Australian Government

Department of Health, Disability and Ageing

2024–25

Report on the Operation of the *Aged Care Act 1997*

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Minister's Foreword

By the Minister for Aged Care and Seniors
The Hon Sam Rae MP

I am pleased to release the **2024–25 Report on the Operation of the *Aged Care Act 1997*** — my first as Minister for Aged Care and Seniors.

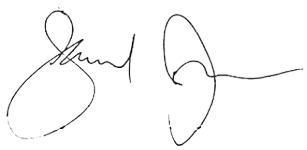
The Albanese Government has been working hard since coming to Government to undertake generational reform of Australia's aged care system. We have introduced initiatives that improve the lives of older people, have changed the ways providers operate and the standards they must meet. We have increased transparency and accountability through Star Ratings and Dollars to Care to make it easier for older people to determine which provider they wish to use.

Next year's reporting period will partly cover the *Aged Care Act 1997*, as well as the *Aged Care Act 2024*, which came into effect on 1 November 2025. The new Act will transform aged care laws and put the rights of older people first. It includes, for the first time, a Statement of Rights for older people and a Statement of Principles to guide how providers and workers must behave and make decisions.

The commencement of the new Act and the beginning of the Support at Home program, alongside a new regulatory model, mark a historic renewal of our aged care system. Many Australians have patiently waited for this change and I acknowledge that this has been a long time coming.

No mention of our reforms would be complete without talking about the workers who care for those we love. They will deliver these changes on the ground through the incredible care they deliver to older Australians. It would be impossible to improve the system without ensuring workers and nurses are properly supported, valued and compensated for the vital work they do. That's why the Albanese Government has invested $17.7 billion to ensure every worker in the sector can have a long, fulfilling career in aged care, supported by stronger wages.

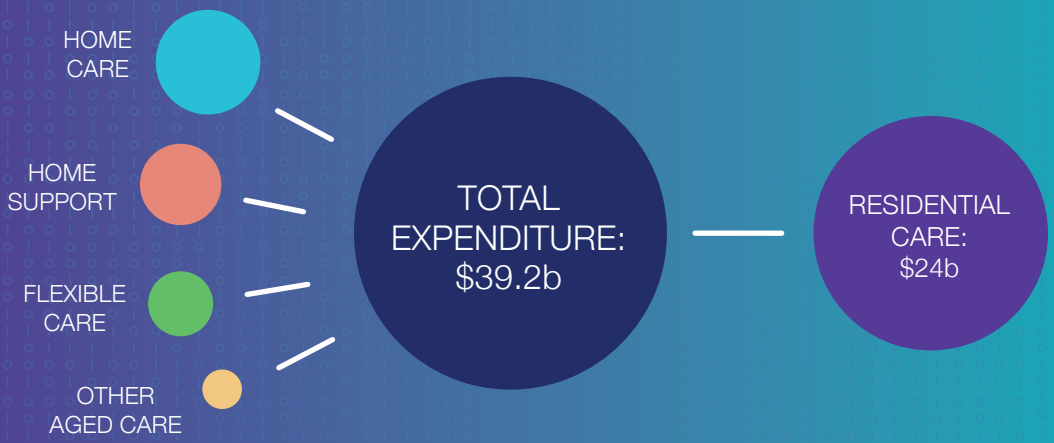
Our reforms are ambitious and require big changes—that is fitting and necessary. We owe it to every older person to make our aged care system one that we can all be truly proud of.



Sam Rae
Minister for Aged Care and Seniors

Key Facts in Aged Care 2024–25

Over 60% of aged care expenditure was on residential aged care.



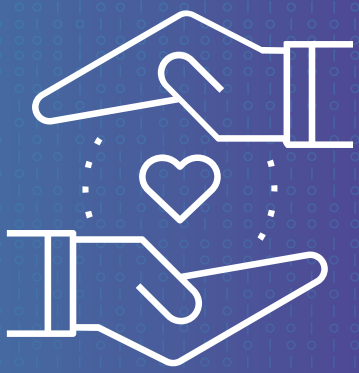
There were 707 approved providers of residential aged care and 923 approved providers of home care packages.

RESIDENTIAL CARE
707

HOME CARE
923

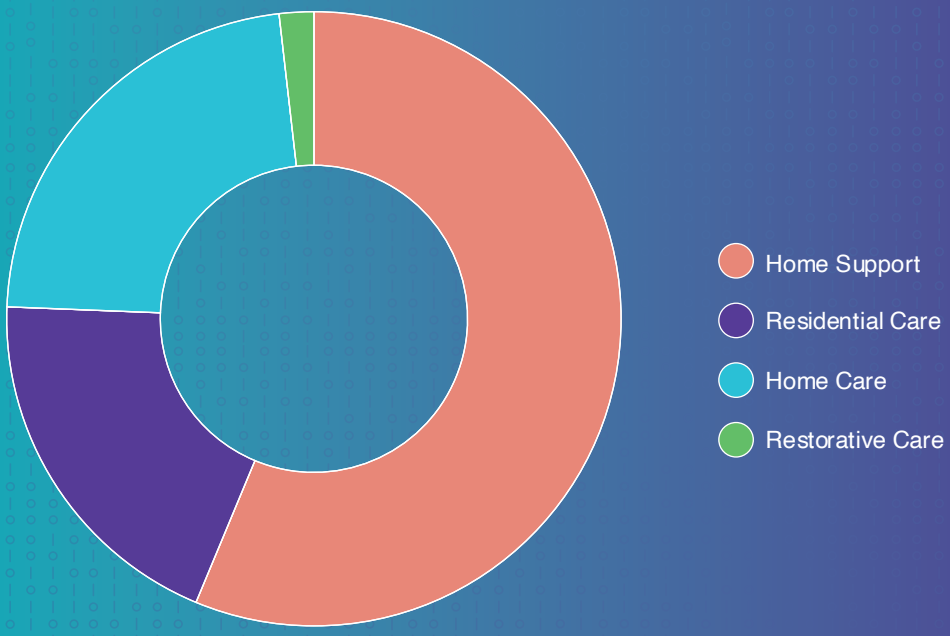
FLEXIBLE CARE
138

More than 1,330 organisations were funded to deliver CHSP services.



HOME SUPPORT
1,338

More than half
of aged care recipients accessed basic support at home.



Introduction

Purpose of this report

This report details the operation of Australia's aged care system during the 2024–25 financial year. It is the 27th report in the series. The report is delivered to Parliament by the minister in accordance with section 63-2 of the *Aged Care Act 1997* (the Act). Future iterations of this report will describe progress made under the new *Aged Care Act 2024*.

Scope

In addition to meeting the reporting requirements specified in the Act, the report provides an overview of the components of the Australian aged care system (including those not governed by the Act), in order to present a comprehensive snapshot of the system as a whole during the 2024–25 financial year.

Structure of the report

Chapter 1 provides an overview of the structure, operation and funding of the aged care system in Australia.

Chapter 2 describes the systems and resources available to ensure older people in Australia have access to information about aged care services, and describes the processes through which they gain access to those services.

Chapters 3 to 7 describe the various types of service provision on a continuum from entry level community care to permanent residential aged care, including flexible care options and respite care.

Chapter 8 describes the provisions made to support people who are designated as having diverse needs.

Chapter 9 summarises the Australian Government's contribution to aged care workforce measures.

Chapter 10 gives an overview of the regulatory and prudential frameworks to ensure compliance by providers with the provisions of the Act, and to ensure older people in Australia receive quality services.

Appendix A addresses the reporting requirements specified in s63-2 of the Act.

Data sources

Data in this report was collected from departmental information systems and records.

Further data, reports and information can be accessed on the GEN Aged Care Data website.[1] GEN is Australia's only central, independent repository of national aged care data and is managed and regularly updated by the Australian Institute of Health and Welfare (AIHW). In 2021–22, AIHW launched a new 'Data improvements' content page on GEN as a part of a program of strategic data work and broader aged care reform engagement.

1 https://www.gen-agedcaredata.gov.au/

Approximately
1.5 million
recipients of aged care

236,894
operational residential and flexible places

$39.2 billion
in Australian Government expenditure

1 Overview of the Australian Aged Care System

1. Overview of the Australian Aged Care System

1.1. Introduction

While the majority of government expenditure on aged care in Australia is on residential aged care, only a small proportion of people access this care type.

Most older people prefer to remain independent and stay in their home – connected to family and community – for the duration of their lives. For some, in-home aged care provides the support they need to maintain independent living.

For the reporting period encompassed in this report, the aged care system offered a continuum of care under 3 main types of service: Commonwealth Home Support Programme (CHSP), Home Care Packages (HCP), and residential aged care. There were also several types of flexible care available to older people (and their carers) that extend across the spectrum from in-home aged care to residential aged care. Changes to the aged care system have since been implemented, and are detailed further in following segments of this report. The aged care system is otherwise described in this report as it was in the 2024–25 financial year.

While the components of the system represent a continuum of care from low-level (possibly temporary) to high-level permanent care, an older person's progression through the system is not necessarily linear.

When and where on the care-spectrum a person enters the system (and indeed whether they ever enter it), and their progression through it, is determined by a number of factors. These include the social determinants of health, physical and mental health and wellbeing, social support and inclusion.

Each person's life experience is unique and therefore there is no 'typical' aged care recipient. Aged care is designed to be flexible and responsive to varying needs.

Commonwealth Home Support Programme

The Commonwealth Home Support Programme (CHSP) helps older people access entry-level support services to live independently and safely at home.

The CHSP has been extended from 1 July 2025 to 30 June 2027. The introduction of the new Aged Care Act from 1 November changes the way CHSP services are regulated and delivered.

For CHSP clients, the government is focused on maintaining service continuity. The government will consult on longer-term arrangements for CHSP ahead of its planned transition to the Support at Home program no earlier than 1 July 2027.

For more information on the CHSP, see Chapter 3.

Home care

Home Care Packages (HCP) are designed for those with more complex care needs that go beyond what the CHSP can provide. Package levels are assigned to people based on their support needs:

- Level 1 – basic care needs
- Level 2 – low care needs
- Level 3 – intermediate care needs
- Level 4 – high care needs.

For more details on home care, see Chapter 4.

Respite care

Respite care is an important support service for older people in Australia and their carers. It is provided in a number of settings to allow flexibility for users.

For more details on respite care, see Chapter 5.

Residential aged care

Residential aged care provides support and accommodation for people who have been assessed as needing higher levels of care than can be provided in the home, and – where required – 24-hour nursing care. Residential aged care is provided on either a permanent or a temporary (respite) basis.

For more information on residential aged care, see Chapter 6.

Flexible care

Flexible care acknowledges that in some circumstances an alternative to mainstream residential and in-home aged care is required. There are 5 types of flexible care:

- Transition Care
- Short-Term Restorative Care
- Multi-Purpose Services
- National Aboriginal and Torres Strait Islander Flexible Aged Care
- Innovative Care.

For more information on flexible care, see Chapter 7.

Support at Home program

From 1 November 2025, the new Support at Home program replaced the HCP Program and Short-Term Restorative Care (STRC) Programme. The CHSP will transition to Support at Home no earlier than 1 July 2027.

Support at Home will ensure improved access to services, equipment and home modifications to help older people remain healthy, active and socially connected to their community.

Support at Home will provide:

- easier access to upfront supports to maintain independence
- short-term pathways – Restorative Care Pathway, End-of-Life Pathway and the Assistive Technology and Home Modifications scheme
- new classifications and budgets to better meet the needs of older people
- reformed participant contributions.

Current in-home aged care programs will continue operating until they transition into the new program.

1.2. Managing supply and demand

Supply

The Australian Government's needs-based planning framework aims to grow the supply of aged care places in proportion to the growth in the older population.

It also seeks to ensure balance in the provision of services between metropolitan, regional, rural and remote areas, and among people needing differing levels of care.

In the reporting period encompassed in this report, the Australian Government managed the supply of aged care places by specifying a national target provision ratio (the ratio) of subsidised aged care places. On 30 June 2025, the ratio was 69.5 operational aged care places for every 1,000 people aged 70 years and over.

While the overall target provision ratio comprises residential aged care, in-home aged care, and – since 2016 – restorative care places, the reported 'operational provision ratio' refers only to places assigned to approved providers. Since the introduction of the Increasing Choice in Home Care reforms on 27 February 2017, Home Care Packages can no longer be defined as 'operational places' as they are not assigned to the provider, but to the recipient, and are therefore no longer included in the operational provision ratio.

As the number of places increased, the balance of care-types within the ratio also changed. The change in mix of care-types was intended to respond to the preference of older people to stay at home, where possible, and to accommodate the inclusion of the Short-Term Restorative Care (STRC) programme.

The Australian Government does not regulate the supply of home support services in the same way as it does in-home aged care and residential aged care, as these services are provided through grant-funding arrangements, although the supply is affected by overall funding levels.

Current provision

The total number of operational residential and flexible aged care places at 30 June 2025 was 236,894. This represents an increase of 917 residential and flexible aged care places since 30 June 2024.

At 30 June 2025, there were 292,911 people accessing a Home Care Package, an increase of 17,425 since 30 June 2024.

Allocation of residential aged care places

Following the 2021–22 Budget, it was announced that no further Aged Care Approvals Rounds (ACAR) would be held following the conclusion of the 2020–21 round. In the transition period that followed, before the commencement of the new Aged Care Act, interim arrangements[2] were put in place to continue to supply residential places to aged care providers in the absence of the ACAR. Providers could apply directly to the department for an allocation of residential aged care places if they could deliver care immediately, but did not have allocated places to do so. Additionally, capital funding continued to be allocated directly to providers through grants processes outside the ACAR.

Under the new Aged Care Act, residential aged care places are assigned directly to older people. This will give older people more control to select an aged care home of their choice. This is known as the 'Places to People' reform.

The changes mean that:

- people will have more ability to choose the aged care home that best meets their needs, in a location of their choice (where there are vacancies)
- if people are unhappy at their current aged care home, they have more flexibility to move as their place is allocated to them, not the aged care home
- mainstream aged care homes will start operating in a more competitive market and will need to respond to community expectations to attract people.

2 https://www.health.gov.au/our-work/places-to-people-embedding-choice-in-residential-aged-care

Having a residential place reflects a person's entitlement to residential aged care. It does not mean there will be a guaranteed vacant bed at a preferred home. Homes in some areas may have waiting lists. Older people will discuss their care needs with aged care homes to see if there are vacant rooms.

These changes will restructure the sector by fostering a more open market with stronger elements of choice. The success of individual providers will be determined by factors including the quality of their service and their ability to meet the individual needs of residents. Providers will also benefit by having more control over their business operations, rather than being restricted by obtaining places through the ACAR.

Allocation of Home Care Packages

Under the *Aged Care Act 1997* (the Act), the Australian Government provided a subsidy to an approved provider of in-home aged care, chosen by the client, to coordinate a package of care, services and case management to meet their individual needs.

Individuals approved for a Home Care Package were placed on the National Priority System (NPS) until a package became available and was assigned to them. Individuals' placement on the NPS depended on the date they were approved for home care, and their priority for home care services, ensuring a consistent and equitable national approach. They were assigned a package when they were the next eligible recipient on the NPS at a particular level and priority.

Table 1: Number of people utilising a Home Care Package on 30 June each year from 2021 to 2025, by state and territory

State/territory	2021	2022	2023	2024	2025
NSW	59,283	74,704	83,768	91,274	91,038
VIC	50,011	55,711	66,674	70,808	74,442
QLD	32,389	41,026	53,631	59,521	65,590
WA	13,911	17,806	21,827	20,634	25,450
SA	13,597	18,127	22,889	23,785	26,482
TAS	4,060	5,150	6,115	6,022	6,422
ACT	2,079	2,262	2,396	2,391	2,402
NT	775	957	1,074	1,051	1,085
Australia	**176,105**	**215,743**	**258,374**	**275,486**	**292,911**

Note: Location of home care recipients is based on the physical address of the service delivering the care.

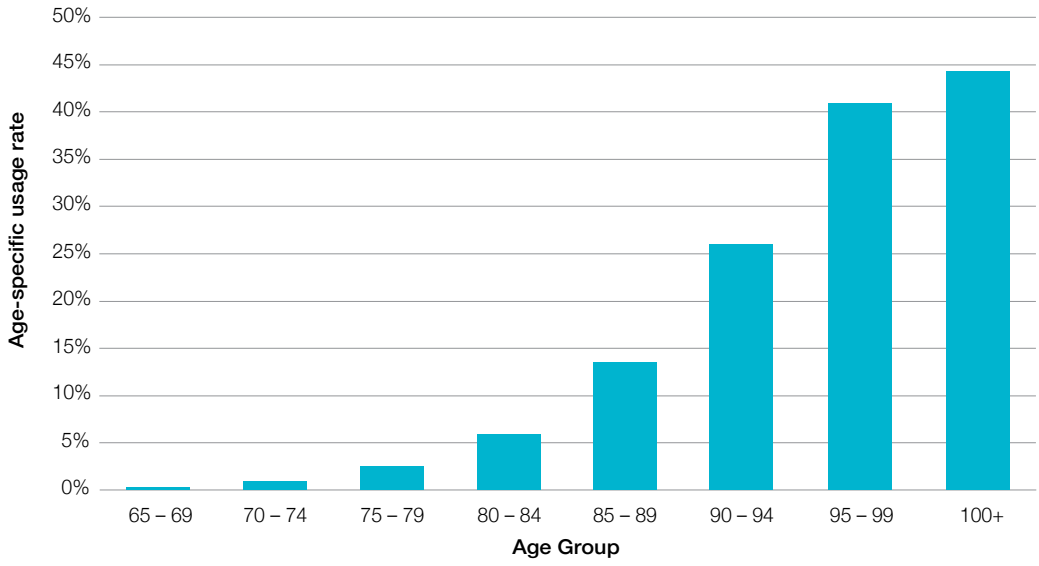
Demand

Age

The ageing of the population and the associated increasing number of people with dementia are the 2 main factors driving increased demand for aged care services.

