

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Mental Health and Ageing

Aged Care Act 1997

*Aged Care (Residential Care Subsidy – Amount of Enteral Feeding Supplement)
Determination 2011 (No. 1)*

The *Aged Care Act 1997* (the Act) provides for the regulation and funding of aged care services. Persons who are approved under the Act to provide residential aged care services (approved providers) can be eligible to receive residential care subsidy payments in respect of the care they provide to approved care recipients.

Paragraph 44-14(6)(a) of the Act provides that the Minister may determine by legislative instrument the amount of the enteral feeding supplement. Paragraph 44-14(6)(b) of the Act provides that the Minister may determine by legislative instrument a method for working out the amount of enteral feeding supplement for a particular day.

The enteral feeding supplement is a daily supplement for care recipients receiving a complete food formula by means of a nasogastric, gastrostomy or jejunostomy tube.

The purpose of the *Aged Care (Residential Care Subsidy – Amount of Enteral Feeding Supplement) Determination 2011 (No. 1)* 'the Determination' is to set the daily rates for bolus and non bolus feeding with effect from 1 July 2011. The Determination also outlines a method for calculating the amount of enteral feeding supplement to be paid where the actual cost to the approved provider of providing enteral feeding to the care recipient is equal to, or more than, 125 per cent of the daily rate.

This Determination also revokes *Aged Care (Residential Care Subsidy – Amount of Enteral Feeding Supplement) Determination 2010 (No. 1)*. The difference between the Determinations is that the daily amount of enteral feeding supplement has been indexed in accordance with standard indexation arrangements.

Consultation

Indexation of the supplement uses a well established formula based on the Consumer Price Index as a measure of movements in the non-labour costs of providers. As this is in accordance with policy upon which extensive consultation was undertaken, no specific consultation was undertaken with respect to this instrument.

Information about the increase in the amount of the supplement will be disseminated via electronic media to approved providers.

This Determination commences on 1 July 2011.

The Determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.