



**NACCHO**

National Aboriginal Community  
Controlled Health Organisation  
*Aboriginal health in Aboriginal hands*

[www.naccho.org.au](http://www.naccho.org.au)

# **2025 Progress Report on implementation of the Royal Commission recommendations**

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Submission to the  
Office of the Inspector-General  
of Aged Care

March 2025

## About NACCHO

NACCHO is the national peak body representing 146 Aboriginal Community Controlled Health Organisations (ACCHOs). We also assist a number of other community-controlled organisations.

The first Aboriginal medical service was established at Redfern in 1971 as a response to the urgent need to provide decent, accessible health services for the largely medically uninsured Aboriginal population of Redfern. The mainstream was not working. So it was, that over fifty years ago, Aboriginal people took control and designed and delivered their own model of health care. Similar Aboriginal medical services quickly sprung up around the country. In 1974, a national representative body was formed to represent these Aboriginal medical services at the national level. This has grown into what NACCHO is today. All this predated Medibank in 1975.

NACCHO liaises with its membership, and the eight state/territory affiliates, governments, and other organisations on Aboriginal and Torres Strait Islander health and wellbeing policy and planning issues and advocacy relating to health service delivery, health information, research, public health, health financing and health programs.

ACCHOs range from large multi-functional services employing several medical practitioners and providing a wide range of services, to small services which rely on Aboriginal health practitioners and/or nurses to provide the bulk of primary health care services. Our 146 members provide services from more than 550 clinics. Our sector provides over 3.1 million episodes of care per year for over 410,000 people across Australia, which includes about one million episodes of care in very remote regions.

ACCHOs contribute to improving Aboriginal and Torres Strait Islander health and wellbeing through the provision of comprehensive primary health care, and by integrating and coordinating care and services. Many provide home and site visits; medical, public health and health promotion services; allied health; nursing services; assistance with making appointments and transport; help accessing childcare or dealing with the justice system; drug and alcohol services; and help with income support. Our services build ongoing relationships to give continuity of care so that chronic conditions are managed, and preventative health care is targeted. Through local engagement and a proven service delivery model, our clients 'stick'. Clearly, the cultural safety in which we provide our services is a key factor of our success.

ACCHOs are also closing the employment gap. Collectively, we employ about 7,000 staff – 54 per cent of whom are Aboriginal or Torres Strait Islanders – which makes us the third largest employer of Aboriginal or Torres Strait people in the country.

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## Recommendations

NACCHO recommends:

1. any interventions to address aged care provision align with the National Agreement and its four Priority Reform Areas.
2. urgent implementation of the recommendations of the Interim First Nations Aged Care Commissioner.
3. the Department work in genuine partnership with the sector to produce written advice, tailored for Aboriginal and Torres Strait Islander providers and older people on the reform agenda, its progress and the implications for Aboriginal and Torres Strait Islander stakeholders.
4. the Aboriginal and Torres Strait Islander pathway be designed, developed and implemented collectively and in partnership with Aboriginal and Torres Strait Islander community controlled peaks and sector stakeholders.
5. assessments and provision of aged care packages be prioritised for Aboriginal and Torres Strait Islander people.
6. organisational capacity and capability building activities for ACCHOs and ACCOs wishing to deliver aged care services, including:
  - a. whole of sector support,
  - b. ensuring service providers have the back-end capacity to comply with regulatory requirements, CQI, reporting etc, and
  - c. leadership capability activities.
7. the role of the Aboriginal and Torres Strait Islander Aged Care Commissioner be incorporated into the Act as quickly as possible, and that this role remain independent of the Department.

## Acknowledgements

NACCHO welcomes the opportunity to provide a submission to the Office of the Inspector-General of Aged Care. NACCHO would like to acknowledge the valuable input for this submission received from Elder Care Support workers at the Aboriginal Medical Services Alliance Northern Territory, Aboriginal Health Council of South Australia, Apunipima Cape York Health Council, Queensland Aboriginal and Islander Health Council, Aboriginal Health and Medical Research Council, Tasmanian Aboriginal Centre, Kimberley Aboriginal Medical Services and the Aboriginal Health Council of Western Australia.

NACCHO supports the submissions to this consultation made by NACCHO Members and Affiliates.

## National Agreement on Closing the Gap

At the meeting of National Cabinet in early February 2023, First Ministers agreed to renew their commitment to Closing the Gap by re-signing the National Agreement, first signed in July 2020. The reforms and targets outlined in the National Agreement seek to overcome the inequality experienced by Aboriginal and Torres Strait Islander people and achieve life outcomes equal to all Australians.