As age increases, the likelihood of needing care increases, as shown in Figure 1.

Figure 1: Age-specific usage rates of residential aged care, 30 June 2025



At 30 June 2025, 17.9% of Australia's population was aged 65 years and over (4.9 million people) and 2.2% was aged 85 years and over (607,000 people). By 2035 it is estimated that 20.6% of the population will be aged 65 years and over (6.4 million people) and 3.3% (1 million people) will be 85 years and over.[3]

While older age groups are more likely to use aged care services, age does not determine access. Rather, assessed need determines access.[4]

3 Population Projections, Australia, 2017 (base) - 2066 | Australian Bureau of Statistics (abs.gov.au)

4 However certain age cohorts are typically used for planning purposes and are referenced in this report: 65 years plus (50 years plus for Aboriginal and Torres Strait Islander people) - is the 'traditional' definition of an older person and constitutes the aged care target population that the Australian Government has sole responsibility for funding; 70 years plus is used for planning purposes, such as determining ratios of residential aged care places; and 85 years plus is considered 'very old' and more closely reflects the target population of the high-end of aged care.

Prior to 9 December 2024, access to HCPs and residential aged care was through a comprehensive assessment performed by one of the 80 Aged Care Assessment Teams (ACAT), which operated in all states and territories. ACATs were funded by the Australian Government and administered by the relevant state or territory government.

Prior to 9 December 2024, access to CHSP was through an assessment by a Regional Assessment Service (RAS).

As of 9 December 2024, the Single Assessment System workforce has brought together and replaced the Regional Assessment Service, Aged Care Assessment Teams and independent Australian National Aged Care Classification (AN-ACC) assessment organisations. Assessment organisations are funded to conduct:

- all aged care needs assessments for in-home aged care, flexible aged care programs, residential respite and entry into residential aged care
- residential aged care funding assessments.

In 2024–25, 232,520 comprehensive assessments and 291,251 home support assessments were administered. For more information about aged care assessments, see Chapter 2.

Dementia

The World Health Organization defines dementia as 'a syndrome, which results in deterioration to cognitive function (the ability to process thought) beyond what is expected from the usual consequences of ageing'. Dementia is the leading cause of death and the second overall leading cause of disease burden in Australia, only behind coronary heart disease. It is the leading cause of death for Australian women and the second for men.

Dementia usually occurs in people aged 65 and over. After the age of 65 the likelihood of developing dementia doubles every 5 years. In 2024 the prevalence of dementia in Australia rose quickly with age – from 2.5% of Australians aged 65 to 69, to 42.8% of Australians aged 90 years and over.[5]

In 2024, there were an estimated 425,000 Australians with dementia, over 40% of whom were aged 85 years and over. The number of people with dementia is anticipated to grow to nearly 1.1 million by 2065.[6]

5 Australian Institute of Health and Welfare 2025. Dementia in Australia Cat no. DEM 2 Canberra: AIHW

6 https://www.aihw.gov.au/reports/dementia/dementia-in-aus/contents/population-health-impacts-of-dementia/prevalence-of-dementia

1.3. Legislative framework

New Aged Care Act

The *Aged Care Act 2024* (new Act) started from 1 November 2025. It delivers major changes to aged care and puts older people at the centre of the new system. The new Act replaces existing legislation and will become the main law that sets out how the aged care system works, including:

- a Statement of Rights for older people
- who can access aged care services
- funding of aged care services, including what the government will pay and what an older person can be asked to pay
- the Support at Home program
- the strengthened Aged Care Quality Standards, which outline what quality and safe aged care services look like
- stronger powers for the Aged Care Quality and Safety Commission (ACQSC).

The new Act covers aged care programs that aged care laws did not cover in the past. For example, the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program and the Commonwealth Home Support Programme (CHSP). The new Act replaced the *Aged Care Act 1997 and Aged Care Quality and Safety Commission Act 2018*, which are no longer fit for purpose.

Further details can be found on the department's website.[7]

Future iterations of this report will describe progress made under the new *Aged Care Act (2024).*

The *Aged Care Act 1997*

This report details the operation of Australia's aged care system during the 2024–25 financial year. The *Aged Care Act 1997* was the governing legislation for this period. The Act and delegated legislation – Aged Care Principles and Determinations – provided the regulatory framework for government-funded aged care providers.

The legislative framework set out the requirements for the allocation of aged care places, the approval and classification of care recipients, the responsibilities of approved providers and the subsidies paid by the Australian Government. The framework also set out the responsibilities of providers.

Further details can be found on the department's website.[8]

7 https://www.health.gov.au/aged-care-act

8 https://www.health.gov.au/topics/aged-care/about-aged-care/aged-care-laws-in-australia

Aged Care Principles

Aged Care Principles were made under subsection 96–1 of the Act. The Act enabled the minister to make Principles that are required or permitted under the Act, or that the minister considered necessary or convenient to carry out or give effect to a Part or section of the Act.

During the reporting period of this report, there were 16 sets of Principles made under the Act. In addition, the Aged Care *(Transitional Provisions) Principles 2014* were made under the *Aged Care (Transitional Provisions) Act 1997.*

Aged Care Quality and Safety Commission Act 2018

This Act provided for the establishment of the Aged Care Quality and Safety Commission (the Commission). The Commission is responsible for assisting the Aged Care Quality and Safety Commissioner (Commissioner) with their functions. *The Aged Care Quality and Safety Commission Rules 2018* (the Rules) gave operational effect to the processes of the Commission. The Rules replaced a number of Principles including the *Quality Agency Principles 2013.*

Outside the Act

The operation of the CHSP is governed by the CHSP Manual 2024–25 and grant agreements with individual CHSP service providers through grant funding.

The operation of the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program is governed by the NATSIFAC Program Manual 2024, the funding agreement and its terms and conditions.

Consistent with Royal Commission's recommendations, the NATSIFAC Program is included as a Specialist Aged Care Program in the *Aged Care Act 2024.* The move to the new Act signifies a major transition for NATSIFAC providers, who will be regulated under the new Act for the first time. To deliver services, all NATSIFAC providers will need to be registered with the Commission and comply with associated regulatory responsibilities and obligations. NATSIFAC providers will receive tailored support for 2 years to meet the new aged care regulations.

1.4. Funding

The Australian Government is the major funder of aged care, with aged care recipients contributing to the cost of their care where possible.

Australian Government expenditure for aged care throughout 2024–25 totalled $39.2 billion, an increase of 9.6% from the previous year.

Figure 2: Australian Government outlays for aged care, 2020–21 to 2024–25

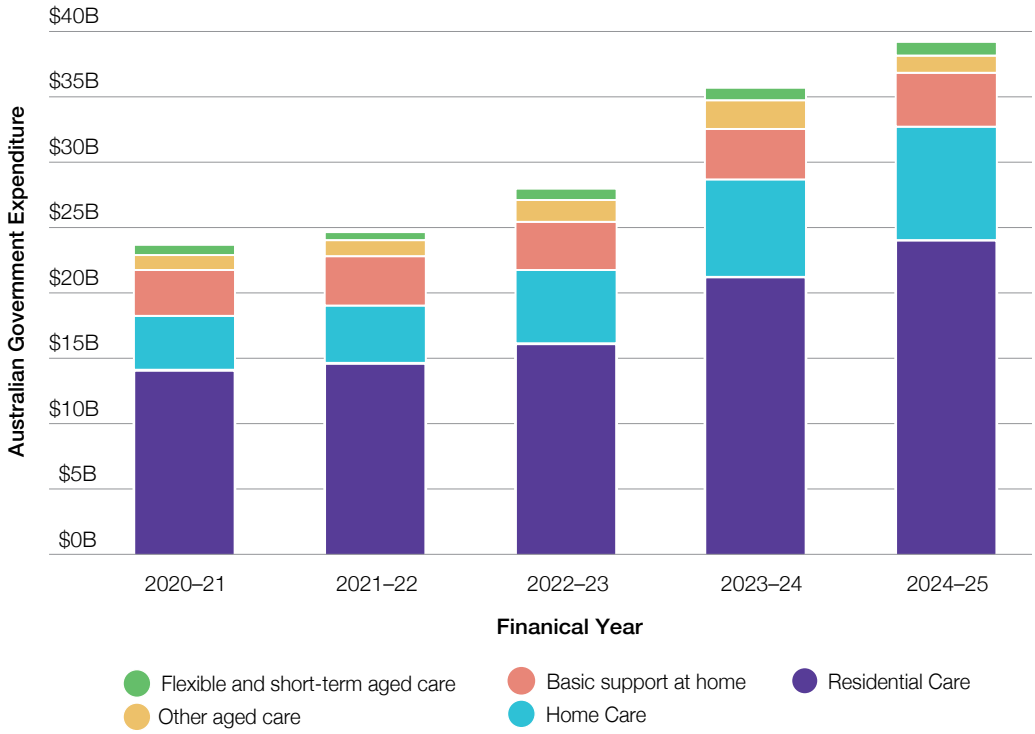
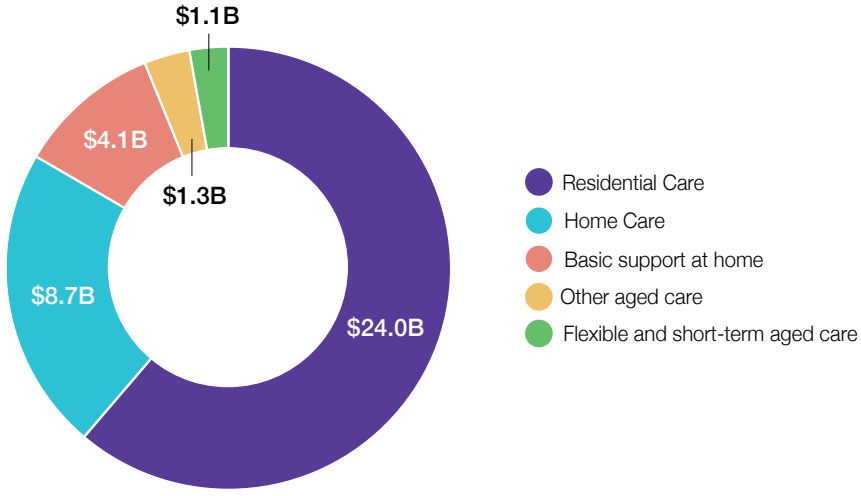


Figure 3: Australian Government aged care expenditure by type of care, 2024–25



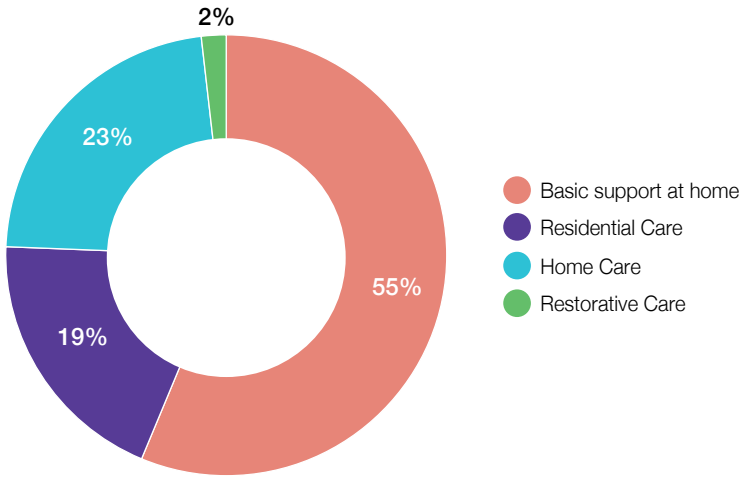
1.5. Aged care recipients

In 2024–25, approximately 1.5 million people received some form of aged care. The majority received in-home aged care and support, while relatively few lived in residential aged care:

- 838,694 people received home support through the CHSP
- 352,733 people received care through a Home Care Package
- 82,119 people received residential respite care, of whom 51,922 (approximately 63.2%) were later admitted to permanent care
- 260,772 people lived in permanent residential aged care.

People also accessed care through flexible-care programs and other aged care services. Some people received care through more than one program.

Figure 4: Recipients of aged care by service type, 2024–25



Average age on entry

The average age on admission to permanent residential aged care was 83.5 years for men and 85.3 years for women.

For people accessing a Home Care Package the average age was 81 years for men and 81.1 years for women.

People with diverse needs and backgrounds

Older people in Australia have the same diverse needs, backgrounds and lived experiences as the broader Australian population. The Royal Commission into Aged Care Quality and Safety made it clear that being responsive to this diversity should be core business in aged care. The government has a number of measures in place to build the capacity of mainstream services to cater for diversity, and there are also special provisions and funding mechanisms to ensure access to appropriate care.

For more information on provision of services for people with diverse needs and backgrounds, see Chapter 8.

1.6. Informed access for older people in Australia

My Aged Care is a clear entry point to the aged care system and provides:

- information on the different types of aged care services available
- how to get an assessment of needs to identify eligibility for government-funded aged care referrals, and support to find service providers that can meet the person's needs
- information on what people might need to pay towards the cost of their care.

For more information on how older people in Australia can access information about aged care, see Chapter 2.

1.7. Support for older people in Australia

National Aged Care Advocacy Program

The Australian Government offers free support through the National Aged Care Advocacy Program (NACAP). The program is delivered by the Older Persons Advocacy Network (OPAN), which has locations in every state and territory. The program can give confidential and unbiased help for those using or looking for government-funded aged care. It can also help family members and other supporters.

Aged Care Volunteer Visitors Scheme

The Aged Care Volunteer Visitors Scheme (ACVVS) is a program where volunteers visit people in aged care who are lonely or isolated. Visits are available to anyone receiving government-subsidised residential aged care or a Home Care Package. This includes care recipients approved or on the National Priority System.

National Dementia Support Program

The National Dementia Support Program (NDSP) provides a wide range of support services for people living with dementia, their carers, families and representatives. Services include information, education, counselling, support activities, peer mentoring and advice over the phone, online and in-person across Australia. For additional details on the support provided under the NDSP, see Chapter 2.2.

1.8. Aged care workforce

The aged care workforce includes nurses, personal-care workers and allied health professionals, as well as administrative and ancillary staff. Workforce training and education is a shared responsibility between government and industry, with providers having obligations under the Act to ensure an adequate number of appropriately skilled staff can meet the individual care needs of older people in Australia. Volunteer workers also make a significant contribution across the sector.

For more information on the aged care workforce, see Chapter 9.

1.9. Regulatory, quality and prudential oversight

There are strict prudential requirements related to the accounting and handling of bonds and refundable accommodation deposits collected by approved providers. The department closely monitors how effectively providers are meeting these requirements and conducts an annual review of providers' prudential arrangements.

In this reporting period, providers of Australian Government-funded aged care services were required to comply with responsibilities specified in the Act and the Aged Care Principles. These responsibilities encompass quality of care, user rights, accountability and allocation of places. The Aged Care Quality and Safety Commission monitored the compliance of aged care services against their responsibilities under the Act and the Rules.

Information related to residential and in-home aged care providers' finances and operations is available to view on the My Aged Care website via the 'Find a Provider' tool. Publishing this information provides greater transparency of provider operations and spending on things like wages, food and other care-related expenses.

For more information about governance and quality, see Chapter 10.

1.10. Independent Health and Aged Care Pricing Authority

The Independent Health and Aged Care Pricing Authority (IHACPA) was established under the *National Health Reform Act 2011* (Cth) and charged with providing independent and evidence-based pricing and costing advice to the Australian Government across the health and aged care sectors. As part of its aged care functions, IHACPA undertakes cost collections and public consultations to develop and provide pricing and costing advice to inform Australian Government funding decisions for residential aged care, residential respite care and in-home aged care. IHACPA is also responsible for the review and approval of applications from providers that want to charge a refundable accommodation deposit above the maximum accommodation payment amount set by the Minister for Aged Care and Seniors.

1.11. Aged Care Quality and Safety Commission

On 1 January 2019, the Australian Government established an independent Aged Care Quality and Safety Commission. The Commission combined the functions of the former Australian Aged Care Quality Agency and the former Aged Care Complaints Commissioner. The aged care regulatory functions of the Department of Health, Disability and Ageing joined the Commission from 1 January 2020.

More information on the role and functions of the Commission can be found in Chapter 10.

1.12. Interim First Nations Aged Care Commissioner

In February 2025, Interim First Nations Aged Care Commissioner Andrea Kelly released her landmark report to government, titled 'Transforming Aged Care for Aboriginal and Torres Strait Islander people'. The report outlines:

- a proposed model for establishing an independent, permanent, statutory Aboriginal and Torres Strait Islander Aged Care Commissioner
- a 10-year transformation plan to improve aged care services for Aboriginal and Torres Strait Islander people
- 26 urgent and time-critical actions for immediate Government consideration and implementation.

