



Australian Government

Department of the Prime Minister and Cabinet

Office of Best Practice Regulation

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Mr Michael Lye
Deputy Secretary
Ageing & Aged Care
Department of Health and Aged Care

Dear Mr Lye

Regulation Impact Statement – Second Pass Final Assessment – Capping Home Care Administration and Management Charges

Thank you for your letter received on 27 October 2022, submitting a Regulation Impact Statement (RIS) for formal Second Pass Final Assessment. I would like to acknowledge the Department of Health and Aged Care's constructive engagement with the Office of Best Practice Regulation (OBPR) on the RIS.

The RIS has been assessed as adequate and therefore sufficient to inform a decision. To be assessed as good practice as per the *Australian Government Guide to Regulatory Impact Analysis*, a version of the RIS, containing depth of analysis proportionate to the stage of the policy development process and assessed by the OBPR, would need to have been provided to the decision maker prior to each major decision point. In addition, the RIS would have benefited from further analysis on the flow-on impacts of unintended pricing behaviours (e.g. providers cost shifting and increasing prices to caps) on care recipients, particular those in thin markets with limited choice of aged care providers.

The RIS may now be provided to the decision-maker to inform a final decision. To support transparency, the RIS must also be included in any explanatory memorandums or statements to legislation giving effect to a decision.

After a final decision has been announced, I ask that your agency work with OBPR to finalise this material for public release. This includes providing a copy of the RIS in Word and PDF format for web accessibility purposes.

If you have any further queries, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jason Lange', written in a cursive style.

Jason Lange
Executive Director
3 November 2022