### PRELIMINARIES

1. This National Partnership Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA.
2. In entering this Agreement, the Commonwealth and the States and Territories (the States) recognise that they have a mutual interest in improving outcomes in relation to Long Stay Older Patients (LSOP) and need to work together to achieve those outcomes.
3. This Agreement will contribute to the objective of the National Health Reform Agreement agreed by the Council of Australian Governments in August 2011. The aim of the funding contribution is to recognise that some older people in public hospitals who have finished acute and post-acute care and have been assessed as being suitable for Commonwealth aged care remain in hospital longer than would otherwise be necessary while they secure an appropriate community or residential aged care place.
4. The Commonwealth will provide up to \$277.1 million in LSOP funding over three years from 2011-12. The number of LSOP places reduces from up to 2,000 in 2011-12 to, up to 1,700 in 2012-13 and up to 1,400 in 2013-14, as other measures under the National Health Reforms increase the availability of aged care places.
5. This Agreement is separate to the extended 2006 Long Stay Older Patients initiative under the National Partnership Agreement on Health Services.
6. This Agreement will be implemented consistently with the objectives and outcomes of all National Agreements and National Partnerships agreed by the Parties. In particular, the Parties are committed to addressing the issue of social inclusion, including responding to Indigenous disadvantage (for example, the reform commitments provided in the National Indigenous Reform Agreement) and those commitments are embodied in the objectives and outcomes of this Agreement.

## PART 1 – FORMALITIES

### Parties to this Agreement

7. This National Partnership (the “Agreement”) is between the Commonwealth of Australia (the “Commonwealth”) and the States and Territories (the “States”).

### Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and one other Party signs the Agreement and will expire on 30 June 2014, unless terminated earlier or extended as agreed in writing by the Parties.

### Enforceability of the Agreement

9. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties’ commitment to this Agreement.

### Delegations

10. The relevant Commonwealth Minister with portfolio responsibility for health and/or aged care is authorised to agree Schedules to this Agreement and to certify that performance benchmarks specified under this Agreement have been achieved, so that payments may be made. The relevant Commonwealth Minister is also authorised to agree to any amendments to Schedules on behalf of the Commonwealth.
11. Respective State and Territory Ministers with portfolio responsibility for health and/or aged care are authorised to agree Schedules to this Agreement. The respective Minister is also authorised to agree to any amendments to Schedules on behalf of their State or Territory.

### Interpretation

12. For the purposes of this Agreement:

(a) A public patient is considered to be a Long Stay Older Patient if they satisfy the following criteria:

- they are 65 years or over (or 50 years or over for Aboriginal and Torres Strait Islander People);
- they have been assessed by an Aged Care Assessment Team as being eligible for permanent aged care services (residential care or packaged care<sup>1</sup>) and are unable to return to the community without that care in place; and
- they no longer require in-patient acute or post-acute care (including rehabilitation) and are declared medically ready for discharge.

(b) The 2006 national LSOP census means the Report of Conduct of Count Long Stay Older Patient Program, version dated 25 April 2007.

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<sup>1</sup> Community Packaged Care means packages of community/aged care services provided under the *Aged Care Act 1997*, and includes Community Aged Care Packages (CACP), the Extended Aged Care at Home (EACH) and Extended Aged Care at Home Dementia (EACHD).

## PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

### Objective

13. The Parties aspire to develop a nationally consistent and integrated aged care system that provides improved access to appropriate care to meet the needs of older Australians and their families.

### Outcome

14. This Agreement will contribute to ensuring that LSOP receive appropriate care while they remain in hospital for longer than would otherwise be necessary while they secure an appropriate community or residential aged care place.