These recommendations are grounded in extensive consultation undertaken by Ms Kelly between January and June 2024. During this period, she conducted 135 engagements and met with over 1,000 Aboriginal and Torres Strait Islander people, communities, and organisations across the country.

The Interim Commissioner also commissioned a pictorial booklet, which was distributed to everyone she met with, to summarise what was shared with her through the consultation process.

1.13. Response to the Aged Care Taskforce

On 12 September 2024, the government announced its response to the Aged Care Taskforce, which deliberated and released its final report to government in March 2024. As part of this response, government announced the fee arrangements for Support at Home and that it would reform residential aged care means testing and accommodation payment arrangements. Under these reforms, the government will pay 100% of clinical care costs, with older people contributing more towards non-clinical care, everyday living and accommodation costs, where they have the capacity to pay. These reforms intend to improve the viability of providers and sustainability of the aged care system while ensuring older people have access to high quality care.

Further details can be found on the department's website.[9]

1.14. Aged care services and the COVID-19 pandemic

During 2024–25, COVID-19 continued to impact residential aged care homes. Transmission of COVID-19 has multiple peaks each year with differing lengths and intensity. This is evidence to indicate that COVID-19 is a continuous threat and aged care homes must remain continuously vigilant. Most of Australia's residential aged care homes (RACHs) experienced an outbreak in the 2024–25 financial year. 2,005 RACHs experienced one or more outbreaks, as reported by individual aged care homes. Of these, 701 facilities experienced one COVID-19 outbreak and 1,304 experienced 2 or more outbreaks. In the 2024–25 financial year, there was a total of 39,183 resident cases, 14,830 staff cases and 682 resident deaths. Staff case numbers in 2024–25 were increased on the previous financial year. Resident cases and deaths saw a reduction.

9 https://www.health.gov.au/resources/publications/australian-government-response-to-the-aged-care-taskforce

Throughout 2024–25, aged care providers have made considerable effort in putting in place practices to manage COVID-19 outbreaks, resulting in reduced need for government support. However, the government continued a number of activities in 2024–25 to help aged care providers be better prepared to respond to outbreaks. These include:

- continued surge workforce support for residential aged care homes experiencing staff shortages during a COVID-19 outbreak
- commenced addressing recommendations arising from the evaluation of the Infection Prevention and Control[10] (IPC) Lead Nurse role in Residential Aged Care Facilities, and
- continued surveillance and monitoring of COVID-19 impacts in residential aged care settings.

1.15. Changes to Aged Care

Over the last few years, the Australian Government and the aged care sector have made major changes to aged care in response to the Royal Commission into Aged Care Quality and Safety. These wide-ranging reforms have delivered positive change, increasing transparency and improving quality of care provided to older people in Australia.

The government is continuing to put in place more reforms to ensure that everyone receives high-quality, person-centred care as they age.

These changes to aged care will help deliver:

- high-quality care for older people
- better conditions for workers
- a sustainable, innovative sector.

Improvements include:

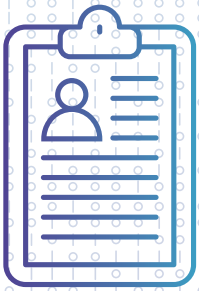
- a new Aged Care Act from 1 November 2025 to deliver improvements for older people
- new regulations to promote stronger working relationships, transparency and engagement in the aged care sector to give older people more trust, control and confidence in their aged care
- the new Support at Home program starting from 1 November 2025 to help older people remain living at home for longer
- a Single Assessment System to make it easier for older people to access aged care and adapt services as their needs change

10 Evaluation of the Infection Prevention and Control Nurse Lead role in Residential Aged Care Homes – Final Report | Australian Government Department of Health, Disability and Ageing

- changes to funding to help make aged care fairer and more sustainable
- funding to improve cultural understanding of the aged care workforce and deliver culturally safe, trauma-aware and healing-informed aged care services to older Aboriginal and Torres Strait Islander people
- funding to support more Aboriginal Community Controlled Organisations to become approved aged care service providers
- $17.7 billion in funding to deliver award wage increases for aged care workers
- publishing information about the finances and operations of residential aged care homes and other aged care providers on My Aged Care's 'Find a provider' tool
- increasing mandatory care minutes to a sector-wide average of 215 care minutes per resident per day, including 44 minutes of registered nurse care
- almost all aged care homes now have a registered nurse on duty 24 hours a day, 7 days a week
- 79% of aged care homes have an Overall Star Rating of 4 or 5 stars, which is 'good' or 'excellent', on 18 August 2025, a 40% increase since the launch of Star Ratings in December 2022
- face-to-face support and video chat appointments now available through Services Australia service and smart centres:
  - general Service Officers provide general aged care information in every Services Australia service centre
  - Aged Care Specialist Officers (ACSOs) offer comprehensive advice on accessing services, income assessment and means testing ACSOs are available in 80 service centres via appointment, plus 10 outreach programs for rural and remote areas.
- strengthening the Aged Care Quality Standards to improve the quality of care older people receive.

Nearly **7 million** website visits and over **2.1 million** calls answered

Nearly **2.5 million** My Aged Care information products distributed



232,520 comprehensive assessments and **291,251** home support assessments completed

2 Informed Access to Aged Care

2. Informed Access to Aged Care

The Australian Government provides support to older people, their families, representatives and carers to access consistent, accessible, inclusive, reliable and useful information about the aged care system and aged care providers.

My Aged Care is the starting point to find information about and access to government-subsidised aged care services. My Aged Care can be accessed online, over the phone or in person.

2.1. Enabling people to make informed choices

The department continues to enhance My Aged Care in response to feedback. Key enhancements in the last year include:

- increase in the number of agents in specialist teams within the My Aged Care contact centre to manage increased volume, complaints and investigations, outbound calls, and complex case management
- updated protocols, including the addition of a priority system, for outbound calls made by the My Aged Care contact centre to customers to assist with issues resolution
- My Aged Care website enhancements:
  - introduced a new Support at Home fee estimator to enable older people and their support networks to understand possible contribution costs towards individual services under the new program which came into effect on 1 November 2025. This was supported by information and case studies to help explain the changes
  - updated the fee estimator to provide older people and their support networks with an estimate of possible costs and fees for entering an aged care home when new funding arrangements came into effect on 1 November 2025. This was accompanied by information to help explain the changes
  - updated the ‘Make a Referral’ tool to enable health professionals to refer younger people who require residential aged care
  - implemented a new Semantic search logic into the website search tool to enhance the quality of search results
  - updated the Apply Online and Make a Referral tools to enable the ‘Single Assessment Service’ reform
  - further enhanced the Star Rating information to help older people, their families and carers to more easily compare aged care homes and make informed choices

  - reviewed the My Aged Care website 'Accessible for All' material and an implementation plan for updates and content maintenance to support 1 November 2025 changes
  - introduced a new more targeted website user satisfaction survey.
- reviewed the welcome pack to understand how clients and representatives interact with the pack and the My Aged Care platform. This included identifying opportunities for improvement and developing actionable solutions to enhance user engagement and satisfaction.

The department also undertook the Aged Care Access Journey Customer Experience (CX) Discovery project to identify and develop a long-term vision for improving access to aged care from the customer's perspective. Completed in December 2024, the project identified opportunities to enhance the My Aged Care access journey. Findings continue to inform improvements to the current state as well as activities to engage future service delivery partners.

Calls, correspondence, website and appointments data

In 2024–25, the My Aged Care contact centre handled 2,172,906 calls across 3 phone lines – consumer line, industry/service desk and Parliamentary support line, and provided practical support, information and advice.

The My Aged Care website received a total of 6,944,195 visits.

Since July 2021, new clients and/or their representatives who register on My Aged Care are sent personalised welcome packs. In 2024–25, 496,675 packs were distributed.

In 2024–25, Aged Care Specialist Officers (ACSOs) had 30,532 My Aged Care appointments.

The care finder program opened over 22,800 new client cases in the period, with care finders completing 151,063 connections to services and support for their clients.

Publications

The department continues to disseminate a range of printed aged care materials, including information booklets and brochures for older people in Australia, their families and carers.

In 2024–25, nearly 2.5 million My Aged Care information products were distributed, including:

- more than 880,000 brochures explaining the range of Australian Government-funded aged care services available and how to access them; this includes through the My Aged Care welcome packs

- nearly 422,000 detailed booklets about accessing specific Australian Government-funded aged care programs. This included the Charter of Aged Care Rights, which describes the rights of aged care recipients who receive Australian Government-funded aged care services
- in May 2025, prior to the government's decision to defer the new Aged Care Act, approximately 307,000 recipients and their representatives received Home Care Package letters. These provided a high-level overview of the Support at Home program and detailed the next steps older people would need to take with their provider in preparation for the transition. In October 2025, following the deferral of the new Aged Care Act, the department sent letters to approximately 294,000 existing Home Care Package recipients, with information on their indicative contribution rate, and information on the Support at Home program. Mitigations have been put in place to ensure all recipients receive a letter personally or have access to a digital version of the letters.

These resources are regularly reviewed and updated to ensure the information remains accurate and is easy to understand. Several of these resources are available in an Easy Read format to view and download. Translated versions of many of the resources, in 18 Culturally and Linguistically Diverse (CALD), and 4 Aboriginal and Torres Strait Islander languages, are also available to view and download.

2.2. Support for recipients

Care Finder Program

The care finder program provides intensive support for vulnerable older people to access aged care and other services in the community. Primary Health Networks (PHNs) managed 164 care finder organisations to deliver services in 2024–25.

There were over 22,800 new client cases in the period and clients were connected to 151,063 services and supports. The program reported a monthly average of over 12,000 active client cases during 2024–25. Outbound referrals directed clients to aged care services (53%), housing and homelessness services (13.8%), health services (9.6%) and social services (7.6%). The program reported 95% of clients were satisfied with the outcome of the care finder process.

National Aged Care Advocacy Program

The Australian Government funds the Older Persons Advocacy Network (OPAN) to deliver the National Aged Care Advocacy Program (NACAP). NACAP provides free, confidential and independent information and support to older people seeking or receiving government-funded aged care, as well as their families and other supporters.

In 2024–25, NACAP delivered 52,039 instances of information and advocacy, assisting older people to understand and exercise their rights, seek aged care services which suit their needs, and find solutions to issues. OPAN's digital 'self-advocacy toolkit' landing page had 27,165 views (156,500 total toolkit page views) and a total of 51,031 copies ordered and distributed. Through a combination of online and face-to-face activities, the program also delivered 13,630 education sessions across Australia to older people and aged care service providers on rights, responsibilities, and elder abuse awareness and prevention.

Aged Care Volunteer Visitors Scheme

The Aged Care Volunteer Visitors Scheme (ACVVS) supports organisations to recruit, train and match volunteers with older people who are socially isolated or at risk of social isolation. Volunteers provide friendship and companionship through one-on-one visits to older people receiving Australian Government-subsidised home care or residential aged care. Under the ACVVS, placements have increased 4,348 per year to a minimum of 17,811. Consistent with the Royal Commission's Final Report Recommendation 44.c, funding was increased by $34 million in the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO), bringing the total funding provided to $113 million over 4 years (2021–22 to 2024–25). During 2024–25 with funding of $35.4 million, approximately 16,434 volunteers conducted an estimated 394,443 visits, an increase from the 2023–24 result of approximately 12,179 volunteers conducting an estimated 303,320 visits.

National Dementia Support Program

The National Dementia Support Program (NDSP), delivered by Dementia Australia, supports people living with dementia or experiencing cognitive decline, and their carers and representatives. The NDSP provides a range of services including counselling, education sessions, support groups and peer mentoring.

The program aims to:

- improve awareness and understanding of dementia
- empower people affected by dementia to make informed decisions about the support services they need
- ensure people affected by dementia have access to support and advice.

The NDSP can be accessed online, or 24 hours a day, 7 days a week via the National Dementia Helpline (1800 100 500).

In 2024–25, the NDSP reported:

- the National Dementia Helpline received more than 42,000 contacts
- 88% of people directly referred to Dementia Australia from external sources accessed additional NDSP supports

- dementia information pages were viewed more than 1.7 million times on the Dementia Australia website and guides were accessed from their e-library more than 115,000 times.

In this period, the NDSP delivered:

- over 14,000 hours of counselling
- 337 education sessions
- over 15,000 hours of post-diagnostic support.

The NDSP includes 5 elements:

Element 1: Information and Foundation Supports

This element supports people affected by dementia to make informed decisions about their health and the ways they access medical, health, and social support services. It includes the National Dementia Helpline and website and provision of advice about and to local service delivery and support networks.

Element 2: Early Intervention Supports

This element helps people to manage after receiving a diagnosis of dementia, or when experiencing symptoms of cognitive decline. It also helps to improve their dementia literacy and service navigation skills, so they are better equipped to live well with dementia. This element provides education, counselling, planning support and other psychosocial supports for people affected by dementia. It also helps carers maintain their caring role as long as is practical.

Element 3: Targeted Supports for Vulnerable Groups

This element provides culturally appropriate education and support to help people from vulnerable communities (in particular, Aboriginal and Torres Strait Islander people and people from culturally and linguistically diverse backgrounds). It helps people adjust to a dementia diagnosis, and empowers them to access, understand and use dementia services and supports.

Element 4: Awareness and Stigma-Reduction Campaigns

This element improves awareness and understanding of dementia and aims to improve early diagnosis rates and reduce the stigma associated with the condition. Activities under this element include targeted awareness and stigma-reduction campaigns for General Practitioners, health professionals and the general public.

Element 5: Local Consumer Post-Diagnostic Pathways

Under this element, Dementia Australia works with Primary Health Networks (PHNs) to develop a consumer-focused resource in each PHN area detailing the range of local support available for people affected by dementia.

In 2024–25, $33.4 million was allocated for activities under the 5 elements.

Elder Care Support Program

The Australian Government funds the National Aboriginal Community Controlled Health Organisation (NACCHO) to deliver the Elder Care Support (ECS) program. NACCHO, working with Aboriginal Community Controlled Organisations, commenced delivery of Elder Care Support services in late 2023.

The ECS program provides Aboriginal and Torres Strait Islander people, their families and carers with intensive face-to-face support to:

- understand how to access aged care services, navigate assessment processes and assist in choosing a provider
- advocate for older Aboriginal and Torres Strait Islander people by working with assessors and providers
- help older Aboriginal and Torres Strait Islander people while they receive aged care services.

As of 30 June 2025, 382.6 Elder Care positions were allocated to 98 organisations to deliver Elder Care Support services, with over 5,000 older Aboriginal and Torres Strait Islander people being supported through this program.

2.3. Access to subsidised care

Single Assessment System

The Single Assessment System is a response to Recommendation 28 of the Royal Commission into Aged Care Quality and Safety and marks a significant reform in aged care assessments.

The Single Assessment System for aged care has 3 key parts:

- the Integrated Assessment Tool (IAT)[11] started as the new tool for assessing eligibility for Australian Government-funded aged care on 1 July 2024
- the Single Assessment System workforce[12] commenced in December 2024. It brought together and replaced Regional Assessment Services (RAS), Aged Care Assessment Teams (ACAT) and Australian National Aged Care Classification (AN-ACC) assessment organisations
- new Aboriginal and Torres Strait Islander assessment organisations will be rolled out in 2025–2026 to provide more culturally safe pathways for older Aboriginal and Torres Strait Islander people.

11 Assessment tools for the Single Assessment System | Australian Government Department of Health, Disability and Ageing

12 Single Assessment System workforce | Australian Government Department of Health, Disability and Ageing

Under the Single Assessment System, assessment organisations are funded to conduct aged care needs assessments and residential aged care funding assessments. This unified approach ensures older Australians can access the right care as their needs evolve, without having to change assessment providers.

An aged care needs assessment determines an older person's eligibility for government-funded aged care services, including in-home aged care, flexible aged care programs, residential respite, and residential aged care. Assessment organisations assess client needs, goals and preferences holistically, and refer clients to services that will help them achieve the best possible level of function and independence.

A residential aged care funding assessment is conducted after an older person is found eligible for ongoing residential aged care. This assessment determines the amount of Australian Government funding the approved residential aged care provider will receive based on the older person's level of care need.

As part of the Single Assessment System reforms, a new quality assurance program is being implemented. The quality assurance program focuses on verifying that aged care needs assessments and support plans align with the needs of older Australians and that older people are connected to the services they require. This includes a program of desktop assurance activities testing the quality of assessments at different points in an older person's assessment journey. In 2024–25, assessments and support plans were identified for review on a risk basis, focusing attention on emerging and forecasted issues.

This work complements the existing quality assurance framework in place for residential aged care assessments.

In the 2024–25 financial year, the Australian Government provided funding of approximately $387.3 million to deliver assessment services. On 30 June 2025, 24 organisations were delivering assessment services, including 17 private providers and all state and territory governments.

Aged Care needs assessments: home support assessments

Older people with entry-level needs receive a home support assessment.

Table 2: Home support assessments by state and territory, 2020–21 to 2024–25

State/territory	2020–21	2021–22	2022–23	2023–24	2024–25
NSW	76,326	76,549	87,738	95,036	87,545
VIC	59,288	59,468	65,460	64,561	68,806
QLD	66,341	69,148	74,168	87,851	71,646
WA	26,063	27,503	27,690	29,177	24,060
SA	26,176	27,775	30,380	34,101	27,409
TAS	7,260	7,548	7,287	8,157	6,569
ACT	3,103	3,789	3,796	4,443	4,163
NT	1,193	1,012	1,133	1,284	1,053
Australia	**265,750**	**272,792**	**297,652**	**324,610**	**291,251**

The data includes reassessments.

