

MYTHS & FACTS UPDATE: AN-ACC IS CONFIRMED...SO IS IT TIME TO STOP THINKING ABOUT ACFI?

MAY 20TH, 2021 | [ARTICLE](#)

The AN-ACC has been confirmed as the new Residential Aged Care funding tool starting from 1 October 2022 – but we are still hearing myths & rumours about what you should or shouldn't be doing! In this article we are going to bust through some of the myths we are hearing, lay out the facts, update on the progression to a new tool and let you know what you need to do to prepare.

MYTHS WE'RE BUSTING:

- **FALSE:** ACFI has been replaced in 2021
- **FALSE:** AN-ACC is a passive funding tool – there's nothing Providers need to do to ensure they are receiving their funding entitlements
- **FALSE:** Now we know we have AN-ACC coming, there is no reason to focus on getting ACFI right

It has been a huge few years for Aged Care, with a great deal of challenges and change. Amongst the multitude of subjects the industry has dealt with, there continues to be discussion, confusion and speculation about how to prepare for the dissolution of ACFI, and the transition to its replacement.

Whilst we now have a set date specified by the Government to transition to a new funding tool, the Australian National Aged Care Classification (AN-ACC), the chatter has left much of the industry in limbo. This chatter lends to the perception that we no longer need to focus on ACFI, ignoring how important it still is to the sustainability of Aged Care Organisations – and that there is nothing we need to do when AN-ACC arrives.

YOU SAY AN-ACC STARTS IN OCT 2022..BUT ISN'T AN-ACC BEING IMPLEMENTED RIGHT NOW?

FACT: NO – THE AN-ACC IS STILL IN TRIAL PHASE UNTIL 2022, AND THE GOVERNMENT HAS SET A DATE FOR THE AN-ACC TO BEGIN FROM 1 OCTOBER 2022.

The AN-ACC shadow assessment is still progressing as planned, and is expected to end in March 2022 (with a possible extension to June 2022).

Let's take a look at how we got here.

What has happened so far?

- The AN-ACC assessment trial, that had been underway since late 2019 and scheduled to be completed in June 2020 was [put on hold in March 2020](#) as a result of the COVID-19 outbreak.
- Originally slated to be on hold for at least 6 months, the trial was ceased from early April 2020 and the trial report released on the data that had been collected up to this point, which was made up of:
- 7387 AN-ACC assessments completed across 122 homes of which:
 - 7276 permanent residents
 - 111 respite residents
- The trial of the AN-ACC assessment framework concluded that it was fit for purpose, and assessments could be completed by an external workforce. You can [read the Report on the AN-ACC trial here](#).

What is happening now?

- The next step in the funding reform project is the '[Shadow Assessment](#)' period, which involves a year of the AN-ACC tool being used to assess, and an AN-ACC class assigned, to all existing and new Aged Care Residents.
- A [call for tenders](#) for independent assessors to conduct the assessments closed in November 2020
- The proposed Shadow Assessment period will run from April 2021 to March 2022 (and a possible extension to June 2022 if deemed necessary).
- **As a Shadow Assessment, it will run alongside the current ACFI funding tool, with all funding still via ACFI for 2021, and through to 1 October 2022.**

It is important to note that the Government has not confirmed all final details of the proposed funding model, and will continue to undertake consultation with both consumers and the industry.

Despite the AN-ACC Shadow Assessment taking place in 2021, ACFI will continue to be the funding tool used for the entirety of 2021, and up to 1 October 2022.

[You can read the Government's information on the Aged Care Funding Reform page here.](#)

SO WE HAVE A DATE...AND UNDER AN-ACC I WON'T NEED TO DO ANYTHING TO ENSURE I AM RECEIVING OUR FUNDING ENTITLEMENTS, SO THERE IS NOTHING I NEED TO DO TO PREPARE

FACT: NO – THE NUMBER 1 REASON PROVIDERS UNDERCLAIM IN ACFI WILL BE THE EXACT REASON PROVIDERS ARE UNDERFUNDED IN AN-ACC

You might have heard that with the implementation of AN-ACC, that Providers no longer need to do the work relating to funding assessments, so there is nothing that needs to be done now – or when AN-ACC arrives.

This a big myth we need to bust, because it is crucial both now, and in the AN-ACC world, to ensure that residents' care needs are correctly identified through comprehensive, evidence-based assessment.

Let's step through why.

To complete their AN-ACC assessments on Residents, the AN-ACC Assessors are pulling together the Resident's clinical picture by way of:

- Clinical Documentation
- Resident interview and Observation
- Carer Interview and Observation

Holding this in mind, let's take a look at what our Aged Care Clinical Specialists do. They conduct a comprehensive evidence-based assessment to identify care needs. This is the 'secret sauce' for ACFI and also the solid base for meeting Accreditation Standards 2 & 3. Once we've looked at a resident's holistic clinical picture and completed a needs-based comprehensive assessment...THEN we then overlay ACFI and claim the appropriate funding for the resident's needs.

