



The Hon Ken Wyatt AM, MP

**Minister for Aged Care
Minister for Indigenous Health
Member for Hasluck**

MEDIA RELEASE

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New Study Provides Insight into Residential Care Costs

The Turnbull Government has today announced the start of a landmark investigation of the comparative costs of providing residential aged care to older Australians with varying needs.

The Minister for Aged Care, Ken Wyatt AM, said the Residential Aged Care Resource Utilisation and Classification (RUC) study would help guide long-term reform in residential aged care funding.

“This is the first time relative costs have been systematically studied since the 1990s,” the Minister said.

“The Government wants to work with the sector to ensure the way we fund residential aged care is fair, stable, encourages innovation and is easy to apply and understand.

“Australians need an aged care system that is adaptable and can meet future challenges.

“Understanding how resident characteristics drive care costs, what costs are common for all residents and what impact the location and size facilities has on costs, will help us better design the funding system.”

The Federal Budget has allocated \$18.6 billion to aged care in 2017-18, including \$12.5 billion for residential care.

Minister Wyatt said the study would be conducted by the Australian Health Services Research Institute at the University of Wollongong and build on the report *Alternative Aged Care Assessment, Classification System and Funding Models*, completed earlier this year.

“The Turnbull Government is committed to open and transparent engagement and will rely heavily on the aged care sector for help,” the Minister said.

“I am pleased to have received such a positive response when we invited participation in the study.”

The study is expected to be completed within 12 months.

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