Notes: Data was extracted from the Ageing and Aged Care Data Warehouse in July 2025. Future extracts of this data may change and thus alter final numbers. The table includes the total number of assessments. Expanded data regarding completed assessments and approvals are published on the GEN Aged Care Data website and in the Productivity Commission Report on Government Services.

Aged Care needs assessments: comprehensive assessments

Older people with more complex needs receive a comprehensive assessment. Comprehensive assessments are undertaken by a clinical workforce, comprising a range of health professionals, such as medical practitioners, registered nurses, social workers, physiotherapists, occupational therapists and psychologists.

Table 3: Comprehensive assessments by state and territory, 2020–21 to 2024–25

State/territory	2020–21	2021–22	2022–23	2023–24	2024–25
NSW	63,233	67,268	70,398	70,291	74,739
VIC	46,835	48,678	52,310	54,440	57,867
QLD	33,727	41,859	39,397	41,406	45,267
WA	16,896	17,953	19,221	20,382	22,236
SA	16,968	17,042	17,151	18,536	19,383
TAS	4,635	4,693	4,910	5,178	5,785
ACT	2,158	1,932	2,402	2,353	5,935
NT	1,153	1,137	1,101	1,177	1,308
Australia	**185,605**	**200,562**	**206,890**	**213,763**	**232,520**

The data includes reassessments.

Notes: Data was extracted from the Ageing and Aged Care Data Warehouse in July 2025. Future extracts of this data may change and thus alter final numbers. The table includes the total number of assessments. Expanded data regarding completed assessments and approvals are published on the GEN Aged Care Data website and in the Productivity Commission Report on Government Services.

Residential aged care funding assessments

Residential aged care funding assessors use the AN-ACC Assessment Tool to assess residents' care needs. Information from the assessments is used to assign residents an AN-ACC classification.

Table 4: Residential funding assessments by state and territory, 2020–21 to 2024–25

State/territory	2020–21	2021–22	2022–23	2023–24	2024–25
NSW	11,907	49,264	52,798	60,101	59,903
VIC	8,327	42,418	42,339	50,847	53,443
QLD	10,366	33,161	35,488	39,553	40,955
WA	2,893	15,353	15,913	19,394	19,028
SA	5,459	13,640	13,374	15,846	16,470
TAS	1,742	4,384	4,363	4,543	5,049
ACT	649	1,992	2,038	2,285	2,108
NT	0	458	379	338	483
Australia	**41,343**	**160,670**	**166,692**	**192,907**	**197,439**

The data includes reassessments.

Notes: Data was extracted from the Ageing and Aged Care Data Warehouse in July 2025. Future extracts of this data may change and thus alter final numbers. The table includes the total number of assessments. Expanded data regarding completed assessments and approvals are published on the GEN Aged Care Data website and in the Productivity Commission Report on Government Services.

1,338 funded CHSP organisations

838,694
CHSP clients across 2024–25

$3.3 billion
for CHSP service delivery activities

3 Home Support

3. Home Support

The Australian Government provides a range of entry-level home support services designed to help people continue living in their own homes for as long as they can. Older people aged 65 years and over (50 years and over for Aboriginal and Torres Strait Islander people) are supported to age in their homes by having access to a range of government-funded entry-level home support services under the Commonwealth Home Support Programme (CHSP).

During 2024–25, CHSP providers received monthly grant payments in arrears and monthly performance reporting continued.

As part of the Fair Work Commission's Stage 3 decision under the Aged Care Work Value Case to support award wage increases for aged care workers, CHSP providers received award wage increases from 1 January 2025, with further funding through indexation boosts in 2025–26. Additionally, in support of the Fair Work Commission's 6 December 2024 decision on the Aged Care Work Value Case for further increases to award wages for aged care nurses, CHSP providers funded for nursing services received an indexation boost from 1 March 2025 via a Notice of Change to their existing grant agreement, with further indexation boosts in 2025–26.

The CHSP 2024–25 growth funding opportunity allocated $100 million for the highest demand service types, including Domestic Assistance, Home Maintenance, Transport and Allied Health, and Therapy in targeted Aged Care Planning Regions (ACPRs) across the country. The additional funding and services became available from late 2024 to assist with service demand. In 2024–25, the CHSP First Nations Growth Funding Grant Opportunity (GO6888) invested $10 million to increase the availability of culturally safe CHSP services for Aboriginal and Torres Strait Islander people where there was unmet demand.

In 2024–25, $10 million was made available for providers under the CHSP Emergency and Critical Need Grant Opportunity (GO7393), which assists providers with financial support to respond to unforeseen and exceptional circumstances. This grant opportunity also provided for one-off funding for assistance with increased fuel costs.

CHSP providers continued to have access to flexibility provisions to help meet changes in demand for services between funded service types and funded ACPRs.

The department also undertook increased performance and delivery compliance to improve the efficiency of resource allocation within the program.

CHSP providers continued to access a national online CHSP reablement training program to help support workers, allied health professionals and

team leaders embed wellness and reablement into everyday service delivery approaches. The wellness and reablement initiative webpages[13] provide information, tools and resources that support CHSP providers to embed wellness and reablement approaches when delivering services, and increase sector awareness of the benefits of reablement practices.

3.1. What was provided?

The CHSP helps older people in the community maximise their independence. The program does this by delivering timely, high-quality, entry-level support services taking into account each person's goals. CHSP support is underpinned by wellness and reablement approaches, which are about building on each person's strengths, capacity, goals and aspirations to help them remain independent and live safely at home.

Table 5: CHSP services by sub-programme and service type

	Sub-programme			
	Community and home support	**Care relationships and carer support**	**Assistance with care and housing – hoarding and squalor**	**Sector support and development**
Objective	To provide entry-level support services to assist older people in Australia to live independently at home and in the community.	To support and maintain care relationships between carers and clients, through providing good quality respite care for older people in Australia so that regular carers can take a break.	To support those who are living with hoarding behaviour or in a squalid environment who are at risk of homelessness or unable to receive the aged care supports they need.	To increase CHSP-provider capability and improve quality of service delivery through activities under a targeted range of primary focus areas.

13 https://www.health.gov.au/our-work/chsp-wellness-and-reablement-initiative

	Sub-programme			
	Community and home support	**Care relationships and carer support**	**Assistance with care and housing – hoarding and squalor**	**Sector support and development**
Service types funded	• Allied health and therapy services • Domestic assistance • Goods, equipment and assistive technology • Home maintenance • Home modifications • Meals • Nursing • Other food services • Personal care • Social support-individual • Social support-group • Specialised support services • Transport.	• Centre-based respite: – Centre-based day respite – Residential day respite – Community access – group respite • Flexible respite: – In-home day respite – In-home overnight respite – Community access – individual respite – Host family day respite – Host family overnight respite – Mobile respite – Other planned respite • Cottage respite (overnight community).	Assistance with care and housing – hoarding and squalor activities are delivered to older people or prematurely aged people who meet each of the following 3 criteria: • on a low income • living with hoarding behaviour and/or in a squalid living environment • at risk of homelessness or unable to receive the aged care services they need.	Sector support and development primary focus areas include: • wellness and reablement • workforce enhancements • engagement on aged care reforms • developing and promoting collaborative partnerships • compliance and CHSP-provider service delivery and practices • developing and disseminating information about the CHSP • mainstream navigation services.

3.2. Who provided care?

In 2024–25, a total of 1,287 aged care organisations were funded to deliver CHSP services to clients, and 51 providers were funded to exclusively undertake Sector Support and Development activities. CHSP providers include government, non-government and not-for-profit organisations.

3.3. Who received care?

The CHSP provided support to 838,694 clients through delivery of home support services. Access to CHSP services is coordinated through My Aged Care. For clients, this means entry and assessment through My Aged Care and referral to an aged care assessor for an assessment. In 2024–25, the average age of access to the CHSP was 80.4 years.

3.4. How were these services funded?

What the Australian Government pays

The CHSP is a grant-funded program. During 2024–25, the Australian Government provided $3.3 billion for the delivery of CHSP services to assist eligible clients to remain living independently in their homes. The Australian Government also provided $34.5 million to initiatives in support of the CHSP. In total, Australian Government expenditure for the program in 2024–25 was $3.3 billion.

Table 6: Australian Government expenditure for CHSP services in 2024–25, by state and territory

State/territory	2024–25 $M
NSW	924.1
VIC	910.4
QLD	623.5
WA	324.3
SA	288.6
TAS	80.1
ACT	36.2
NT	28.6
Australia	**3,270.0**

Note: Total may not sum exactly and includes expenditure that cannot be attributed to an individual state or territory.

What the recipient pays

The Client Contribution Framework and the National Guide to the CHSP Client Contribution Framework were implemented in October 2015. The Framework outlines a number of principles that CHSP providers should adopt in setting and implementing their own client contribution policy. The principles are designed to introduce fairness and consistency, with a view to ensuring that those who can afford to contribute do so, while protecting the most vulnerable. Client contributions support the financial sustainability of the program and CHSP providers to grow and expand their business.

Indicative client contributions for each service type are also available to help older people in Australia understand the costs of their CHSP services.

3

923 operational home care providers

292,911 home care recipients at 30 June

$8.7 billion in home care subsidies and supplements

4 Home Care

4. Home Care

This chapter describes the Home Care Packages (HCP) program as it operated in the 2024–25 reporting period. From 1 November 2025, the new Support at Home program replaced the HCP program.

The Australian Government recognises that people want to remain living independently in their own home for as long as possible and as long as it is safe to do so. To support this, the government subsidised Home Care Packages (HCPs) to provide complex, home-based care that can improve quality of life for older people in Australia and help them to remain active and connected to their communities.

To access a HCP, people were first assessed through the Single Assessment System, which determines eligibility. The Single Assessment System workforce, which came into effect in late 2024, comprises a mix of public (state and territory governments) and private sector providers. All assessment organisations have a mix of clinical and non-clinical staff and deliver both home support and comprehensive assessments.

Once assessed as eligible for home care, a person was placed on the National Priority System, and then offered a HCP when one becomes available.

4.1. What was provided?

The HCP Program provided 4 levels of support:

- Level 1 – basic care needs
- Level 2 – low level care needs
- Level 3 – intermediate care needs
- Level 4 – high care needs.

Under a HCP, a range of services were provided: care services, support services, care management and clinical services. These services were tailored to meet the assessed care needs of the individual receiving care. A summary list of the service types is available on the My Aged Care website[14] and in the program manual.

4.2. Who provided care?

HCPs were delivered by home care service providers who had been approved under the Act by the Aged Care Quality and Safety Commission. This approval requires providers to comply with conditions relating to quality of care, recipient rights and accountability.

14 https://www.myagedcare.gov.au/help-at-home/home-care-packages

Between 30 June 2024 and 30 June 2025, the number of operational approved providers of Home Care Packages grew from 909 to 923, representing a 1.5% increase.

At 30 June 2025, there were 292,911 people who were in a HCP (Table 7). The not-for-profit provider group (comprising religious, charitable and community-based providers) delivered care to 55.8% of people, while for profit providers delivered care to 40% and government providers delivered care to 4.2%.

Table 7: Number of people utilising a HCP, by organisation type and state and territory, at 30 June 2025

State/territory	Religious	Charitable	Community based	For profit	State/ territory and Local govt	Total
NSW	8,204	21,861	17,960	42,549	464	91,038
VIC	11,817	13,134	13,027	27,730	8,734	74,442
QLD	15,723	9,653	10,775	29,021	418	65,590
WA	3,301	9,184	2,268	10,437	260	25,450
SA	3,932	10,944	2,831	6,669	2,106	26,482
TAS	736	3,937	1,246	487	16	6,422
ACT	603	1,023	519	257	-	2,402
NT	319	-	449	103	214	1,085
Australia	**44,635**	**69,736**	**49,075**	**117,253**	**12,212**	**292,911**
% of Total	**15.2**	**23.8**	**16.8**	**40.0**	**4.2**	**100**

Note: Location of home care recipients is based on the physical address of the service delivering the care.

Totals may not sum exactly, due to rounding.

- Nil or rounded to zero

4.3. Who received care?

There were 292,911 people accessing a HCP at 30 June 2025 (Table 8), an increase of 17,425 (or 6.3%) from 30 June 2024 (275,486).

In 2024–25, the average age of people accessing a HCP was 81 years.

Table 8: Number of people utilising a HCP, by current care level and by state and territory, at 30 June 2025

State/territory	Level 1	Level 2	Level 3	Level 4	Total	% of Total
NSW	5,828	37,484	32,461	15,265	91,038	31.1
VIC	2,964	27,966	25,381	18,131	74,442	25.4
QLD	2,440	23,087	24,443	15,620	65,590	22.4
WA	436	5,992	9,774	9,248	25,450	8.7
SA	847	8,830	11,023	5,782	26,482	9.0
TAS	276	2,551	2,438	1,157	6,422	2.2
ACT	35	666	800	901	2,402	0.8
NT	7	335	471	272	1,085	0.4
Australia	**12,833**	**106,911**	**106,791**	**66,376**	**292,911**	**100**
% of Total	**4.4**	**36.5**	**36.5**	**22.7**	**100**	

Notes: Location of home care recipients is based on the physical address of the service delivering the care. Totals may not sum exactly, due to rounding.

- Nil or rounded to zero

4.4. How were these services funded?

What the Australian Government pays

The Australian Government was the main contributor to the cost of HCPs. Government assistance was predominantly provided in the form of a subsidy to providers, with the amount increasing as the level of package rose (from Level 1 to Level 4).

The minister determined the rates for home care subsidies and supplements to be paid from 1 July each year. These rates are available on the department's website.[15]

In addition to the annual July indexation, the government funded a series of wage increases, with over $2.6 billion earmarked for the HCP Program, between 2022 and 2025 for aged care workers covered under the:

- Aged Care Award 2010
- Nurses Award 2020
- Social, Community, Home Care and Disability Services Industry Award (SCHADS) 2010.

These support the aged care sector to pass on the wage increases to their employees.

Table 9: Home care supplements available in 2024–25

Supplement type	Description
Primary supplements	
Oxygen supplement	A supplement paid on behalf of eligible care recipients to reimburse costs associated with provision of oxygen therapy.
Enteral feeding supplement	A supplement paid on behalf of eligible care recipients to reimburse costs associated with provision of enteral feeding.
Dementia and cognition supplement	A supplement paid on behalf of eligible care recipients assessed as having cognitive impairment due to dementia or other conditions.
Veterans' supplement in home care	A supplement paid on behalf of care recipients with a mental health condition related to their service. Eligibility for the supplement is determined by the Department of Veterans' Affairs.
EACHD top-up supplement	A supplement paid on behalf of care recipients formerly in receipt of an Extended Aged Care at Home Dementia (EACHD) package prior to 1 August 2013, to ensure no disadvantage in funding as a result of the transition to the HCP Program.
Other supplements	
Hardship supplement	A supplement paid on behalf of post-1 July 2014 care recipients in financial hardship who are unable to pay their aged care costs.
Viability supplement	A supplement paid on behalf of eligible care recipients living in regional and remote areas to assist with the extra costs of providing services in those areas.

15 https://www.health.gov.au/resources/publications/schedule-of-subsidies-and-supplements-for-aged-care

Table 10: Australian Government expenditure for Home Care Packages 2020–21 to 2024–25, by state and territory

State/territory	2020–21 $M	2021–22 $M	2022–23 $M	2023–24 $M	2024–25 $M
NSW	1,241.2	1,414.5	1,813.5	2,475.2	2,775.9
VIC	1,027.3	1,131.5	1,418.7	2,013.5	2,361.5
QLD	796.7	892.5	1,154.5	1,465.1	1,678.9
WA	524.1	397.2	509.9	603.5	679.6
SA	301.9	394.9	497.0	686.2	834.5
TAS	104.8	105.6	136.3	170.5	191.8
ACT	138.4	50.3	65.1	83.8	98.8
NT	58.7	15.5	20.8	33.2	38.6
Australia	**4,193.1**	**4,401.9***	**5,615.9***	**7,530.9***	**8,659.9***

Note: The totals may include expenditure that cannot be attributed to an individual state or territory.

*2021–22 to 2024–25 data are not directly comparable to prior years due to changed payment arrangements.

What the recipient pays

Recipients who had taken up a Home Care Package on or after 1 July 2014 can be asked to pay:

- a basic daily fee – depending on the HCP level, the maximum basic daily fee ranged between 15.68% and 17.50% of the single rate of the basic Age Pension
- an income-tested care fee – if the recipient was assessed as having sufficient income to contribute to the cost of their care, they were required to pay this fee. The income-tested care fee reduced the amount of the subsidy paid by the Australian Government to the provider
- amounts for additional care and services that the HCP would not otherwise cover, as negotiated between the recipient and their service provider.

The basic daily fee was indexed on 20 March and 20 September each year, at the same time as changes are made to the Age Pension.

Annual and lifetime limits apply to how much a recipient pays in income-tested care fees. Once these limits have been reached, the Australian Government will pay the recipient's share of income-tested care fees to the provider.