This Government's first Closing the Gap Implementation Plan commits to achieving Closing the Gap targets *through implementation of the Priority Reforms*. This represents a shift away from focussing on the Targets, towards the structural changes that the Priority Reforms require, and which are more likely to achieve meaningful outcomes for our people in the long term:

### **Priority Reform Area 1 – Formal partnerships and shared decision-making**

This Priority Reform commits to building and strengthening structures that empower Aboriginal and Torres Strait Islander people to share decision-making authority with governments to accelerate policy and place-based progress against Closing the Gap.

### **Priority Reform Area 2 – Building the community-controlled sector**

This Priority Reform commits to building Aboriginal and Torres Strait Islander community-controlled sectors to deliver services to support Closing the Gap. In recognition that Aboriginal and Torres Strait Islander community-controlled services are better for Aboriginal and Torres Strait Islander people, achieve better results, employ more Aboriginal and Torres Strait Islander people and are often preferred over mainstream services.

### **Priority Reform Area 3 – Transformation of mainstream institutions**

This Priority Reform commits to systemic and structural transformation of mainstream government organisations to improve to identify and eliminate racism, embed and practice cultural safety, deliver services in partnership with Aboriginal and Torres Strait Islander people, support truth talking about agencies' history with Aboriginal and Torres Strait Islander people, and engage fully and transparently with Aboriginal and Torres Strait Islander people when programs are being changed.

### **Priority Reform 4 – Sharing data and information to support decision making**

This Priority Reform commits to shared access to location-specific data and information (data sovereignty) to inform local-decision making and support Aboriginal and Torres Strait Islander communities and organisations to support the achievement of the first three Priority Reforms.

## Review of Closing the Gap

In its first review of the National Agreement on Closing the Gap, the Productivity Commission found that governments are not adequately delivering on their commitments. Despite support for the Priority Reforms and some good practice, progress has been slow, uncoordinated, and piecemeal.

The Commission noted that to enable better outcomes, the Australian government needs to relinquish some control and acknowledge that Aboriginal and Torres Strait Islander people know what is best for their communities. It needs to share decision making with Aboriginal Community Controlled Organisations (ACCOs), recognise them as critical partners rather than passive funding recipients, and then trust them to design, deliver and measure government services in ways that are culturally safe and meaningful for their communities.

Too many government agencies are implementing versions of shared decision-making that involve consulting with Aboriginal and Torres Strait Islander people on a pre-determined solution, rather than collaborating on the problem and co-designing a solution.<sup>1</sup>

NACCHO recommends any interventions to address access to aged care services align with the National Agreement and its four Priority Reform Areas.

## Introduction

### Aged care for Aboriginal and Torres Strait Islander people

Older Aboriginal and Torres Strait Islander people, who are eligible at 50 years, do not currently access aged care at a rate that is commensurate with their level of need. It is estimated that 7% of aged care places need to be allocated to Aboriginal and Torres Strait Islander people aged 45 and over. As at mid-2020, just 2.6% of places (approx. 150,000) were allocated to Aboriginal and Torres Strait Islander people.<sup>2</sup>

The Australian Institute of Health and Welfare (AIHW) report that 5.7% of Aboriginal and Torres Strait Islander people living in permanent residential aged care were aged under 55 years, compared to less than 1% of non-Indigenous people.<sup>3</sup> While these numbers partly reflect the fact that eligibility for some programs is extended to Aboriginal and Torres Strait Islander people aged 50 and over, this extension of service is in direct response to the increased burden of disease and gap in life expectancy they face. In addition, approximately one in three adult Aboriginal and Torres Strait Islander people are Stolen Generation survivors or descendants. All Stolen Generation survivors are now aged over

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<sup>1</sup> Productivity Commission, Review of the National Agreement on Closing the Gap, Study Report, Canberra, 7 Feb 2024 [Study Report - Closing the Gap review - Productivity Commission \(pc.gov.au\)](https://www.pc.gov.au/research-and-issues/closing-the-gap/review).

<sup>2</sup> AIHW - Aboriginal and Torres Strait Islander people using aged care, <https://gen-agedcaredata.gov.au/Resources/Dashboards/Aboriginal-and-Torres-Strait-Islander-people-using>

<sup>3</sup> AIHW, GEN Aged Care Data <https://www.gen-agedcaredata.gov.au/Topics/People-using-aged-care>

50 and eligible for aged care.<sup>4</sup> Stolen Generations survivors and their descendants carry higher levels of disadvantage across life outcomes.