In the AN-ACC world – **Clinical Specialists will still be responsible for the conducting of comprehensive evidence-based assessment to identify care needs** – and then the AN-ACC assessors will be feeding that into their assessments to overlay the funding tool. So, arguably – the assessment component is even more delicate and important than it is currently.

SO THEN...SHOULD I STOP FOCUSING ON ACFI AND TRY TO SAVE COSTS TO GET READY FOR THE NEW TOOL?

FACT: YOU'RE MAD! THIS PERIOD IS CRITICAL TO GET YOUR ACFI FUNDING IN ORDER

Now is the time focus on ACFI!

As we have just seen, what is important in the future, is important now! Although we know that a new funding tool is replacing ACFI, MyVitals tells us on average organisations are underclaiming approximately \$1 million per annum. So it is important to utilise the time whilst the AN-ACC is being trialled to get your house in order so that you are in the best possible position going into a new funding tool. That means claiming all your entitled ACFI now, and right up until the new tool is introduced.

Particularly in the post COVID-19 world, with the impact of additional costs and the focus on the response to the Royal Commission Final report, it is crucial to get your funding in order, so that you will be in the best position for the next chapter.

Next steps:

- It is critical to get your funding in order to ensure you are not missing out on key funding in this period.
- Be well positioned for change: with your funding in order, you will be ready for the next phase and can put your energy into transitioning to a new tool, and keeping up with any changes as the result of the Royal Commission
- With the proposed stop loss measures, facility funding should not decrease more than 5% when the new tool comes in. To ensure sustainability, the better shape you're in now, the better shape you'll be in through the transition. Maintaining a solid ACFI function and completing all necessary voluntary reappraisals and mandatories prior to the transition will be key.
- In the AN-ACC world it's important that you have in place Aged Care Clinical Experts to prepare you for the Assessor's Visits.

So as you can see, to say that ACFI is no longer important to focus on or learn about does not ensure a smooth or sustainable transition; and to think that an AN-ACC world will mean that you won't need to do anything, can leave you missing out on your funding entitlements.

On the below page is our rundown on the changes that a new tool, the Royal Commission and the post-COVID world will bring and what you need to do, based on the information we currently have.

[Click here](#) to zoom in & click the image to see the AN-ACC journey so far!

See more at: <https://providerassist.com.au/news-resources/>



THE PROVIDER ASSIST TEAM
Author

WHAT'S ALREADY HAPPENED?

AN-ACC: Where to from here?

LOTS HAS HAPPENED!

Check out our previous timeline [here](#) to see how far we've come on the AN-ACC journey.

Royal Commission

Oct 2019	Feb 2021	May 2021
1st Report delivered.	Final Report delivered.	The Government released their response to the Royal Commission Final Report in May 2021 with the 2021-22 Budget.

WHAT'S HAPPENING NOW?

Shadow Assessment Period

2022

PHASE 1

Get your funding entitlements in order now! By getting your volunteers reappraisals up to date - this will ensure you have plenty of time to understand and transition to the new tool. Proposed stop loss measures means it is even more important to be in your best possible position now.

PHASE 2

Ensure all your ACFI appraisals are based on 'needs based comprehensive assessment' completed by Aged Care Clinical Specialists. This is just as critical, if not more, in an AN-ACC world as it is in the current ACFI world.

PHASE 3

Ensure your Residents fully understand and accept the care they are receiving. An expert Clinical Specialist can achieve this. It is crucial to ensure Carers are fully educated in understanding the why behind the care plans in place and their contribution to implementing this.

October 2022
Initiated AN-ACC
implementation date

Aged Care Reform Plan

The Government's Aged Care Reform plan in response to the Royal Commission recommendations is set to roll out over 5 years, with some changes to be implemented immediately.

ACFI & what you need to do

BUSINESS CRITICAL

This period is critical to get your funding in order to ensure you are not missing out on key funding.

- Stay on top of your volunteers
- Focus on claiming all entitlements

Remember

Funding was elevated by the COVID-19 temporary daily amount, so this diminished at the close of August 2020. It is crucial to ensure you are in an optimal position once the additional funding ceases.

Now is the time to act - don't be afraid to engage or outsource additional resources to help you through this period.

SCALE UP

As we prepare to move into the post COVID-19 phase, it is important to not take your eye off the ball. Keep your foundations solid.

- Educate your team on comprehensive clinical assessment. This will support you in both ACFI & Accreditation Standards 2 & 3
- All your residents will need to be accurately assessed - keep your workflow going

It is important to continue putting your energy into getting your funding in order, so that you will be in the best position for the next chapter.

POST- COVID-19

Be positioned well for change.

With your house in order you will be ready for the next phase and able to put your energy into transitioning into a new tool and any changes as a result of the Royal Commission and post COVID-19 world

Stop-loss measures mean that when the new tool comes in, total facility funding should not decrease more than 5% from this position. So for the best sustainability throughout the post COVID-19 stage and the industry changes, make sure all of your VRPs and mandatories are done by this time.



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