These fee arrangements do not apply to recipients who were receiving a HCP on or before 30 June 2014. Further information on the fee arrangements under the HCP Program can be found on the department's website.[16]

16 www.health.gov.au/our-work/home-care-packages-program/fees

525 funded CHSP organisations and **2,636** residential aged care homes delivered respite care

41,041 CHSP respite clients and **82,119** residential respite clients across 2024–25

$325.9 million in CHSP grants and **$1.1 billion** in residential subsidies and supplements

5 Respite Care

5. Respite Care

Respite care is an important support service for older people in Australia and their carers, and is provided in a number of settings to allow flexibility for users.

The Australian Government recognises the vital role that carers play by providing care and support to family and friends who are frail, have a disability, or have a mental or physical illness.

5.1. What was provided?

Residential respite care

Residential respite provides short-term care in Australian Government-subsidised aged care homes, with the primary purpose of giving a carer, or the person being cared for, a break from their usual care arrangements. Residential respite may be used on a planned or emergency basis.

To access residential respite a person must be assessed as eligible by an Aged Care Assessor. Eligible people may receive up to 63 days of residential respite in each financial year, with the possibility of 21-day extensions, where approved by an Aged Care Assessor.

People receiving residential respite are entitled to receive the same services as someone receiving permanent residential aged care.

Commonwealth Home Support Programme

The Commonwealth Home Support Programme (CHSP) provides a range of in-home and centre-based respite services to support the carer relationship by giving the carer a break. The types of respite services include:

- flexible respite – in-home day or overnight respite
- cottage respite – overnight respite in a community setting
- centre-based respite – day-based activities and supports in a centre or community club.

5.2. Who provided care?

Residential respite care

Residential respite care is delivered through permanent residential aged care places. It is a matter for the provider as to what mix of respite and permanent residential aged care places they deliver within the financial year. In 2024–25, 2,636 residential aged care homes provided residential respite care.

Table 11: Residential respite service facilities 2024–25, by state and territory

State/territory	Residential respite facilities
NSW	835
VIC	750
QLD	462
WA	252
SA	234
TAS	67
ACT	27
NT	9
Australia	**2,636**

Commonwealth Home Support Programme

In 2024–25, 525 aged care organisations were funded to deliver CHSP respite services to clients. These providers range from small, not-for-profit organisations to government and non-government organisations.

5.3. Who received care?

Residential respite care

The number of residential respite days used in 2024–25 was 3 million, an increase of 13,833 days from 2023–24. On average, each recipient received 1.2 episodes of residential respite care, and their average length of stay per episode was 29.2 days.

Table 12: Residential respite days, during 2024–25, by state and territory

State/territory	Respite days
NSW	1,118,622
VIC	914,910
QLD	392,270
WA	150,096
SA	319,996
TAS	68,859
ACT	19,256
NT	7,856
Australia	**2,991,865**

Note: in previous reports, this table split respite days into high and low care, however this distinction ceased with the commencement of AN-ACC on 1 October 2022.

Commonwealth Home Support Programme

In 2024–25, 41,041 clients received CHSP respite services, and there were 96,528 admissions to residential respite care.

5.4. How were these services funded?

What the Australian Government pays

Residential respite care

In 2024–25, the Australian Government provided aged care subsidies and supplements totalling $1.1 billion to service providers who delivered residential respite care.

Residential respite funding consists of 2 components under the Australian National Aged Care Classification funding model (AN-ACC):

- fixed funding or Base Care Tariff (BCT) to reflect the characteristics of the service, identical to BCT funding for permanent residents
- variable funding based on the resident's respite class.

There are 3 levels of variable AN-ACC funding for respite residents:

- Respite Class 101 – for respite residents who are independently mobile
- Respite Class 102 – for respite residents who require assisted mobility
- Respite Class 103 – for respite residents who have limited mobility.

The respite care supplement is paid at a rate to equal the maximum rate of accommodation supplement that is payable for eligible permanent care recipients in the same service, without application of either the means test nor the 40% supported resident rule. The respite care supplement helps cover the accommodation costs of the residential respite care recipient.

Commonwealth Home Support Programme

In 2024–25, the Australian Government provided grant funding of $325.9 million to service providers who delivered respite services under the CHSP.

What the resident pays

Residential respite care

The Australian Government sets the maximum basic daily fee providers may ask residential respite care recipients to pay, which equates to 85% of the single rate of the basic Age Pension. The basic daily fee is indexed on 20 March and 20 September each year, at the same time as changes are made to the Age Pension.

A booking fee may be charged to secure a period of respite care. The booking fee is deducted from the daily fees once the respite care recipient enters care. This fee cannot exceed whichever is lower of:

- one week's fee for respite care
- 25% of the fee for the proposed period of respite care.

Commonwealth Home Support Programme

CHSP service providers can charge a client contribution for respite services in accordance with a client contribution framework and the National Guide to the CHSP Client Contribution Framework. CHSP service providers are responsible for setting their own client contribution policies, with a view to ensuring those who can afford to contribute do so, while protecting the most vulnerable.

CHSP respite services have a reasonable client contribution range. Along with the national unit price ranges, the reasonable client contributions have been provided as a guide to assist CHSP providers to implement or review their client contribution policy.

707
operational residential aged care providers

196,313
permanent residents at 30 June

$24 billion
in residential care subsidies and supplements

6 Residential Aged Care

6. Residential Aged Care

Residential aged care services provide 24-hour care and accommodation for older people who are unable to continue living independently in their own home and need assistance with everyday tasks.

A person who has been assessed as eligible to receive residential aged care may be admitted to any residential aged care home of their choice, provided the aged care home has an available place, agrees to admit them, and is able to meet the required care needs of that person.

In response to recommendations of the Royal Commission into Aged Care Quality and Safety, the government introduced new workforce requirements in 2023–24, including 24/7 registered nursing from 1 July 2023 and mandatory care minutes targets from 1 October 2023. From October 2024, care minutes targets were increased from 200 minutes per resident per day (including 40 registered nurse minutes) to 215 minutes per resident per day (including 44 registered nurse minutes). These measures intend to improve resident safety and the quality of care they receive.

6.1. What was provided?

Under the *Quality of Care Principles 2014* that applied to approved providers of residential aged care in the 2024–25 reporting period this report examines, providers were required to provide a range of care and services to residents, whenever they may need them. The type of care and services provided include:

- hotel-like services (e.g. bedding, furniture, toiletries, cleaning, meals)
- personal care (e.g. showering, dressing, assisting with toileting)
- clinical care (e.g. wound management, administering medication, nursing services)
- social care (e.g. recreational activities, emotional support).

All care and services must be delivered in accordance with the resident's care needs and clearly outlined in their resident agreement and care plan.

6.2. Who provided care?

Approved providers of residential aged care can be from a range of sectors, including religious, charitable, community, for-profit and government. In 2024–25, all providers were required to be approved under the governing legislation of the time and were required to adhere to the Aged Care Quality Standards when delivering care. At 30 June 2025, there were 2,590 residential aged care services, operated by 707 approved residential aged care providers.

To deliver care and services, an approved provider needed to have an allocation of residential aged care places. Places may have been obtained by allocation through a previous Aged Care Approvals Round (ACAR), by transfer from another provider, or by allocation through the non-competitive 'bed-ready' process (noting the ACAR process has now been discontinued).

Places obtained through an ACAR were allocated on a provisional basis until they could be made operational. At 30 June 2025, there were 8,415 provisionally allocated residential aged care places and 224,493 operational places, with an occupancy rate of 89.9% through 2024–25. This does not include flexible aged care places.

Table 13: Operational residential aged care places, other than flexible care places, by organisation type, at 30 June 2025, by state and territory

State/territory	Religious	Charitable	Community based	For profit	State/territory government	Local government	Total
NSW	15,744	21,348	10,031	25,633	158	259	73,173
VIC	7,199	13,459	7,568	27,151	4,919	90	60,386
QLD	11,367	9,728	2,973	18,740	992	20	43,820
WA	4,462	4,989	2,250	8,432	56	-	20,189
SA	4,431	6,031	2,593	4,376	811	214	18,456
TAS	1,547	2,262	846	446	57	-	5,158
ACT	443	1,390	506	413	-	-	2,752
NT	85	-	339	135	-	-	559
Australia	**45,278**	**59,207**	**27,106**	**85,326**	**6,993**	**583**	**224,493**
% of Total	**20.2**	**26.4**	**12.1**	**38.0**	**3.1**	**0.3**	**100**

Note: Totals may not sum exactly, due to rounding.

- Nil or rounded to zero

6.3. Who received care?

In 2024–25:

- 260,772 people received permanent residential aged care at some time during the year, an increase of 6,723 from 2023–24
- the average age (on entry) was 83.5 years for men, and 85.3 years for women
- the average completed length of stay was 34.1 months.

On 30 June 2025, there were 196,313 people receiving permanent residential aged care.

Table 14: Number of permanent residents on 30 June 2025, by state and territory

State/territory	Permanent residents
NSW	63,132
VIC	51,142
QLD	39,438
WA	18,541
SA	16,497
TAS	4,536
ACT	2,514
NT	513
Australia	**196,313**

6.4. How were these services funded?

The cost of residential aged care is met by both public (Australian Government) and private (individual) funding. The funding arrangements applicable in the reporting period examined here were set out in the Act or in the Transitional Provisions, with some arrangements differing depending on when a person entered care.

Typically, residential aged care homes fund their operational and capital expenses from pooled public and private funding received on behalf of all residents in the service.

6

What the Australian Government pays

During 2024–25, the Australian Government paid $24 billion for residential aged care subsidies and supplements, an increase of 12.8% over the previous year.

Table 15: Australian Government recurrent residential aged care funding, 2020–21 to 2024–25, by state and territory

State/territory	2020–21 $M	2021–22 $M	2022–23 $M	2023–24 $M	2024–25 $M	% change 2023–24 to 2024–25
NSW	4,575.4	4,715.6	5,195.3	6,856.5	7,760.2	13.2
VIC	3,630.1	3,760.8	4,065.0	5,429.8	6,181.0	13.8
QLD	2,790.8	2,977.3	3,287.6	4,307.9	4,818.4	11.8
WA	1,251.4	1,311.5	1,443.5	1,952.0	2,205.3	13.0
SA	1,273.6	1,311.8	1,423.5	1,866.6	2,073.1	11.1
TAS	342.2	353.8	391.9	509.6	567.8	11.4
ACT	157.3	167.5	186.1	245.1	276.1	12.6
NT	52.6	50.4	58.0	75.4	83.7	11.0
Australia	**14,073.4**	**14,648.7**	**16,051.0**	**21,243.1**	**23,965.6**	**12.8**

Note: Totals may not sum exactly, due to rounding. This table includes funding through the Department of Veterans' Affairs. This table presents recurrent funding to residential aged care providers using accrual-based reporting. Due to accrual adjustments, for smaller jurisdictions, this can lead to significant year-on-year variations. Based on claims data between 2023–24 and 2024–25, the growth in recurrent funding for each state and territory ranged from 11.6% to 15.1%.

Subsidies and supplements

The minister determines the rates of residential aged care subsidies to be paid from 1 October each year and relevant supplements to be paid from 1 July each year, and the rates of pension-related supplements and aged care fees and charges on 20 March and 20 September each year. The current payment rates are available on the department's website.[17]

17 https://www.health.gov.au/resources/publications/schedule-of-subsidies-and-supplements-for-aged-care

Most Australian Government funding is provided through the basic subsidy, which, for permanent residential aged care is determined by the appraised care-needs, or assessment, of a care recipient.

The Australian National Aged Care Classification (AN-ACC) funding model is the mechanism through which the government funds approved providers for the care component of residential aged care. The AN-ACC funding model for permanent residential aged care has 3 components:

- a variable component based on the care recipient's AN-ACC classification
- a fixed component (Base Care Tariff [BCT]) to account for shared costs across all care recipients, which varies by location and type of residential aged care service (specifically services that specialise in caring for the homeless, and services in remote and very remote locations that specialise in caring for Aboriginal and/or Torres Strait Islander care recipients)
- an initial entry adjustment lump sum amount, which is a one-off adjustment payment for new care recipients to cover costs associated with transitioning into a new care environment.

On 1 October 2024, a new AN-ACC BCT structure commenced in addition to increased BCT weightings (funding) for non-specialised services in Modified Monash Model (MM) 1-5 locations. This better aligns BCT funding with the cost of delivering care at different MM locations, and acknowledges the higher cost of delivering care outside metropolitan areas. Previously, 85% of services were grouped together in a single MM 1-4 BCT category and received the same fixed funding, despite costs varying between locations.

From 20 September 2024, the hotelling supplement increased to $12.55 per resident per day to support providers to meet the increased costs resulting from higher award wages in the Fair Work Commission's Stage 3 decision.

Table 16: Supplements available for residential aged care 2024–25

Supplement type	Description
Primary supplements	
Respite supplement	Respite supplement helps cover the accommodation costs of residential respite care recipients. The respite supplement is paid at a rate to equal the maximum rate of accommodation supplement payable for eligible permanent care recipients in the same service where the respite care is being provided, though without means testing or application of the 40% supported resident rule (see detail on the Accommodation Supplement below).

Supplement type	Description
Primary supplements	
Oxygen supplement	Oxygen supplement is paid for eligible care recipients to reimburse costs associated with providing oxygen therapy.
Enteral feeding supplement	Enteral feeding supplement is paid for eligible care recipients to reimburse costs associated with providing enteral feeding.
Other supplements	
Accommodation supplement	Accommodation supplement is paid for permanent care recipients who entered care on or after 20 March 2008 and have been determined through means testing to be eligible for assistance with their accommodation costs. A higher accommodation supplement rate is payable in services that are newly built or have been significantly refurbished on or after 20 April 2012. The maximum rate of accommodation supplement that would otherwise be payable in a service is reduced by 25% if, over a calendar month as a whole, less than 40% of the relevant residents in the service are concessional residents, supported residents, or low-means care recipients.
Hardship/ Hardship accommodation supplement	Hardship supplement is paid on behalf of care recipients in financial hardship who are unable to pay their aged care costs. Eligibility for assistance is determined through means testing.
Veterans' supplement in residential aged care	Veterans' supplement is paid on behalf of residents with a mental health condition related to their service. Eligibility for the supplement is determined by the Department of Veterans' Affairs.
Concessional resident supplement	Concessional resident supplement is paid for permanent care recipients who entered residential aged care between 1 October 1997 and 19 March 2008, and who were determined through means testing to be eligible for assistance with their accommodation costs. Since 1 October 2022 the concessional resident supplement has also been paid for permanent care recipients for whom either the transitional supplement or the charge exempt resident supplement was being paid on 30 September 2022. The maximum rate of concessional resident supplement that would otherwise be payable in a service is reduced by 25% if, over a calendar month as a whole, less than 40% of the relevant residents in the service are concessional residents, supported residents, or low-means care recipients.

Supplement type	Description
Other supplements	
Transitional accommodation supplement	Transitional accommodation supplement is paid for permanent care recipients who entered low-level care between 20 March 2008 and 19 September 2011 to ensure no financial disadvantage from changes to the accommodation supplement introduced on 20 September 2011.
Accommodation charge top-up supplement	Accommodation charge top-up supplement is paid for permanent care recipients who entered high-level care from 20 March 2008 to 19 March 2010 and who were receiving an income support payment.
2012 basic daily fee supplement	The 2012 basic daily fee supplement is paid for certain care recipients who were in permanent care on 1 July 2012 and were not in receipt of an Australian income support payment to ensure no financial disadvantage resulting from the increase of the basic daily fee from that date.
Pensioner supplement	Pensioner supplement is paid for pre-March 2008 reform permanent care recipients who either had a dependent child or did not receive an Australian income support payment and had not agreed to pay a large accommodation bond.
24/7 registered nurse (RN) supplement	The registered nurse (RN) supplement commenced from 1 July 2023 to cover the cost of always having an RN onsite and on duty. In larger facilities this is covered by AN-ACC funding, but for smaller homes, the 24/7 RN supplement provides the additional funding for this purpose. This supplement has 2 sets of rates: the full rate 24/7 RN supplement and the reduced rate 24/7 RN supplement. Facilities are eligible for the full rate if they: • have no more than 50 residents per day (based on occupied bed days) on average over a calendar month, and • provide a minimum of 21 hours of RN coverage per day (87.5% of the time) on average over a calendar month, and • submit a 24/7 RN report on time by the 7th calendar day after the end of the reporting month. Facilities are eligible for the reduced rate supplement if they: • have no more than 30 residents per day (based on occupied bed days) on average over a calendar month, and • provide a minimum of 12 hours of RN coverage per day (50% of the time) on average over a calendar month, and • submit a 24/7 RN report on time by the 7th calendar day after the end of the reporting month.

Supplement type	Description
Other supplements	
Hotelling supplement	The hotelling supplement commenced from 1 July 2023 to help meet the costs of providing everyday living services such as catering, cleaning and laundry. It supplements basic daily fee income that has not kept pace with actual costs. This supplement provides funding equivalent to the defunct 2021 basic daily fee supplement, which was folded into AN-ACC between 1 October 2022 and 30 June 2023.
Outbreak management support supplement	Outbreak management support supplement commenced from 1 February 2024 and replaced previous COVID-19 grants. It is paid for all residential aged care recipients. The supplement helps providers meet the cost of planning for, and managing, infectious disease outbreaks, including COVID-19. The funds can be used for the purchase of rapid antigen tests (RAT), personal protective equipment (PPE) and associated workforce requirements.

A detailed breakdown of the payments for each of these subsidies and supplements in 2024–25 is shown in Table 26 in Appendix A.