Yet, we know that major barriers continue to exist for Aboriginal and Torres Strait Islander people to access both residential aged care facilities and community aged care (home care packages) particularly in rural and remote locations. In part, this is due to the kinds of barriers that prevent or discourage Aboriginal and Torres Strait Islander people from accessing aged care services, including: difficulty navigating the system; a lack of service providers which may require a person to move away from family and Country to access aged care; a lack of culturally appropriate and/or trauma informed provision of care; experiences of systemic and interpersonal racism and discrimination, disconnection from culture and family experienced particularly by members of the Stolen Generation, the ongoing impacts of colonisation and intergenerational trauma, and the subsequent, deep-seated distrust of institutional care.

While there is a preference to access community-controlled services, the lack of such services in aged care, particularly residential services, remains a key concern for the sector, particularly in remote and very remote areas. Overwhelmingly, and consistently, NACCHO's member services tell us they want care for Aboriginal Elders and older people in Aboriginal hands.

## Questions

### 1. What are your impressions of:

- overall progress with implementation of the Royal Commission's recommendations?
- the state of the aged care systems since the Royal Commission's final report?
- positive/negative changes to the aged care system following government reform?

While the scale of change across the aged care system is challenging, it remains difficult to see coordinated and cohesive progress for Aboriginal and Torres Strait Islander older people.

The Royal Commission recognised the importance of Aboriginal and Torres Strait Islander people receiving aged care services from Aboriginal and Torres Strait Islander people and the need to prioritise Aboriginal and Torres Strait Islander organisations:

*To feel secure and obtain culturally safe services, many Aboriginal and Torres Strait Islander people prefer to receive services from Aboriginal and Torres Strait Islander people and from Aboriginal and Torres Strait Islander organisations.<sup>5</sup>*

Importantly, recommendations 47b and 47d highlight that:

- priority is given to existing and new Aboriginal and Torres Strait Islander organisations, including health, disability and social service providers, to cooperate and become providers of integrated aged care services, and

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<sup>4</sup> The Healing Foundation. (2021, June 1). *Significant increase in Stolen Generations survivor numbers signals urgent need for government solutions in health, aged care, and other services.*

<https://healingfoundation.org.au/2021/06/02/significant-increase-in-stolen-generations-survivor-numbers-signals-urgent-need-for-government-solutions-in-health-aged-care-and-other-services/>

<sup>5</sup> Royal Commission into Aged Care Quality and Safety (2021). *Final Report: Care, Dignity and Respect.*

Retrieved from: [Royal Commission into Aged Care Quality and Safety Final Report - Care, Dignity and Respect: Volume 1](#)

- there is a focus on providing services within, or close to, Aboriginal and Torres Strait Islander populations while maximising opportunities for people to remain on, and maintain connection with, their Country and communities<sup>6</sup>.

In addition, recommendation 50 states that, *the Australian Government should assist Aboriginal and Torres Strait Islander organisations to expand into aged care service delivery.*

However, the Royal Commission's recommendations to increase the number of community controlled providers of aged care services, appears to have stalled. While the number of ACCO providers may have increased (this is not clear), this is not due to any concerted effort by the Department. Capacity building efforts have been limited to individual, existing providers, rather than the sector-wide approach recommended by NACCHO and other organisations in the years since the Royal Commission's final report.

In addition, the system appears no closer to achieving the Aboriginal and Torres Strait Islander pathway recommended by the Royal Commission.

Through all of NACCHO's consultations, our members have emphasised the criticality of self-determination in the way governments fund and deliver services for older Aboriginal and Torres Strait Islander people. It is only through elevating self-determination that the factors influencing Aboriginal and Torres Strait Islander people's reluctance to seek care and support can be successfully addressed.

To this end, NACCHO welcomes the introduction of the Aboriginal and Torres Strait Islander Aged Care Commissioner role, and the appointment of the Interim Commissioner, Andrea Kelly. The ACCO sector has been overwhelmingly positive about this new role. The Interim Commissioner has undertaken an extensive consultation process, including meeting with NACCHO, many of our members and communities, and attending the 2024 Elder Care Support (ECS) national yarning circle.

NACCHO strongly supports the Interim Commissioner's recommendations and advice to the Minister about this role. In particular, NACCHO agrees the role of the Commissioner must drive improvements across both the system and the sector for Aboriginal and Torres Strait Islander people. Additionally, we strongly support the Interim Commissioner's focus on growing and strengthening the number of community controlled aged care providers, in alignment with Priority Reform 2 of the National Agreement and recommendations of the Aged Care Royal Commission (Royal Commission).

NACCHO recommends urgent implementation of the recommendations of the Interim First Nations Aged Care Commissioner.

## 2. Has the Government undertaken sufficient consultations in the development/implementation of its reform agenda? Has there been sufficient transparency around the Government's reforms? Is the level of support being provided enough to ensure an effective transition to a new system?