### Outputs

15. The objective and outcome of this Agreement will be achieved by:
  - (a) the Commonwealth contributing to the cost of providing care for LSOP (up to 2,000 LSOP places in 2011-12, up to 1,700 LSOP places in 2012-13 and up to 1,400 LSOP places in 2013-14) while they remain in public hospitals;
  - (b) improved national LSOP data collection in public hospitals to better understand the LSOP population; and
  - (c) the completion of a national LSOP census in 2011-12 and 2012-13 to determine the number of LSOP in each State.

## PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

16. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below and in any Schedules to this Agreement.

### Role of the Commonwealth

17. The Commonwealth agrees to be accountable for the following roles and responsibilities:
  - (a) providing a contribution to the cost of up to 2,000 LSOP places in public hospitals in 2011-12, up to 1,700 places in 2012-13 and up to 1,400 in 2013-14;
  - (b) using the results of the 2006 national LSOP census as the basis for distributing up to 2,000 LSOP places in 2011-12;
  - (c) funding and engaging independent consultancy services to liaise with the States to coordinate 2011-12 and 2012-13 national LSOP census arrangements and report to the Commonwealth on outcomes of the process;
  - (d) distributing LSOP places to the States in 2012-13 and 2013-14, according to their percentage of the total number of LSOP in the 2011-12 and 2012-13 national LSOP censuses; and

- (e) monitoring and assessing the performance of this measure to ensure that outputs are delivered and outcomes are achieved within the agreed timeframe.

## Role of the State

- 18. The States agree to be accountable for the following roles and responsibilities:
  - (a) providing care for LSOP in public hospitals;
  - (b) funding the collection and provision of information from their own jurisdictions, using existing records and data holdings that relate to LSOP, in 2011-12 and 2012-13 to complete the national LSOP censuses;
  - (c) liaising with the independent consultant engaged by the Commonwealth to coordinate 2011-12 and 2012-13 national LSOP census arrangements and reporting on outcomes of the process; and
  - (d) providing feedback on the performance of the census arrangements within their own jurisdiction in 2011-12 and 2012-13, in order to refine future national LSOP data collections.

## Shared roles and responsibilities

- 19. The Commonwealth and the States share the following roles and responsibilities:
  - (a) participating in consultations as appropriate regarding the implementation of this Agreement; and
  - (b) negotiating new or revised Schedules to this Agreement.
- 20. The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement.

## PART 4 – PERFORMANCE MONITORING AND REPORTING

### Performance benchmarks

- 21. The Parties agree to meet the following benchmarks:
  - (a) the Commonwealth and the States collaborate to complete a national LSOP census in 2011-12 and 2012-13; and
  - (b) the States continue to provide care for LSOP until a community or residential aged care place is secured.

### Reporting arrangements

- 22. The Parties will collaborate to conduct 2011-12 and 2012-13 national LSOP censuses as specified in Schedule A to this Agreement in order for the consultant to prepare two reports (one for each census) for the Commonwealth on the outcome of the process. There is no additional reporting required from the States.

## PART 5 – FINANCIAL ARRANGEMENTS

### Financial contributions

23. The Commonwealth will provide funding of up to \$277.1 million over three years from 2011-12. LSOP funding is indexed. The growth factor comprises growth in safety net adjustment weighted by 75 per cent and 25 per cent Consumer Price Index (CPI) using the previous year to March figures. Adjustments take place when new parameters become available and are distributed by the Department of Finance and Deregulation.
24. Table 1 describes total LSOP funding available for 2011-12, 2012-13 and 2013-14.

Table 1: Total LSOP Funding

	2011-12 (\$'000)	2012-13 (\$'000)	2013-14 (\$'000)	Total (\$'000)
Total LSOP funding	106,145	92,610	78,386	277,141

These figures are GST exclusive.