What residents pay

Depending on their income and assets, residents may be asked to contribute to their care and accommodation costs. The following information explains these arrangements for new residents.

Fees

Basic daily fee

All residents in an aged care home are asked to pay a basic daily fee, which equates to 85% of the single rate of the basic Age Pension. The basic daily fee is indexed on 20 March and 20 September each year, at the same time as changes are made to the Age Pension. The Australian Government sets the maximum level for the basic daily fee that providers can ask residents to pay.

Means tested care fee

Means tested care fees are calculated based on a means assessment (combined income and asset assessment). A means assessment determines whether a person is liable and what their daily means tested care fee is set at. There are annual and lifetime caps on the means tested care fees payable by residents to protect individuals with high contributions and who stay in care a long time.

Extra services fee

The extra service fee is the maximum amount a provider can charge a resident for receiving extra services in a residential aged care home approved for extra service status.

Extra service status in residential aged care involves providing additional hotel-type services, including a higher standard of accommodation, food and services than the average provided by residential aged care homes without extra service status. A residential aged care service can have extra service status for the whole service or a distinct part, or parts, of the service.

The extra service fee was replaced by the Higher Everyday Living Fee (HELF) on 1 November 2025.

Additional services fees

An approved provider may offer a resident the option to purchase additional services for an additional service fee, where the provider can demonstrate the services are not otherwise required to be provided, or are substantially better than the standard that must be provided, under the *Quality of Care Principles 2014* as applied in the reporting period examined here. The amount of any charge for additional services must be agreed with the resident before the additional services are delivered, with an itemised account given to the resident once the services have been provided.

Additional service fees cannot be charged unless the resident receives direct benefit or has the capacity to take up or make use of the additional services.

The additional service fee was replaced by the Higher Everyday Living Fee (HELF) from 1 November 2025.

Payments

Aged care home accommodation costs are means tested. Some residents pay no accommodation costs, while others contribute towards their accommodation costs or pay the full cost of their accommodation.

Residents required to pay an accommodation contribution or accommodation payment have the option of paying as:

- a lump-sum refundable deposit, or
- a daily payment, or
- a combination of both.

Accommodation contributions

Residents with income below $33,849.40 and assets below $61,500 (single rate, as at 30 June 2025) are not required to pay accommodation costs. In these circumstances, the Australian Government pays the full accommodation cost for the resident through the accommodation supplement.

Some residents pay part of their accommodation costs as an accommodation contribution, with the Australian Government paying the remainder.

The Australian Government contributes through payment of an accommodation supplement. There are a range of accommodation supplement rates set by Ministerial determination. At 30 June 2025, the highest of these, the maximum accommodation supplement, was $69.79 per day for new homes or homes significantly refurbished since 20 April 2012.

Accommodation payments

Residents with income above $84,656.52 or assets above $206,663.20, or a combination of income and assets that results in a means tested amount of at least $69.79 per day (rates as at 30 June 2025) do not receive any government assistance for their accommodation costs. They are required to pay the full cost of their accommodation through an accommodation payment negotiated with the provider.

Providers determine the prices they wish to charge as accommodation payments for a room. The provider must publish these prices, along with information about the key features of the room, on My Aged Care, on their own website and in their printed materials.

On 1 January 2025, the maximum accommodation payment amount a provider can charge for a room or part of a room is a refundable deposit increased from $550,000 to $750,000 (or the equivalent daily payment), with this amount indexed on 1 July each year. However, providers can charge over the maximum amount if they have approval from the Independent Health and Aged Care Pricing Authority (IHACPA). During 2025–26, the maximum accommodation payment amount will be $758,627.

12,401 operational flexible care places across five programs

24,980 people received transition care and

11,511 received Short-Term Restorative Care

$1 billion in Australian Government funding

7 Flexible Care

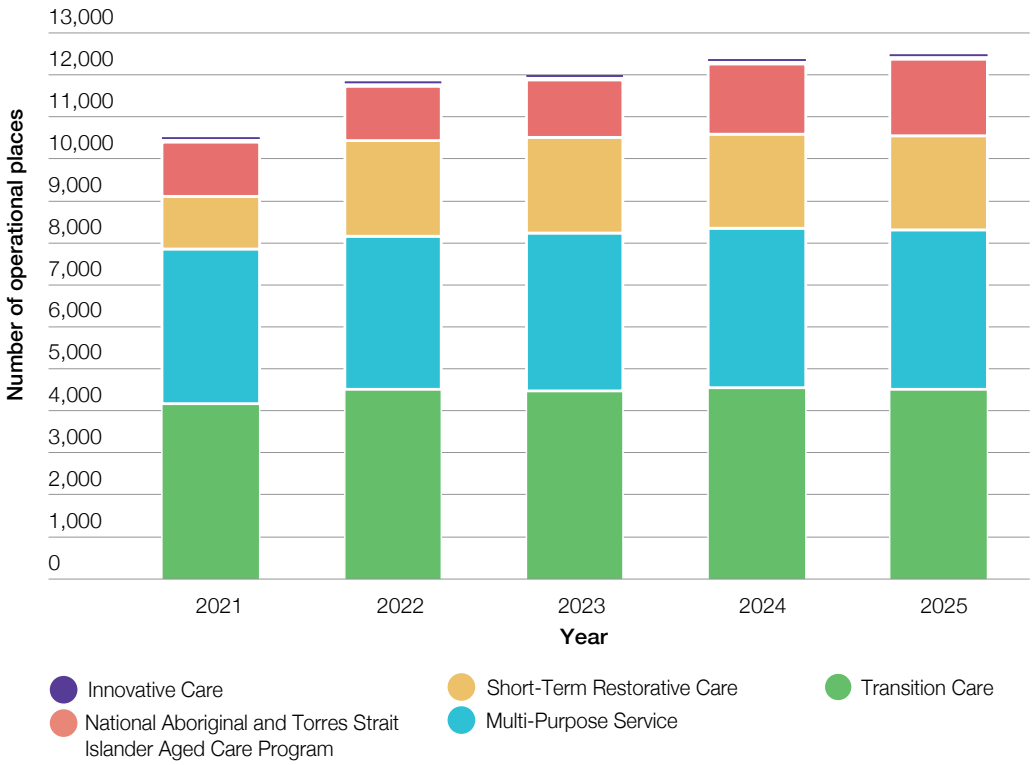
7. Flexible Care

The aged care needs of older people in Australia vary and will often require different care approaches to those provided through residential aged care or home care. To accommodate this range of needs, there are 5 different types of flexible care:

- Transition Care
- Short-Term Restorative Care
- Multi-Purpose Services
- National Aboriginal and Torres Strait Islander Flexible Aged Care[18]
- Innovative Care.

At 30 June 2025, there were 12,401 operational flexible care places. In 2024–25, Australian Government funding across these programs totalled $1 billion.

Figure 5: Operational flexible care places at 30 June each year between 2021 and 2025



18 Services funded under this program are administered outside the *Aged Care Act 1997*.

7

7.1. Transition Care

The Transition Care Program (TCP) provides short-term care to optimise the functioning and independence of older people after a hospital stay. Transition care is goal oriented, time limited and therapy focused. The TCP seeks to enable older people to either return home after a hospital stay or enter residential aged care in a healthier state.

What was provided?

Older people in Australia may receive transition care for up to 12 weeks (with a possible extension of another 6 weeks) in either a community setting, such as their own home, or a residential aged care setting, or a combination of both. To be assessed by an Aged Care Assessor for TCP support, a person must be admitted to hospital at the time of the assessment. Once a client enters the TCP, they receive a package of services that includes low-intensity therapy, such as physiotherapy and occupational therapy, as well as social work, nursing support or personal care, to maintain and improve physical and/or cognitive functioning.

Who provided care?

Transition care service delivery is managed by state and territory governments, who are the approved providers of the program.

At 30 June 2025, there were 4,506 operational transition care places nationally.

Table 17: Number of operational transition care places at 30 June 2025, by state and territory

State/territory	Operational transition care places
NSW	1,513
VIC	1,045
QLD	783
WA	517
SA	387
TAS	134
ACT	78
NT	49
Australia	**4,506**

Who received care?

At 30 June 2025, 4,002 people were receiving transition care. During 2024–25, a total of 24,980 people received transition care.

Table 18: Number of transition care recipients by state and territory, at 30 June 2025 and during 2024–25

State/territory	Number of people receiving transition care at 30 June 2025	Number of people who received transition care during 2024–25
NSW	1,456	8,373
VIC	906	5,888
QLD	693	4,489
WA	429	2,914
SA	303	2,139
TAS	96	576
ACT	73	373
NT	46	244
Australia	**4,002**	**24,980**

How were these services funded?

The TCP is jointly funded by the Australian Government and state and territory governments. Australian Government funding is provided in the form of a flexible care subsidy, payable on a per-client, per-day basis for each TCP place.

The daily rate for the subsidy from 1 July 2024 was $251.48, increasing to $255.47 on 1 January 2025 and $255.73 on 1 March 2025. In 2024–25, the Australian Government provided $374.5 million in funding for the TCP.

In addition, TCP service providers can charge clients a daily care fee if the client is in a financial position to contribute to their care. Client contributions are calculated as follows:

- 85% of the Age Pension for care delivered in a residential setting
- 17.5% of the Age Pension for care delivered in a home.

7.2. Short-Term Restorative Care

The Short-Term Restorative Care (STRC) programme was an innovative, flexible care program. It provided early intervention care to reverse and/or slow functional decline in older people and improve overall health and wellbeing. Through a tailored package of services, STRC enabled older people to regain independence and autonomy, thereby delaying their need for more intensive aged care support such as home care or residential aged care.

When the new Aged Care Act commenced, STRC became a short-term class under the Support at Home program.

What was provided?

Each episode of STRC delivers a time-limited, multidisciplinary package of services for a period of 8 weeks. The care plan and range of services are designed by a multidisciplinary team of health professionals in consultation with the client, and can include physiotherapy, minor home modifications, nursing support, personal care and assistive technologies. STRC can be delivered in either a community setting, such as the client's own home, a residential aged care setting, or a combination of both.

Who provided care?

At 30 June 2025, there were 2,264 operational STRC places being delivered by 63 approved providers through 126 STRC services.

Table 19: Number of operational STRC places by state and territory, at 30 June 2025

State/territory	Number of operational STRC places
NSW	626
VIC	558
QLD	494
WA	262
SA	135
TAS	74
ACT	70
NT	45
Australia	**2,264**

Who received care?

At 30 June 2025, 1,670 people were receiving STRC. During 2024–25, 11,511 people received care in the STRC program.

Table 20: Number of STRC recipients by state and territory, at 30 June 2025, and during 2024–25

State/territory	Number of people receiving STRC at 30 June 2025	Number of people who received STRC during 2024–25
NSW	462	3,043
VIC	376	2,645
QLD	451	3,026
WA	202	1,424
SA	74	642
TAS	59	356
ACT	18	232
NT	28	148
Australia	**1,670**	**11,511**

How were these services funded?

In 2024–25, the STRC programme was funded through a flexible care subsidy payable to the provider on a per-client, per-day basis for each STRC place. The daily rate for the subsidy from 1 July 2024 was $251.48, increasing to $253.82 on 1 January 2025 and $254.08 on 1 March 2025. The Australian Government contributed $144.3 million for STRC services in that period.

In addition, STRC service providers could charge clients a daily care fee if the client is in a financial position to contribute to their care. Client contributions are calculated as follows:

- 85% of the Age Pension for care delivered in a residential setting
- 17.5% of the Age Pension for care delivered in the home.

7.3. Multi-Purpose Services

The Multi-Purpose Service (MPS) program plays an important role in rural and remote aged care delivery. It provides integrated health and aged care services in small, rural and remote communities across all states, the Northern Territory and Norfolk Island. It allows people to stay in their local communities as they age.

The MPS program is a long-standing joint initiative between the Australian Government and state and territory governments. In 2024–25, government funding enabled both residential aged care and home care services to be provided through 3,798 places across 183 MPS services.

Table 21: Number of operational Multi-Purpose Services and places, at 30 June 2025, by state and territory

State/territory	Multi-purpose services with operational places	Operational residential aged care places	Operational home care places	Total operational places
NSW	67	1,175	136	1,311
VIC	11	359	19	378
QLD*	37	465	141	606
WA	38	611	159	770
SA	26	611	14	625
TAS	3	81	21	102
ACT	. .	. .	. .	. .
NT	1	4	2	6
Australia	**183**	**3,306**	**492**	**3,798**

*Note: Reflecting the partnership with Queensland to deliver state services, MPS services on Norfolk Island are included in the Qld total.

- Nil or rounded to zero

.. Not applicable

How were these services funded?

The program is jointly funded by the Australian Government and state and territory governments. There was continued growth in Australian Government expenditure for the MPS program, from $267 million in 2023–24 to $293 million in 2024–25.

Table 22: Australian Government expenditure for Multi-Purpose Services from 2020–21 to 2024–25, by state and territory

State/territory	2020–21 $M	2021–22 $M	2022–23 $M	2023–24 $M	2024–25 $M	% Increase 2023–24 to 2024–25
NSW	77.7	78.9	84.3	90.5	97.5	7.8
VIC	18.8	22.5	22.9	24.4	27.2	11.5
QLD	34.1	38.8	40.2	45.4	49.8	9.5
WA	37.8	48.5	48.4	51.7	57.0	10.2
SA	41.2	44.4	45.2	48.2	54.0	12.1
TAS	4.9	5.4	5.6	6.3	7.0	10.4
ACT	. .	. .	. .	. .	. .	. .
NT	0.4	0.4	0.4	0.5	0.5	3.1
OT	1.6*	. .	. .	. .	. .	. .
Australia	**216.5****	**238.9**	**247.0**	**267.0**	**293.0**	**9.7**

*Note: Due to administrative reasons, in all years prior to 2022–23, the funding for services provided on Norfolk Island are included under NSW totals, except for 2020–21, where funding for these services were grouped separately as Other Territories (OT). From 2022–23, Norfolk Island is included in QLD totals.

. . Not applicable.

**Some small differences may apply in totals.

Ensuring quality and safe aged care services

The department continues to work closely with state and territory governments to expand and improve the MPS program, consistent with the recommendations of the Royal Commission. This includes through a monthly meeting of the MPS Working Group with representatives of the states and territories, and monthly webinars with providers.

Key reform developments for 2024–25 included:

- the 2024–25 MPS allocations round which enabled 3 new MPS to be established and 10 existing MPS to expand their services
- passage of the *Aged Care Act 2024*, which includes new common eligibility and assessment arrangements from 1 November 2025, as recommended by the Royal Commission

- trials of 24/7 registered nurse and direct care target responsibilities for the MPS from 1 July 2024
- commencement of a multi-year review of the current MPS funding model, consistent with the recommendations of the Royal Commission and the Aged Care Taskforce, which will be informed by specialist advice from the Independent Health and Aged Care Pricing Authority.

7.4. National Aboriginal and Torres Strait Islander Flexible Aged Care Program

The National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) Program funds organisations to provide culturally safe aged care services to Aboriginal and Torres Strait Islander people, close to home and community.

Services funded under the NATSIFAC Program were administered outside of the *Aged Care Act 1997*, however, consistent with Royal Commission recommendations, were included in the *Aged Care Act 2024* with its commencement on 1 November 2025.

In 2024–25, 47 aged care services were funded to deliver 1,829 aged care places under the NATSIFAC Program. The total expenditure for this program in 2024–25 was $197.8 million.

Table 23: Number of operational National Aboriginal and Torres Strait Islander Flexible Aged Care Program services and places at 30 June 2025, by state and territory

State/territory	Operational services	Operational residential aged care places	Operational home care places	Total operational places
NSW	3	8	119	127
VIC	2	55	69	124
QLD	7	76	197	273
WA	5	45	184	229
SA	7	108	146	254
TAS	2	-	17	17
ACT	-	. .	. .	. .
NT	21	165	640	805
Australia	**47**	**457**	**1,372**	**1,829**

- Nil or rounded to zero
. . Not applicable.

7.5. Innovative care services

Innovative care was originally established in 2001–02 to pilot new approaches to providing aged care. The current innovative care program is an extension of pilots initiatives established in 2003. These pilots supported people with aged care needs who lived in state or territory-funded supported accommodation homes, who were at risk of entering residential aged care.

At 30 June 2025, there were 2 projects: one in New South Wales and one in South Australia.

At 30 June 2025, there were 4 operational innovative care places, compared to 13 operational innovative care places at 30 June 2024. No new clients have been accepted into the program since 2006, so the number is gradually decreasing as people leave.

Throughout 2024–25, the Australian Government provided $0.4 million for these services in the form of a flexible care subsidy specific to each service.

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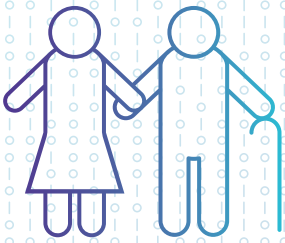


All people treated with dignity and respect, with their identity, culture and diversity valued

182 specialisation claims verified in 2024–25

$27.2 million in hardship supplements

8 Support for People with Diverse Needs and Backgrounds

8. Support for People with Diverse Needs and Backgrounds

It is a requirement of the Aged Care Quality Standards and Charter of Aged Care Rights that every person is treated with dignity and respect, with their identity, culture and diversity valued.