While consultations around development and implementation of the reform agenda appear to have been extensive, in relation to Aboriginal and Torres Strait Islander people, the approach has been

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<sup>6</sup> Royal Commission on Aged Care Quality and Safety, Final Report, <https://agedcare.royalcommission.gov.au/publications/final-report>



less than adequate. There is a need to consult more widely and collectively with Aboriginal and Torres Strait Islander communities and be transparent about the practical implications of new aged care reforms.

NACCHO has been working with the Department for a number of years in the aged care space. While good relationships have been developed with the relevant teams, there remain significant concerns about the overall approach being taken to aged care reforms generally, and specifically those reforms impacting Aboriginal and Torres Strait Islander elders and communities.

NACCHO echoes the concerns expressed by the Interim First Nations Aged Care Commissioner:

*I am concerned to see that so many decisions are being made for and about older Aboriginal and Torres Strait Islander people without proper consultation to gain community perspectives and input, and without adequate data and evidence to rely on. This means that the Government applies non-Indigenous perspectives to its policies, which results in Indigenous-specific programs being little more than minor tweaks to broad mainstream programs, rather than being designed with and for older Aboriginal and Torres Strait Islander people.<sup>7</sup>*

Across a number of areas, the Department has been slow to implement changes that respond effectively to sector feedback. The default approach is Department-led. This approach demonstrates a pervasive lack of trust in the ability of the sector to effectively deliver services that will meet the needs of their communities.

Some of NACCHO's member services have suggested the Department appears to prefer dealing with those organisations they have relationships with, rather than all stakeholders equally. This has led to perceptions of lack of transparency in the way limited funding is distributed and allocated to particular organisations. In addition, consulting with only a small segment of the sector does not ensure that the breadth of sector-wide concerns are taken into account and reflected across the reform agenda.

The approach taken by the Aged Care Quality and Safety Commission (ACQSC) stands in contrast. The Commission has made considerable effort to build strong relationships with sector stakeholders, including NACCHO. Commissioners and staff have demonstrated a willingness to learn, to action the advice provided, and to take criticisms as an opportunity for improvement. The result is a robust and trusting partnership.

The level of communication and transparency about the aged care reform agenda and its timetable has been an ongoing frustration for the sector. While there have been pockets of good work - the Aged Care Quality and Safety Commission (ACQSC) serve as an exemplar - there has been little effort to unpack the progress and implications of reforms for Aboriginal and Torres Strait Islander providers and older people.

Despite recommendations, advice and advocacy to the Department, tailored communications for Aboriginal and Torres Strait Islander providers and older people have not been forthcoming. The

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<sup>7</sup> Department of Health and Aged Care. Interim First Nations Aged Care Commissioner, *Transforming Aged Care for Aboriginal and Torres Strait Islander people*. <https://www.health.gov.au/resources/publications/transforming-aged-care-for-aboriginal-and-torres-strait-islander-people?language=en>



Department's website is vast, confusing and often sends users on a loop between the same pages, which promise, but do not provide the information sought.

In contrast, the First Nations information produced by the ACQSC about consumer rights and how the new quality standards impact people, have been specifically designed for and with Aboriginal and Torres Strait Islander people.<sup>8</sup>

Similarly, the Interim First Nations Aged Care Commissioner's community booklet and communiques provide accessible and up to date information for Aboriginal and Torres Strait Islander communities about the role, activities, and recommendations of the Commissioner.<sup>9</sup>

Overall, the level of support being offered to Aboriginal and Torres Strait Islander organisations has not been adequate. No suitable communications have been prepared about the impact of reforms to support Aboriginal and Torres Strait Islander community controlled providers, despite requests for such information from the Department over several years. The Department would do well to emulate the examples provided above.

Many of NACCHO's Affiliates and Regional Partners have contact with the Aged Care Service Delivery Division. While a few report very positive experiences in terms of receiving timely and clear explanations of the aged care reforms, there appears to be a lack of consistency across states and territories. However, NACCHO has also received reports that some aged care service providers in part of Australia have stopped processing aged care registrations because they do not understand the transition from the current Home Care Package to the Support at Home Program. This is avoidable, and indicative of the lack of understanding about the reforms across the sector.

More generally, NACCHO's experience of recent public consultations on aged care reforms is that deadlines associated with such consultations are very tight and a challenge for organisations with limited resources. Consultations on the Aged Care Rules for example, have not adhered to the schedule advised (which keeps changing without notice) and are now overlapping, making it difficult to manage the development of concurrent submissions on such dense and complex, yet important subject matter.