25. The total funding available each year has been calculated based on the number of LSOP places (up to 2,000 in 2011-12, up to 1,700 in 2012-13 and up to 1,400 in 2013-14) multiplied by the estimated average aged care subsidy for people entering residential aged care from hospital for the given year. This funding will be split between the States based on the proportion of LSOP places in each State and Territory, as determined by the results of the respective national LSOP censuses.
26. Subject to the achievement of the performance benchmarks, the Commonwealth will pay the States their maximum number of LSOP places in the first quarter of each financial year based on the respective national LSOP census. The first payment will be made on the next available payment date after the Agreement commences.
- (a) The Commonwealth will use the results of the 2006 national LSOP census as the basis for distributing up to 2,000 LSOP places to the States in 2011-12 as specified in Schedule A to this Agreement.
  - (b) The Commonwealth will use the results of the 2011-12 and 2012-13 national LSOP censuses as the basis for determining the number of LSOP places and distributing up to 1,700 LSOP places to the States in 2012-13 and up to 1,400 LSOP places in 2013-14.
27. National Partnership payments to the States will be paid in accordance with Schedule D - Payment Arrangements of the Intergovernmental Agreement on Federal Financial Relations.
28. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners through innovative and collaborative partnerships.
29. The Commonwealth's and the State's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with Schedule D – Payment Arrangements of the Intergovernmental Agreement on Federal Financial Relations, are shown Table A1 in Schedule A to this Agreement. Each financial year Schedule A to this Agreement will be updated to include the LSOP funding for that respective

financial year, as the ratio of allocation of LSOP funding between jurisdictions in the 2012-13 and 2013-14 years is not yet known and is dependent on the census results.

## Project management risk

30. Having regard to the agreed estimated costs of projects specified in this Agreement, the States will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the States bear all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States to deliver project costs effectively and efficiently.

## PART 6 – GOVERNANCE ARRANGEMENTS

### Dispute resolution

31. Any Party may give notice to other Parties of a dispute under this Agreement.
32. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
33. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant COAG Council.
34. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

### Review of the Agreement

35. The Agreement will be reviewed by 30 June 2013 with regard to progress made by the Parties in respect of achieving the agreed outcomes.

### Variation of the Agreement

36. The Agreement may be amended at any time by agreement in writing by all the Parties.
37. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.



The Parties have confirmed their commitment to this agreement as follows:

**Signed for and on behalf of the Commonwealth  
of Australia by**

---

The Honourable Julia Gillard MP  
Prime Minister of the Commonwealth of Australia

December 2011

**Signed for and on behalf of the  
State of New South Wales by**

---

The Honourable Barry O'Farrell MP  
Premier of the State of New South Wales

[Day] [Month] [Year]

**Signed for and on behalf of the  
State of Victoria by**

---

The Honourable Ted Baillieu MP  
Premier of the State of Victoria

[Day] [Month] [Year]

**Signed for and on behalf of the  
State of Queensland by**

---

The Honourable Anna Bligh MP  
Premier of the State of Queensland

[Day] [Month] [Year]

**Signed for and on behalf of the  
State of Western Australia by**

---

The Honourable Colin Barnett MLA  
Premier of the State of Western Australia

[Day] [Month] [Year]

**Signed for and on behalf of the  
State of South Australia by**

---

The Honourable Jay Weatherill MP  
Premier of the State of South Australia

[Day] [Month] [Year]

**Signed for and on behalf of the  
State of Tasmania by**

---

The Honourable Lara Giddings MP  
Premier of the State of Tasmania

[Day] [Month] [Year]

**Signed for and on behalf of the *Australian  
Capital Territory* by**

---

Katy Gallagher MLA  
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

**Signed for and on behalf of the *Northern  
Territory* by**

---

The Honourable Paul Henderson MLA  
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]