Specialisation Verification

In addition to this requirement, an aged care provider may choose to provide specialised services for people who identify with one or more of the groups defined as having special needs in the *Aged Care Act 1997* (the Act), as was applicable in the reporting period covered in this report. The government funded the Specialisation Verification initiative in 2021 in response to an Aged Care Royal Commission recommendation. It ensures providers have demonstrated their capability to provide specialised services for people with diverse backgrounds and life experiences, before any claim for such specialisation can be published on My Aged Care.

The department developed a Specialisation Verification Framework (the framework) with input from special needs groups representatives, provider representatives and verification experts. The framework includes criteria and corresponding evidence requirements for providers to show they are delivering specialised services. The department refined the framework and began verifying provider specialisation claims in June 2022, and unverified claims were removed from My Aged Care in February 2023.

Only specialisation claims that have been verified (where providers have completed all steps in the application process) are visible on My Aged Care. Since verification became a requirement, 1,220 specialisation claims from 960 aged care outlets have been verified, with 182 specialisation claims verified in 2024–25.

This is part of a broader suite of measures aimed at making safe, quality aged care more accessible for older people in Australia. The changes will support older people to exercise choice within the aged care system. They will do this by providing more reliable and trusted information about aged care providers that specialise in caring for recipients identifying with the groups referred to in the governing legislation.

Assisting Aged Care Providers and services to plan for diversity

The Planning for Diversity project commenced in 2021 to assist providers and improve their capacity to identify and respond respectfully to the diversity of their local community. The Older Persons' Advocacy Network (OPAN) has been engaged to manage a network of diversity advisors to educate aged care providers across all aged care delivery types. Advisors provide aged care services with education on the diversity of their community and assess whether actual service-usage reflects this diversity and assist providers to identify and address any barriers to access. Providers are also being encouraged to collect, monitor and analyse other sources of data to better identify the diverse needs of older people in their communities seeking or receiving aged care. Advisors also help providers understand how to meet their requirements for inclusive service delivery under the Aged Care Quality Standards. They also help providers integrate inclusive service delivery into their ongoing quality improvement processes and organisational plans. In 2024–25, $2 million was provided for the Planning for Diversity project.

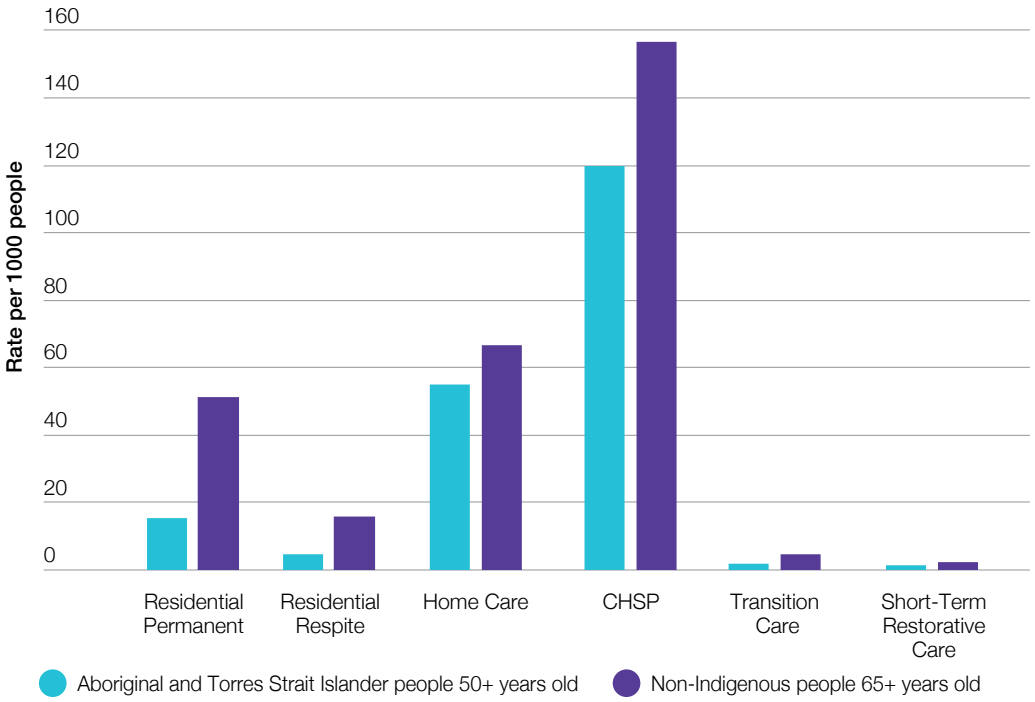
The Australian Government is also investing funding to develop a more skilled, supported workforce, and to improve aged care infrastructure and services that support older Aboriginal and Torres Strait Islander people, older people in Australia from diverse communities, people living with dementia, and people living in regional areas. The government invested a total of $26.1 million over 4 years from 2022–23 in specific aged care homes and providers, including $5.6 million in 2024–25 (this includes Movement of Funds adjustments). This investment is funding implementation of the government's election commitments to support providers in NSW (Sydney), Victoria (Reservoir and Mulgrave), NT (Darwin) and regional Tasmania.

8.1. People from Aboriginal and Torres Strait Islander communities

The Australian Government is committed to supporting older Aboriginal and Torres Strait Islander people to age well with dignity, respect and connection to community and culture through quality, culturally safe and responsive aged care services.

Aboriginal and Torres Strait Islander people do not access aged care at rates commensurate with need. This is despite experiencing a higher burden of disease and requiring aged care services at a younger age compared to the non-Indigenous population. Older Aboriginal and Torres Strait Islander people use services across all aged care programs at rates lower than non-Indigenous people (Figure 6).

Figure 6: Access to aged care services for older people from Aboriginal and Torres Strait Islander backgrounds, 30 June 2025



Note: Client proportions measured at 30 June 2025 for all programs except CHSP, which is measured across the financial year.

To improve equity of access and increase representation, several current initiatives are focused on creating a more inclusive and responsive aged care system. These efforts aim to better meet the unique needs of older Aboriginal and Torres Strait Islander people.

Cultural safety is crucial for improving access to and quality of care for older Aboriginal and Torres Strait Islander people across Australia. Recognising this, the Australian Government continues to prioritise cultural safety throughout the aged care system. This commitment is demonstrated through key initiatives such as:

- supporting Aboriginal Community Controlled Organisations (ACCOs) to expand into aged care service delivery
- implementing targeted cultural safety training for workers across the aged care system

- building the Aboriginal and Torres Strait Islander workforce, including through programs such as the Indigenous Employment Initiative (see Chapter 9.1 for more information).

Further to this, the Aboriginal and Torres Strait Islander Aged Care Framework (the Framework) was published in February 2025. The Framework was co-designed with the First Nations Aged Care Governance Group. It outlines a 10-year roadmap of actions to help deliver a quality, culturally safe aged care system for Aboriginal and Torres Strait Islander people.

The National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) Program continues to deliver culturally safe aged care to meet the needs of older Aboriginal and Torres Strait Islander people, allowing them to remain close to home and community (see Chapter 7.4 for more information).

The Elder Care Support program was designed in partnership with Aboriginal and Torres Strait Islander organisations and their representatives. It provides intensive face-to-face support to older Aboriginal and Torres Strait Islander people, their families and carers to help them access aged care that meets their physical and cultural needs. The program also ensures that older Aboriginal and Torres Strait Islander people are involved and empowered to make informed decisions about the care they receive (see Chapter 2.2 for more information).

The Australian Government funds the National Aboriginal Torres Strait Islander Ageing and Aged Care Council (NATSIAACC), the peak body for Aboriginal and Torres Strait Islander aged care. NATSIAACC works to ensure older Aboriginal and Torres Strait Islander people can access support and care that is culturally safe, trauma-aware and healing-informed, and recognises the importance of their personal connections to community and Country. NATSIAACC has developed a definition of cultural safety in the aged care context that embeds principles of culturally safe, trauma-aware and healing-informed care across aged care to better meet the needs of older Aboriginal and Torres Strait Islander people.

The Interim First Nations Aged Care Commissioner was extended to June 2026 and will continue to progress the government's commitment to establish a permanent, statutory Aboriginal and Torres Strait Islander Commissioner. The Interim Commissioner will also continue to identify and contribute to the systemic changes necessary to bring improvements for Aboriginal and Torres Strait Islander people across all tiers of the aged care system. This work will be informed through co-design with Aboriginal and Torres Strait Islander communities and stakeholders.

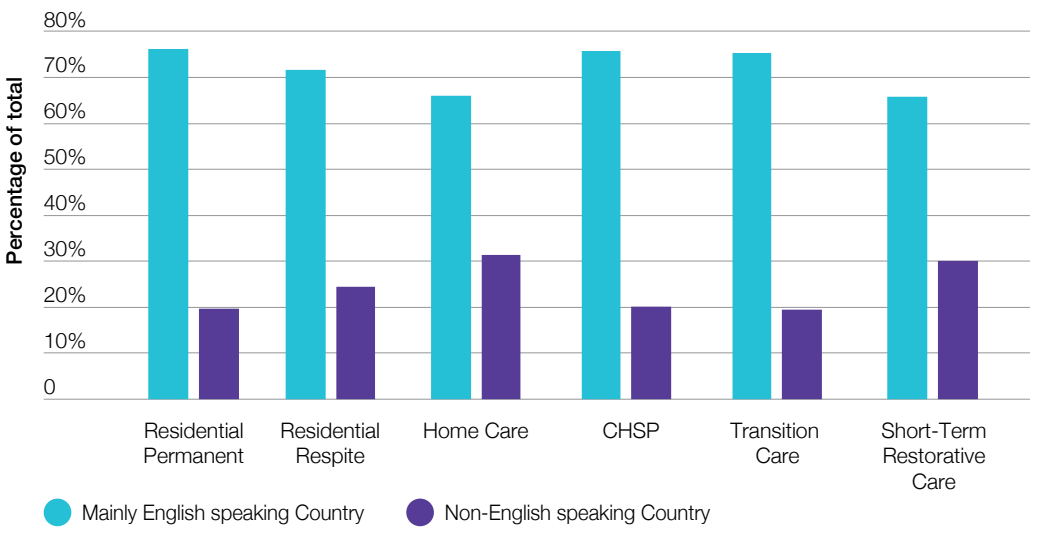
Since May 2022, the department has funded a specialist communication agency to translate eligible aged care communication materials into languages other than

English, including Aboriginal and Torres Strait Islander languages. This aged care translation service is available for government-subsidised aged care providers, peak bodies and Partners in Culturally Appropriate Care across Australia. It helps ensure older Aboriginal and Torres Strait Islander people can receive information in their preferred language.

8.2. People from culturally and linguistically diverse backgrounds

The 2021 Census found that almost half of Australians have a parent born overseas (48.2%) and the population continues to be drawn from around the globe, with 27.6% reporting a birthplace overseas. Older people from culturally and linguistically diverse (CALD) backgrounds make up one third of Australians aged 65 and older. More than 21% of users of aged care services were born in non-English speaking countries. The Census also highlighted the significance of aged care for specific migrant groups. It showed 73% of people born in Greece, 68% of people born in Italy, and 65% of people born in the Netherlands are now aged 65 or over. Broadly speaking, people from CALD backgrounds have proportionally higher representation in home care services and proportionally lower representation in residential aged care services.

Figure 7: Access to aged care services for older people in Australia from CALD backgrounds, 30 June 2025



Note: Client proportions measured at 30 June 2025 for all programs except CHSP, which is measured across the financial year.

The Australian Government continues to fund the long-standing Partners in Culturally Appropriate Care (PICAC) program. PICAC provides guidance, resources and training to help aged care providers respond to the needs of older CALD care recipients. In 2024–25, $3 million was provided for the program. Additionally, the Australian Government also funds the Federation of Ethnic Communities Councils of Australia (FECCA) as a national voice and key consultative mechanism. This helps ensure our programs and services respond to the needs of multicultural communities.

The Australian Government offers interpreting support to people from CALD backgrounds accessing aged care via the Translating and Interpreting Service (TIS National) so that they can make informed decisions about their care. The service is available 24 hours a day, 7 days a week, and can be accessed by aged care providers at no cost, by telephone or in face-to-face sessions. The service also supports older people from CALD backgrounds to participate in daily social and cultural activities such as weddings, funerals, family reunions, theatre, seniors' activities and clubs or social groups.

The National Sign Language Program (NSLP) is a key initiative that enhances communication access for older Australians who are Deaf, Deafblind, or hard of hearing. It provides free face-to-face or video interpreting and live captioning services, enabling individuals to participate fully in aged care services, social and professional activities, and health appointments that attract a Medicare rebate.

8.3. People who live in rural or remote areas

Access to aged care is challenging for many older people in rural and remote areas, and for the providers that deliver their care. The challenges vary depending on the location and often relate to workforce (e.g. attraction, retention, increased wages costs, staff accommodation), higher freight/transport costs (e.g. food and materials shipped/flown in, tradespeople flown in), and other socioeconomic factors.

As a result, the Australian Government continues to support people in rural and remote areas to access aged care services and strengthen the viability of locally-based services in several ways.

This includes providing ongoing flexible funding for the direct provision of funded aged care services to people in rural and remote Australia through:

- block-funding for Multi-Purpose Service (MPS) Program or the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP), which are specifically designed to operate in thin markets (see Chapter 7)

- unit price adjustment of up to 40% for Commonwealth Home Support Programme (CHSP) providers delivering 50% or more of a service type in MM 6 and MM 7 areas
- additional or varied funding arrangements for services delivered through mainstream aged care programs. For example, additional Australian National Aged Care Classification (AN-ACC) funding is available for residential aged care homes in some rural and remote locations (MM 5-7) and viability supplements available to support delivery of home care packages (MM 4-7). This helps by reflecting the increased costs of delivering care in these locations.

Additional thin markets supports are also in place to help ensure accessible, safe and quality aged care services regardless of where a person lives. These include workforce supports, professional and viability supports and infrastructure supports, for example:

- the Aged Care Capital Assistance Program (ACCAP), which supports new infrastructure builds and upgrades including staff accommodation. In 2024–25, $250 million was committed to 52 projects under ACCAP Round 2 to improve access to safe, quality aged care for Aboriginal and Torres Strait Islander people and older people in rural and remote areas.
- the Rural Locum Assistance Program for Aged Care which assists aged care services affected by high staff turnover or sudden departures of key personnel in rural and remote areas (see Chapter 9)
- the Remote and Aboriginal and Torres Strait Islander Aged Care Service Development Assistance Panel Program (SDAP), which supports rural and remote providers to build capability (see Chapter 9).

The Australian Government also recognises that it is not only about additional funding and the importance of addressing unique service delivery challenges through exploring local solutions. As a result, during 2024–25, work continued to test, explore and expand innovative models of care delivery in rural and remote Australia, with several projects progressing:

- as part of the Integrated Care and Commissioning (ICC) trials, work is underway to explore how a joint aged care and disability service model could meet the needs of specific local communities. The trials also aim to develop and share successful integrated models for delivering services to local Aboriginal and Torres Strait Islander communities
- as part of the Care Together program, delivered by the Business Council of Co-operatives and Mutuals (BCCM) to establish 4 new cooperatives, with 2 now formally registered (Wagin and Glen Innes)
- through the Aged Care Workforce Remote Accord's pilots in West Kimberley (WA), Murdi Paaki region (NSW) and Yalata (SA) to connect communities and providers with supports to develop strong and capable workforces.

8.4. People who are financially or socially disadvantaged

Arrangements established under the Act mean older people in Australia can access residential aged care, irrespective of their capacity to make accommodation payments. Assistance is provided to low-means care recipients, supported residents, concessional residents, assisted residents, and certain residents approved under financial hardship provisions. Eligibility for assistance with accommodation costs is determined through means testing.

An accommodation supplement is payable for low-means care recipients, supported residents and certain residents under financial hardship provisions. Concessional resident supplement is payable for concessional and assisted residents. The maximum rate of accommodation supplement and concessional resident supplement that would otherwise be payable for the eligible residents in a service is reduced by 25% if certain conditions are not met. Specifically, if less than 40% of residents in a service (excluding respite care and Extra Service Status places) are concessional, assisted, supported, low-means care recipients, or receiving the supplement under hardship provisions over a calendar month, the reduced rate applies.

Financial hardship assistance provisions under the Act cater for the minority of people who have difficulty paying fees and/or accommodation costs. People who apply for financial hardship assistance may seek help with contributing to their aged care costs. Hardship assistance is payable if the person can demonstrate to Services Australia that they are in financial hardship as a result of paying their aged care fees and essential expenses. The Australian Government provided $27.2 million in hardship supplements for residential aged care and home care during 2024–25.

8.5. Veterans

The Department of Veterans' Affairs issues gold and white cards to veterans, their war widows and widowers and dependents, and offers programs to ensure veterans have access to health and other care services that promote and maintain self-sufficiency, wellbeing and quality of life. There were 8,038 gold or white card holders in residential aged care at 30 June 2025, an increase of 1,708 from 30 June 2024.

8.6. People who are homeless or at risk of becoming homeless

For older people in Australia who are homeless, or at risk of becoming homeless, there are aged care services that can provide support and assistance with housing problems. These services are funded through CHSP and care-finder program (see Chapter 3).

Residential aged care services that specialise in caring for homeless care recipients (and that meet eligibility requirements) receive a higher rate of Base Care Tariff funding (see Chapter 6).