NACCHO recommends the Department work in genuine partnership with the sector to produce written advice, tailored for Aboriginal and Torres Strait Islander providers and older people on the reform agenda, its progress and the implications for Aboriginal and Torres Strait Islander stakeholders.

3. To what extent have the Government's reforms supported the establishment of a rights-based, person-centred aged care system? Will those reforms move the aged care system away from one focussed primarily on providers to one that puts older Australians and their needs first? If not, what needs to happen to facilitate that change?

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<sup>8</sup> Aged Care Quality and Safety Commission, Aged care for First Nations people <https://www.agedcarequality.gov.au/older-people/aged-care-first-nations-people>

<sup>9</sup> Department of Health and Aged Care, Interim First Nations Aged Care Commissioner <https://www.health.gov.au/topics/aboriginal-and-torres-strait-islander-health/aged-care/interim-commissioner>

NACCHO welcomes the introduction of a system that is rights-based and person-centred. This aligns strongly with the ACCHO model of care.<sup>10</sup> However, the government's continued framing of care and support services through an economic lens is deeply problematic.<sup>11</sup> The central tenet of care and support, in this context aged care, is to improve health and wellbeing outcomes across the life course. Care and support is not an opportunity for economic gain and should not be viewed as a commodity.

There is a growing literature demonstrating that marketisation of government services in Australia frequently produces poor outcomes, particularly for those from the most disadvantaged backgrounds. Marketisation encourages service providers that can achieve a high profit margin by reducing quality. Furthermore, it disadvantages public and not-for-profit service providers.<sup>12</sup>

While it remains that the sector delivers economic benefit, this is not its purpose. An economic lens undermines commitments to person-centred care by driving economic behaviour at the expense of health and wellbeing outcomes for individuals. This profit-driven approach is the reason we have seen appalling standards of care and support services provided to people in the aged care sector and those living with disability, as amply documented by recent Royal Commissions.<sup>13, 14</sup> Poor care standards are exacerbated for Aboriginal and Torres Strait Islander people.

We are already hearing reports of provider behaviours that prioritise cost and which do not support, or may even undermine, person-centred outcomes. For example, our Affiliates report that some aged care assessment teams are reluctant to travel to remote areas (MM 6 and 7) due to the cost of travel and/or the lack of locally available aged care service providers.

Despite the continuing difficulties associated with operating in thin markets in urban (culturally thin) to very remote (economically and culturally thin), government declines to intervene instead favouring a market-based approach. This approach continues to fail Aboriginal and Torres Strait Islander people.

ACCHO and ACCO services are rooted in Aboriginal and Torres Strait Islander ways of knowing, being and doing and are fundamentally person-centred. Given the Australian Government's focus is on delivering person-centred aged care, ongoing consultation with the Aboriginal and Torres Strait Islander community controlled sector is warranted.

4. Have existing reforms been sufficient in creating an aged care system which can meet individuals' needs regardless of their backgrounds or circumstances? Alternatively, or do they continue to treat diverse populations as an 'add on' to mainstream populations?

#### *Aboriginal and Torres Strait Islander pathway*

As noted above, the system appears no closer to achieving the Aboriginal and Torres Strait Islander pathway recommended by the Royal Commission. Progress has been fragmented, slow and

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<sup>10</sup> NACCHO Core Services and Outcomes Framework, <https://csof.naccho.org.au/>

<sup>11</sup> Prime Minister and Cabinet, Care and support economy, <https://www.pmc.gov.au/domestic-policy/care-and-support-economy>

<sup>12</sup> Don Perlgut, Why Australia Needs to Stop Using the Term "VET Market", 3 July 2023, <https://cca.edu.au/wp-content/uploads/2023/07/Why-Australia-Needs-to-Stop-Using-the-Term-VET-Market-Don-Perlgut-3July2023.pdf>

<sup>13</sup> Royal Commission into Aged Care Quality and Safety, 2021, Final Report: Care, Dignity and Respect, <https://agedcare.royalcommission.gov.au/publications/final-report>

<sup>14</sup> Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, 2020 Interim Report, <https://disability.royalcommission.gov.au/publications/interim-report>

continues to be poorly communicated. There is no shared understanding of what such a pathway should look like, nor how it should be designed, developed and delivered. Some critical elements are discussed below.

Despite reforms such as the ECS Program, much of the new aged care system continues to treat Aboriginal and Torres Strait Islander people as an 'add on' to mainstream populations, or worse, an afterthought. The Single Assessment model is a key example of this. The model was developed without consideration of or input from Aboriginal and Torres Strait Islander people and has had to be retrofitted to make it more culturally safe for use with Aboriginal and Torres Strait Islander older people. However, the tool remains fundamentally unsafe for Aboriginal and Torres Strait Islander people. One service described the process as intimidating, invasive, complex and overwhelming for older Aboriginal and Torres Strait Islander people.