# LSOP Censuses and 2011-12 Funding

## NATIONAL PARTNERSHIP AGREEMENT ON FINANCIAL ASSISTANCE FOR LONG STAY OLDER PATIENTS

### 2011-12 AND 2012-13 NATIONAL LONG STAY OLDER PATIENT CENSUSES

#### Statement of requirement

- A1 A suitably qualified independent consultant will liaise with a reference committee of Commonwealth and State government representatives to coordinate national censuses of LSOP in public hospitals covering 2011-12 and 2012-13. The consultant will develop methodology and a survey instrument for LSOP data collection, coordinating censuses of LSOP across the States and Territories and reporting on the results of each census to the Commonwealth.
- A2 In liaison with the reference committee of Commonwealth and State and Territory government representatives, the consultant will be required in 2011-12 and 2012-13 to:
- i. work with State and Territory governments on the collection of national LSOP data and develop a relevant survey instrument;
  - ii. determine the date for each national LSOP census;
  - iii. analyse the national census data collected by State and Territory governments; and
  - iv. prepare two reports, one for each census, for the Commonwealth on the outcome of the process.
- A3 The two reports, one for each census, prepared for the Commonwealth by the consultant will be made available to the State and Territory governments.
- A4 The consultant will report to the Commonwealth.

## 2011-12 LONG STAY OLDER PATIENT FUNDING

A5 The Commonwealth will use the results of the 2006 national LSOP census as the basis for distributing up to 2,000 LSOP places in 2011-12.

A6 Table A1 describes the maximum LSOP funding available for the States in 2011-12.

Table A1: 2011-12 LSOP Funding

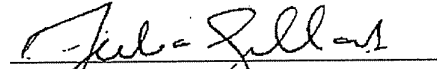
State/Territory	State proportions based on 2006 national LSOP census	Maximum available 2011-12 LSOP places	Maximum available 2011-12 LSOP funding
New South Wales	31%	620	\$32,904,950
Victoria	12%	240	\$12,737,400
Queensland	20%	400	\$21,229,000
Western Australia	15%	300	\$15,921,750
South Australia	17%	340	\$18,044,650
Tasmania	3%	60	\$3,184,350
Australian Capital Territory	1%	20	\$1,061,450
Northern Territory	1%	20	\$1,061,450
<b>Total</b>	<b>100%</b>	<b>2,000</b>	<b>\$106,145,000</b>

\*These figures are GST exclusive.

National Partnership Agreement on Financial Assistance For Long Stay Older Patients

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth  
of Australia by



**The Honourable Julia Gillard MP**  
Prime Minister of the Commonwealth of Australia

16 December 2011

Signed for and on behalf of the  
State of New South Wales by

**The Honourable Barry O'Farrell MP**  
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the  
State of Queensland by

**The Honourable Anna Bligh MP**  
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the  
State of South Australia by

**The Honourable Jay Weatherill MP**  
Premier of the State of South Australia

[Day] [Month] [Year]

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Chief Minister of the Australian Capital Territory

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**The Honourable Ted Baillieu MP**  
Premier of the State of Victoria

[Day] [Month] [Year]

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State of Western Australia by

**The Honourable Colin Barnett MLA**  
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the  
State of Tasmania by

**The Honourable Lara Giddings MP**  
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the *Northern  
Territory* by

**The Honourable Paul Henderson MLA**  
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

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**The Honourable Julia Gillard MP**  
Prime Minister of the Commonwealth of Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the  
State of New South Wales by*



---

**The Honourable Barry O'Farrell MP**  
Premier of the State of New South Wales  
November 2011

*Signed for and on behalf of the  
State of Victoria by*

---

**The Honourable Ted Baillieu MP**  
Premier of the State of Victoria  
[Day] [Month] [Year]

*Signed for and on behalf of the  
State of Queensland by*

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**The Honourable Anna Bligh MP**  
Premier of the State of Queensland  
[Day] [Month] [Year]

*Signed for and on behalf of the  
State of Western Australia by*

---

**The Honourable Colin Barnett MLA**  
Premier of the State of Western Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the  
State of South Australia by*

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**The Honourable Jay Weatherill MP**  
Premier of the State of South Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the  
State of Tasmania by*

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**The Honourable Lara Giddings MP**  
Premier of the State of Tasmania  
[Day] [Month] [Year]