It has also been reported that some older community members are reluctant to participate because the registration process is very slow (up to 12 months or more). Older people experience significant wait times for eligibility assessments for an aged care plan, and then further delays to access their plans. Some elders, entitled to higher level care plans, are only receiving lower level supports. Several elders have passed away whilst waiting to receive the care plan to which they were entitled. Some services have reported that the waitlists cause confusion and distress as clients and their families don't understand why they have been given the promise of services that they have not yet received.

Compounding this, in many remote communities there is no aged care service provision, or the only option is to move away from Country to access care through a mainstream provider. The need for a person to relocate to access services is not desirable and should only occur on rare occasions when it is unavoidable. As noted above, we are also hearing reports of discriminatory behaviour on the part of aged care assessors in areas where there is no provision of services. However, this is a double-edged sword in that some Aboriginal and Torres Strait Islander people are equally unwilling to participate in lengthy assessment and registration processes when they know there are no appropriate aged care service providers in their community or region.

The blanket introduction of fees and co-contributions are another key barrier to older Aboriginal and Torres Strait Islander people accessing the aged care support they need. Many have ongoing caring responsibilities for family members as well as kinship obligations to share their resources within extended family and community. Those with limited means will often choose to keep their money to support family and community rather than spend it on their own care needs.

While Aboriginal and Torres Strait Islander people can access aged care services from age 50, they are disproportionately affected financially, because unlike older non-Indigenous Australians receiving aged care services, they cannot access aged pension or superannuation from that younger age, and so those under 65 years who rely on income support payments, may be financially worse off.<sup>15</sup>

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<sup>15</sup> Transforming aged care for Aboriginal and Torres Strait Islander people, First Nations Aged Care Commissioner

NACCHO recommends the Aboriginal and Torres Strait Islander pathway be designed, developed and implemented collectively and in partnership with Aboriginal and Torres Strait Islander community controlled peaks and sector stakeholders.

NACCHO recommends assessments and provision of aged care packages be prioritised for Aboriginal and Torres Strait Islander people.

#### *Thin markets*

For many communities, aged care service provision is inadequate or non-existent. For Aboriginal and Torres Strait Islander communities in urban areas, there are not enough culturally safe providers. ACCHOs and ACCOs that deliver aged care services are significantly overburdened and unable to meet the demand for services from their communities. One ACCO service recently advised that despite having access to around 70 in-home aged care packages, they had taken 40 more local clients who they support at their own expense. They have a waitlist of more than 60 clients who they currently are unable to support. Overwhelmingly, Aboriginal and Torres Strait Islander people are calling for more ACCO/ACCHO aged care providers.

The issue of thin markets requires government intervention, yet a recent paper by the NDIA suggested that Government has taken a largely 'hands off' approach to market stewardship.<sup>16</sup> The report states,

*The NDIA has been using a 'least interventionist approach' to achieve a better functioning and sustainable market, while recognising some thin markets may require several market interventions to be delivered iteratively over a long term. This approach, however, reflects a more rigid and time-limited application of a stewardship framework more suited to private sector markets.*

*It goes on, Evidence from past and ongoing reviews and inquiries continues to show that the current **market-based model with individualised funding arrangements persistently fail to meet the needs of both First Nations and remote communities.***

This is a failure of the insistence on an individualistic, market-led service delivery approach rather than one focussed on the health and wellbeing outcomes of participants. Yet, despite the recommendations of multiple reviews since 2017 (outlined in the above paper), there remains a reluctance to provide block funding for the delivery of care services. A mixed model approach would be more effective and sustainable for community controlled providers, both in disability and aged care service delivery.

The National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program does provide a block funding model to participating providers in MM6 and 7 areas for provision of low support needs for older Aboriginal and Torres Strait Islander people. While funding has been extended for the 43 registered NATSIFAC providers, the program is closed to new providers limiting options for ACCHOs in remote areas wishing to enter the market. NACCHO has previously recommended that this program forms the basis of an integrated care funding model for Aboriginal and Torres Strait Islander providers, and that the program be refocussed to fund only Aboriginal and Torres Strait Islander community-controlled aged care providers. Currently, most providers funded under the program (~70%) are commercial/mainstream providers. It is NACCHO's position that funding for this group should be transitioned to other funding pools in a staged approach. The program should also be expanded to include all MM areas to ensure the needs of Aboriginal and

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<sup>16</sup> Australian Government, NDIS Review, Alternative commissioning for remote and First Nations communities, May 2023

Torres Strait Islander older people in urban and regional areas can be met. It remains unclear what the implications of moving NATSIFAC under the Act will be either for providers or for Aboriginal and Torres Strait Islander people supported under this program.