*Signed for and on behalf of the Australian  
Capital Territory by*

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**Katy Gallagher MLA**  
Chief Minister of the Australian Capital Territory  
[Day] [Month] [Year]

*Signed for and on behalf of the Northern  
Territory by*

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**The Honourable Paul Henderson MLA**  
Chief Minister of the Northern Territory of Australia  
[Day] [Month] [Year]

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Prime Minister of the Commonwealth of Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the State of New South Wales by*

**The Honourable Barry O'Farrell MP**  
Premier of the State of New South Wales  
[Day] [Month] [Year]

*Signed for and on behalf of the State of Queensland by*



**The Honourable Anna Bligh MP**  
Premier of the State of Queensland  
[Day] [Month] [Year]

*3 Nov 2011.*

*Signed for and on behalf of the State of South Australia by*

**The Honourable Jay Weatherill MP**  
Premier of the State of South Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the Australian Capital Territory by*

**Katy Gallagher MLA**  
Chief Minister of the Australian Capital Territory  
[Day] [Month] [Year]

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Premier of the State of Western Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the State of Tasmania by*

**The Honourable Lara Giddings MP**  
Premier of the State of Tasmania  
[Day] [Month] [Year]

*Signed for and on behalf of the Northern Territory by*

**The Honourable Paul Henderson MLA**  
Chief Minister of the Northern Territory of Australia  
[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

*Signed for and on behalf of the Commonwealth of Australia by*

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**The Honourable Julia Gillard MP**  
Prime Minister of the Commonwealth of Australia

December 2011

*Signed for and on behalf of the State of New South Wales by*

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**The Honourable Barry O'Farrell MP**  
Premier of the State of New South Wales

December 2011

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Premier of the State of Queensland

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Premier of the State of South Australia

December 2011

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**Katy Gallagher MLA**  
Chief Minister of the Australian Capital Territory

December 2011

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**The Honourable Ted Baillieu MP**  
Premier of the State of Victoria

December 2011

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**The Honourable Colin Barnett MLA**  
Premier of the State of Western Australia

December 2011

*Signed for and on behalf of the State of Tasmania by*

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**The Honourable Lara Giddings MP**  
Premier of the State of Tasmania

December 2011

*Signed for and on behalf of the Northern Territory by*

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**The Honourable Paul Henderson MLA**  
Chief Minister of the Northern Territory of Australia

December 2011

National Partnership Agreement on Financial Assistance For Long Stay Older Patients

The Parties have confirmed their commitment to this agreement as follows:

*Signed for and on behalf of the Commonwealth of Australia by*

**The Honourable Julia Gillard MP**  
Prime Minister of the Commonwealth of Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the State of New South Wales by*

**The Honourable Barry O'Farrell MP**  
Premier of the State of New South Wales  
[Day] [Month] [Year]

*Signed for and on behalf of the State of Victoria by*

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Premier of the State of Victoria  
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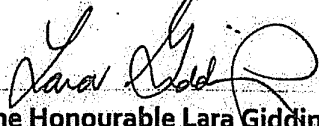
*Signed for and on behalf of the State of Western Australia by*

**The Honourable Colin Barnett MLA**  
Premier of the State of Western Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the State of South Australia by*

**The Honourable Jay Weatherill MP**  
Premier of the State of South Australia  
[Day] [Month] [Year]

*Signed for and on behalf of the State of Tasmania by*

  
**The Honourable Lara Giddings MP**  
Premier of the State of Tasmania  
[Day] [Month] [Year]

1 - 12 - 2011

*Signed for and on behalf of the Australian Capital Territory by*

**Katy Gallagher MLA**  
Chief Minister of the Australian Capital Territory  
[Day] [Month] [Year]

*Signed for and on behalf of the Northern Territory by*

**The Honourable Paul Henderson MLA**  
Chief Minister of the Northern Territory of Australia  
[Day] [Month] [Year]