#### *Prioritising community controlled providers*

NACCHO welcomed the recommendation from the Royal Commission that Aboriginal community-controlled organisations be prioritised as providers of aged care services to Aboriginal and Torres Strait Islander communities<sup>17</sup>. Achieving this requires long-term national investment and a sector-wide focus to achieve sustainable outcomes. It also requires government to align its efforts. However, while there is support available for *current* providers in the form of the Remote and Aboriginal and Torres Strait Islander Aged Care Service Development Assistance Panel (SDAP), there is limited support for *new* community-controlled providers considering entering the sector.

The introduction of provider application fees in late 2022, imposed an additional barrier to ACCHO and ACCO services not located in remote/very remote settings. As not-for-profit organisations the fee structure excluded many ACCHOs from becoming registered aged care providers. NACCHO welcomes the ACQSC's proposal to exempt community controlled providers from registration fees.<sup>18</sup>

Government has committed funding to support sector capability building in aged care, and a small funding pool was committed for Aboriginal and Torres Strait Islander organisations. However, this limited funding has been targeted at a small number of services already delivering aged care, rather than across the sector as a whole. It remains unclear how these services were identified – it is however clear that it was not done in partnership with the sector as is required under Priority Reform 1 of the National Agreement.

A sector-wide capability building approach, would both increase the number of providers in the sector, and increase capability of existing providers. By way of example, the NDIS Ready program, delivered by NACCHO, supported capacity building of ACCHOs into NDIS provision. The program supported approximately 90% of NACCHO's then 143 members to scope what Aboriginal-led disability solutions might look like within their communities.

ACCHOs and ACCOs are deeply committed to ensuring that Elders and older people in their communities are well cared for in culturally appropriate settings, and that they can stay on Country and close to family in their own communities. They deliver comprehensive aged care services often in financially and culturally thin markets, however the level of care they provide is not supported by a market-driven system and they often operate at a loss.

ACCHOs continue to be an excellent and longstanding example of integrated commissioning. They deliver primary health care services to communities as well as preventive and population health activities, justice health initiatives, aged care and disability services, mental health, allied health, childcare and many other services.

NACCHO's member services are well placed to meet the aged care needs of their communities, and have clearly expressed an interest in growing to ensure they can look after their elders. As such, transition to the provision of aged care services will be essential for many ACCHOs, particularly in the thin market context of rural and remote areas which are not considered viable markets by larger providers and culturally thin markets many urban ACCHOs have identified. For many ACCHOs, the

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<sup>17</sup> Aged Care Royal Commission, Recommendation 50

<sup>18</sup> Aged Care Quality and Safety Commission, Cost Recovery Consultation Paper, March 2025, <https://www.agedcarequality.gov.au/resource-library/cost-recovery-consultation-paper>

move into aged care will require a complex expansion from primary health care into a service delivery model requiring organisational capacity building, as well as workforce expansion and development.

Supporting ACCHOs and ACCOs to deliver aged care services responds to the commitment all governments have made to Closing the Gap, and the four priority reforms to improve outcomes for Aboriginal and Torres Strait Islander communities.

NACCHO is encouraged to learn the Department has commenced work to streamline accreditation processes for primary health care providers. While implementation of streamlined accreditation processes remains some years away, this is an important step to reducing barriers to market entry for ACCHOs.

Currently the accreditation process requires ACCHOs to duplicate many of the processes and governance structures they already have in place to support the delivery of primary health care services. A streamlined accreditation process, such as that already in place for providers under the Multi-Purpose Services (MPS) Program will greatly alleviate this unnecessary duplication.

NACCHO recommends organisational capacity and capability building activities for ACCHOs and ACCOs wishing to deliver aged care services, including:

- whole of sector support
- ensuring service providers have the back-end capacity to comply with regulatory requirements, CQI, reporting etc.
- leadership capability activities

#### *Cultural safety in mainstream services*

ACCHOs overcome many of the barriers for people accessing care by ensuring culturally safe service. This extends to the cultural safety of staff. Many ACCHOs provide support for non-Indigenous staff as they work with community. In the Kimberley, local Aboriginal people work alongside allied health staff to broker relationships and partnerships between staff and the community. They ensure cultural safety for both community and staff. Aboriginal Health Workers and Health Practitioners do this work in clinical settings, bridging the language and cultural gap between doctors, nurses and community.

Overwhelmingly, Aboriginal and Torres Strait Islander older people want ACCHOs or community organisations they know and trust to deliver their services. While there is a clear preference for using Aboriginal and Torres Strait Islander services, the reality is that the limited availability and access to ACCHO services will mean that many will need to access a mainstream service. We know that Aboriginal and Torres Strait Islander people experience racism and discrimination across the health system.<sup>19</sup> A lack of cultural safety can result in Aboriginal and Torres Strait Islander people disengaging entirely from services and can mean the perpetuation of systemic or interpersonal racism.

For example, services in the Northern Territory have reported that many of their clients registered into My Aged Care ‘failed’ the assessment and did not qualify for any aged care supports because they did not have ‘real’ beds at their homes, and because they could get up and down from the

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<sup>19</sup> C Kairuz et al (2021) ‘Impact of racism and discrimination on physical and mental health among Aboriginal and Torres Strait islander peoples living in Australia: a systematic scoping review’

floor. These services now see little point in subjecting more older Aboriginal and Torres Strait Islander people to this experience.

We know that experiences and outcomes like this impact the mental health of Aboriginal and Torres Strait Islander people and ultimately contributes to poorer health outcomes. It also means that ACCHOs often step in the fill services gaps without additional funding, which puts considerable strain on their capacity to deliver primary healthcare.

It is therefore essential that mainstream workforces are culturally competent to provide services to Aboriginal and Torres Strait Islander people, and to ensure their Aboriginal and Torres Strait Islander staff work in a culturally supportive environment. However, cultural competence has to come from the top down – the leadership of an organisation has to embrace this, to understand cultural intelligence and to have that inculcated across their workforce. Without a shift in organisational thinking and approach, no amount of staff training will deliver cultural safety for Aboriginal and Torres Strait Islander people.

5. Have new systems improved consumer understanding (eg, star ratings) and timely access to aged care services (eg, care finders)? Why/why not?

NACCHO has been funded by the Department of Health and Aged Care (DoHAC) to deliver the Elder Care Support (ECS) program. The ECS program assists Elders and older Aboriginal and Torres Strait Islander people and their families to access and navigate aged care services. It also builds workforce capacity within community-controlled settings (including assisting ACCHOs and ACCOs to coordinate care and ensure culturally safe support). These support services are being delivered by approximately 250 Aboriginal and Torres Strait Islander staff across 97 ACCHOs and ACCOs (most of which are Stolen Generations organisations).

The program has had a positive impact by raising awareness of aged care supports and services to older Aboriginal and Torres Strait Islander people in urban, regional and remote communities. Services report growing engagement with older Aboriginal and Torres Strait Islander people and their families who are wanting to access appropriate support.

The program is also delivering important outcomes in terms of improving the wellbeing of older Aboriginal and Torres Strait Islander people by providing holistic, culturally safe and appropriate supports individualised to each person's circumstances. ECS seeks to increase the number of Aboriginal and Torres Strait Islander people accessing aged care services. Some workers in remote localities are finding practical ways to ensure older people can have assessments despite their geographical locations, for example via the use of telehealth and online meetings.

While the program is having a positive impact in helping older Aboriginal and Torres Strait Islander people connect to aged care services, there remains a deep distrust of institutionalised care, particularly members and families of the Stolen Generation. In addition, significant work is needed to address the issue of thin markets discussed above. This issue continues to undermine the confidence of Aboriginal and Torres Strait Islander people and their families both in the aged care system itself, but also in the reforms which have promised them better services, but failed to deliver.

6. Do you think that intended reforms to how the system is regulated will be sufficient to uphold the vision of the Royal Commission?



As noted above, there continue to be significant barriers to adequate provision of and access to aged care services for Aboriginal and Torres Strait Islander older people.

While the Aboriginal and Torres Strait Islander Aged Care Commissioner will provide a culturally safe means for Aboriginal and Torres Strait Islander people to raise concerns about access issues, the efficacy of this role is dependent on its inclusion under the Act, the ability to maintain independence and the scope afforded the Commissioner to compel action. While we are very pleased to see Ms Kelly's tenure extended for another year, we remain disappointed the role has not yet been enshrined under the Act, nor its position in governance structures determined.

Changes to the approach of the ACQSC are also encouraging, however, without significant reform of mainstream services and a dedicated, co-designed aged care pathway for Aboriginal and Torres Strait Islander people, the system will continue to fail our most vulnerable people.

[NACCHO recommends the role of the Aboriginal and Torres Strait Islander Aged Care Commissioner be incorporated into the Act as quickly as possible, and that this role remain independent of the Department.](#)

The delivery of reforms to date fall far short of the vision of the Royal Commission, and for Aboriginal and Torres Strait Islander people, are on the whole, not being delivered in line with, or in the spirit of the Priority Reforms of the National Agreement on Closing the Gap.