To be eligible for specialised homeless status, the residential aged care service must provide specialist homeless programs. In addition, at least 50% of its non-respite care recipients must have complex behavioural needs and social disadvantage associated with their background as a homeless person.

8.7. Care-leavers

A Care Leaver is a person who spent time in institutional settings as a child (under the age of 18). Between the 1920s and 1980s, more than 500,000 children in Australia were placed in institutions (for example, orphanages) and out-of-home care arrangements through no fault of their own. They may be known as Care Leavers, Forgotten Australians, Former Child Migrants or Stolen Generations. Approximately 440,000 were non-Indigenous children, some from the Stolen Generations; and up to 10,000 were former child migrants from Britain, Ireland and Malta.

Many in this group experienced social isolation, neglect and control, emotional, physical and sexual abuse, and had their basic rights taken from them. As a result, many suffer lifelong consequences. Many are now reaching an age where they may require aged care services, and may have significant anxieties about entering aged care.

The department funded Helping Hand Aged Care from 2018–19 to 2024–25 to build the capability of the aged care system to provide individualised, trauma-informed and person-centred aged care to Care Leavers. It also supported Care Leavers to access aged care services, understand their rights, access resources and form networks where they can inform and support each other. This project built on an information package launched by the Australian Government in 2016 for aged care providers to help them understand and support Care Leavers.

In June 2025, the department engaged Relationships Australia South Australia Limited to build upon previous work and continue raising awareness and educating aged care providers and their workforces on delivering of person-centred, trauma-aware and healing-informed aged care to Care Leavers. Also in June 2025, the department engaged Kinchela Boys Home Aboriginal Corporation to develop and deliver a Stolen Generations awareness and education campaign. The aim of this campaign was to increase the aged care sector's capacity to provide trauma-aware and healing-informed care for these members of our community.

8.8. Parents separated from their children by forced adoption or removal

A significant number of Australians were and continue to be affected by Australia's historical adoption practices. Many still experience wide-ranging impacts. This group includes mothers, fathers, adopted persons and other family members who were directly involved, as well as subsequent partners, children, extended family and later generations. In the past, adoption of children of unwed mothers was common. Approximately 150,000 adoptions occurred during the peak period, 1951–75 (although forced adoption is not limited to this period). Unwed pregnant women had little or no choice about what would happen to their babies. Many of these adoptions were arranged without willing or informed consent, and were unethical, dishonest and in many cases illegal, and are therefore considered 'forced.'

The youngest mothers impacted by forced adoption are now aged between 60 and 65 years, the majority (still living) are aged over 70 years, and the youngest people impacted by forced adoption are aged between 40 and 45 years, with most aged around or over 50 years. Trauma of past forced adoption among older people is more complex due to the abuse and mistreatment they experienced at the hands of health care workers and charitable organisations, diminishing their ability to trust in health services and/or institutionalised care, and the post-traumatic stress being re-triggered when returning to such settings, like residential aged care.

As part of the commemorations for the 10th Anniversary of the National Apology in March 2023, the Australian Government announced an additional $700,000 for the research, design and development of online, trauma-informed training resources to help the aged care workforce and community service sector. These resources aim to support ageing people impacted by forced adoption. The training resources were launched on 30 September 2024, and are hosted on the Department of Social Services website and the Aged Care Quality and Safety Commission's online Aged

Care Learning Information Solution[19], also known as 'Alis'. These resources could have a deeply positive impact for those affected by forced adoption. They could help rebuild trust and connect with health services and/or institutionalised care providers and effectively making choices about their care or personal arrangements (such as advanced care directives).

8.9. Lesbian, gay, bisexual, transgender and intersex people

People who identify as LGBTIQ+ have specific needs, particularly as they age. These needs can stem from decades of inequitable treatment and isolation due to stigma, prejudice, discrimination and social exclusion, which rendered them invisible.

Continued funding of $1.5 million has been provided to LGBTIQ+ Health Australia in 2024–25 to continue its peak body activities. This includes undertaking national co-ordination and support activities to promote the wellbeing of older LGBTIQ+ people and delivering national LGBTIQ+ aged care awareness training. LGBTIQ+ Health Australia provides guidance and support to aged care providers to build their capacity to implement and embed the LGBTI+ Action Plan developed under the Aged Care Diversity Framework. LGBTIQ+ can also help providers meet their obligations under the Aged Care Quality Standards. LGBTIQ+ Health Australia provides a range of resources and relevant information to aged care providers, both at the managerial and workforce level, including online resources.

19 https://www.agedcarequality.gov.au/providers/education-training/online-learning-alis

8

$17.7 billion
committed for wage increase for Aged Care Workers

SBRTs provided long-term case management for
2,612 cases

$90.1 million
spent by the Australian Government through the Dementia and Aged Care Services Fund

9 Aged Care Workforce and Dementia Support

9. Aged Care Workforce and Dementia Support

The Australian Government is committed to improving the quality of care for older people and making aged care equitable, sustainable and trusted, with better conditions for frontline workers. Strengthening, supporting and growing the aged care workforce is vital to delivering care that meets the needs and rights of older people and implementing important sector reforms.

Throughout 2024–25, the government funded a range of programs and initiatives to achieve this. These initiatives include increases to award wages for direct care workers and reinvestment in successful workforce development programs, such as clinical placements, the Aged Care Nursing Scholarship Program, and the Regional, Rural and Remote Home Care Workforce Support Program. They also encourage innovation and strengthen the evidence base through initiatives like Aged Care Research and Industry Innovation Australia.

9.1. Aged care workforce and health workforce activities funded in 2024–25

Aged care workers are benefiting from the largest increase to award wages in a work value case under the Fair Work Act. In 2024–25, the Australian Government committed an additional $6.4 billion, bringing the total investment to $17.7 billion, fulfilling its commitment to support better and fairer pay to attract and retain aged care workers. This award wage increase benefited around 400,000 aged care workers, including registered nurses, enrolled nurses, assistants in nursing, personal care workers, head chefs and cooks, recreational activities officers (lifestyle workers), home care workers and ancillary workers (such as administration staff, gardeners, laundry hands, cleaners and food services assistants). Some award wage increases have already occurred (on 30 June 2023, 1 January 2025, 1 March 2025, and 1 October 2025), with further increases due on 1 August 2026.

In 2024–25, implementation of programs supporting aged care nurses and personal care workers continued.

These included:

- the Aged Care Nursing Clinical Placements Program supports Diploma/Bachelor/Master of Nursing (graduate entry) students with high-quality clinical placements in aged care through a clinical facilitation model and resources on the Aged Care Knowledge Hub. Since the program was established, over 3,500 students have completed a placement

- the Aged Care Transition to Practice Program supports new aged care nurses by developing their knowledge, skills and competences in the delivery of quality aged care services. More than 950 nurses have completed the program since its inception
- the Aged Care Nursing Scholarships Program helps personal care workers, nurses and others working in aged care to commence and complete formal qualifications. This national program is offering 1,050 scholarships over 3 years from certificate through to postgraduate level
- the Regional, Rural and Remote Home Care Workforce Support Program (RR&R HCWSP) supports the recruitment of up to 4,000 new personal care workers in regional, rural and remote areas where workforce shortages are most acute. This builds on the success of the previous HCWSP, which attracted nearly 13,000 workers to the home care sector nationally
- the Rural Lap Assistance Program for Aged Care (Rural LAP) supports aged care services affected by high staff turnover, sudden departures of key personnel, or to cover staff taking annual leave or Continuing Professional Development in rural and remote Australia
- the Equip Aged Care Learning Packages provide training to nurses, personal care workers and allied health workers to help ensure they have the skills required to deliver quality care in aged care settings. This training is also available to volunteers, informal carers and others who have an interest in aged care. As of 1 April 2025, 14 learning modules are available, with over 23,000 people having completed one or more modules.

Through the 2023–24 Mid-Year Economic and Fiscal Outlook (MYEFO), funding of $30 million (GST exclusive) over 3 years was announced to support developing and testing a framework for delivering virtual nursing in aged care. The framework will be tested in up to 30 residential aged care homes. This project will be independently evaluated to consider impacts on clinical outcomes, workforce and service sustainability.

Encouraging innovation and supporting its implementation across the aged care sector is crucial to delivering high-quality, person-centred care to older people. In recognition of this, an additional $13 million over 2 years was announced in October 2024 for Aged Care Research and Industry Innovation Australia (ARIIA). This funding allows ARIIA to continue to deliver its workforce capability development programs and grant programs and build and translate the evidence base on innovation in the aged care sector.

While recruiting and retaining Australian workers is the priority, the government recognises that migration can help address workforce shortages. The Aged Care Industry Labour Agreement (ACILA) continues to assist in streamlining the recruitment of qualified direct care workers to work in the aged care sector. Since its commencement in May 2023, 125 aged care providers have signed up to ACILAs,

which can provide for more than 30,000 direct care workers over the next 5 years. In addition, more than 1,940 primary visas have been granted to workers under the ACILA. The Labour Agreement is managed by the Department of Home Affairs.

In addition, the government's Pacific Australia Labour Mobility (PALM) scheme allows aged care providers to sponsor workers in low and semi-skilled positions across rural and regional Australia for up to 4 years. There are currently 1,300 PALM scheme workers in Australia's aged care sector, with 698 PALM scheme workers supported to complete their Certificate III in Individual Support (Ageing). The PALM scheme is managed by the Department of Foreign Affairs and Trade and Department of Employment and Workplace Relations.

Funding of $1.5 million over 2 years from 2024–25 has also been committed to continue collecting and analysing data on the aged care workforce. This includes conducting the next iterations of the Aged Care Provider Workforce Survey and the Aged Care Worker Survey, which take place biennially (alternating years) in line with Recommendation 75(1a) of the Royal Commission into Aged Care Quality and Safety. Data collected from these surveys informs workforce policy, and monitoring and is a critical data source for modelling aged care workforce supply and demand.

Indigenous Employment Initiative

The Indigenous Employment Initiative (IEI) Program is an ongoing grants program that funds entry level, non-clinical employment opportunities in aged care for Aboriginal and Torres Strait Islander people.

The IEI Program contributes to the government's wider strategy to reduce economic disadvantage and provide culturally safe aged care to older Aboriginal and Torres Strait Islander people by supporting a skilled and culturally safe, trauma-aware and healing-informed workforce.

The IEI Program funding supports recruitment and training of Aboriginal and Torres Strait Islander people, many in remote locations, with more than 55% of IEI funded aged care services located in remote communities.

In 2024–25, 85 organisations across all states and territories except the ACT were funded under the IEI Program. Total expenditure for this program in 2024–25 was $29.5 million.

Each grant amount is up to $42,863.19 GST exclusive per annum per Full Time Equivalent (FTE) positions comprising 2 components: employment subsidy ($35,758.29 GST exclusive p.a. FTE) and training subsidy ($7,104.90 GST exclusive p.a. FTE).

Table 24: Number of organisations funded under the IEI Program at 30 June 2025, by state and territory

State/territory	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Australia
Number of funded organisations	8	10	25	8	8	3	-	23	85

9.2. Dementia and Aged Care Services Fund

In 2024–25, the Australian Government spent $90.1 million through the Dementia and Aged Care Services (DACS) Fund. The DACS Fund provides support for existing and emerging priorities in dementia care, special measures to support Aboriginal and Torres Strait Islander people, and initiatives to ensure people from diverse backgrounds receive the same quality of aged care as other older people in Australia.

The 3 key initiatives funded through DACS include the National Dementia Support Program ($22.1 million in 2024–25), which is outlined in further detail in Chapters 1 and 2, the Dementia Training Program ($10.3 million in 2024–25), and the Dementia Behaviour Management Advisory Service ($14.5 million in 2024–25).

The Dementia Training Program

The Dementia Training Program (DTP) is aimed at building the capacity of the aged and health care workforce to improve the quality of care provided to people living with dementia. The DTP offers a national approach to accredited education, upskilling, and professional development in dementia care. In 2024–25, the Australian Government provided $12.4 million for the program. Informed by the findings of the Royal Commission into Aged Care Quality and Safety, the program prioritises the development and delivery of additional training. This includes training on understanding and managing the behavioural and psychological symptoms of dementia, and on preventing the use of restraint through appropriate behaviour support strategies. Additional focus areas include improving access to training in rural and regional locations, providing more training for GPs and GP registrars, and establishing a new Dementia Training and Education Standards Framework and training pathways.

In 2024–25, the DTP provided more than 55,045 occasions of dementia training for staff in residential and in-home care, as well as in the acute and primary care sectors.

The Dementia Behaviour Management Advisory Services

The Dementia Behaviour Management Advisory Service (DBMAS) provides support and advice to service providers and individuals caring for people living with dementia, where mild to moderate behavioural and psychological dementia symptoms impact care or quality of life. DBMAS aims to understand the causes and triggers of behaviours. It develops strategies to optimise function, reduce pain, address unmet needs and improve engagement.

The DBMAS continues to experience increased demand from both residential and community aged care service providers and individuals who are caring for a person with dementia. During 2024–25, the Australian Government provided $27.6 million for the DBMAS.

DBMAS provided support to 21,123 cases, which was a 19% increase on the previous year (17,787).

9.3. Severe Behaviour Response Teams

Complementing DBMAS, Severe Behaviour Response Teams (SBRTs) support residential aged care providers who care for residents experiencing more severe behavioural and psychological dementia symptoms.

In 2024–25, the Australian Government provided $21.8 million for SBRTs. This supported a continued increase in demand for SBRT services, which involve a mobile workforce providing detailed clinical assessment and recommendations for intervention across multiple onsite visits.

The SBRT service provided case management to 2,612 cases. This was a 22% increase on the previous year (2,141).

Approximately 69% of referrals received were from major cities and 31% from regional and remote areas.

Quality satisfaction is monitored via self-reported surveys, with 96% of clients indicating they were satisfied with DBMAS and SBRT services.

9.4. Specialist Dementia Care Program

The Specialist Dementia Care Program (SDCP) provides specialised transitional care to people with very severe behavioural and psychological symptoms of dementia. It aims to reduce or stabilise symptoms so that people can move into less intensive care settings.

The care setting for SDCP is a dedicated dementia-friendly environment, operating as a unit within a larger residential aged care facility, which in the 2024–25 reporting period, operated under the *Aged Care Act 1997.* Clinical in-reach to support the units is facilitated through agreements with state and territory governments.

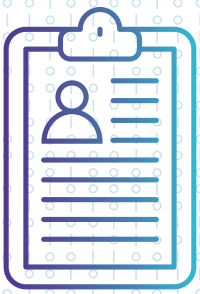
The SDCP aims to establish 35 units nationally across Primary Health Network (PHN) regions. As at 30 June 2025, 22 units have been established across Australia since 2019, with a further 5 units anticipated to commence across 2025 and 2026. Further approaches to market are being undertaken to establish the remaining units.

SBRTs assess the eligibility of referrals to the program. There have been 1,309 eligible referrals made up to June 2025 since the program's commencement in September 2019, with 561 of these referrals placed within SDCP units.

9.5. Improving respite care for people with dementia and their carers program

Complementing other supports for people with dementia, the Improving Respite Care for People with Dementia and Their Carers program commenced in 2022–23. The Australian Government provided $18.7 million in 2024–25. The program aims to increase supports for informal carers of people living with dementia in Australia, particularly those caring for a person living with dementia at home. The program achieves this through access to dementia-specific respite care, education and training.

In 2024–25, approximately 1,800 participants (including carers and people with dementia) accessed carer education and wellbeing across 229 programs delivered nationally. In 2024–25, approximately 1,500 participants (including carers and people living with dementia) participated in activities under innovative dementia-specific programs to improve respite care. In 2024–25, respite-specific training was delivered to over 2,100 workers across residential, acute and community settings.



Aged care regulatory functions transferred to the Aged Care Quality and Safety Commission

14 quality indicators used in residential aged care

40% increase in residential aged care homes receiving a 4 or 5 star rating since launch

10 Quality and Regulation

10. Quality and Regulation

This chapter describes the aged care regulatory frameworks that were in place in the 2024–25 reporting period. The commencement of the *Aged Care Act 2024* on 1 November 2025 introduced a new regulatory model which changed the way the sector operates, including the way provider requirements are defined and the way the regulator works, and improves outcomes for older people. Information about the new regulatory model can be found on the department's website[20].

10.1. Approved provider regulation

To receive Australian Government funding for providing aged care services, an organisation must be approved to provide care, and residential and flexible aged care services must hold an allocation of places.

On 1 January 2020, legislative authority for the approval of approved providers of aged care and compliance arrangements transferred from the Secretary of the Department of Health, Disability and Ageing to the Commissioner of the Aged Care Quality and Safety Commission (the Commission).

10.2. The Aged Care Quality and Safety Commission

The Commission operates independently and objectively in performing its functions and exercising its powers, which for 2024–25 were set out in the *Aged Care Quality and Safety Commission Act 2018* (ACQSC Act) and the *Aged Care Quality and Safety Commission Rules 2018* (the Rules).

The Commission's role

As the national regulator of Australian Government-subsidised aged care services, the Commission's role is to:

- approve providers' entry to the government-subsidised aged care sector
- engage with recipients and providers on an ongoing basis to provide relevant, accessible information, guidance and education developed with their input
- accredit, monitor, assess and investigate aged care services against quality, safety and prudential requirements
- hold providers to account for meeting their obligations and striving for continuous improvement through the proportionate use of a range of compliance and enforcement powers.

20 https://www.health.gov.au/our-work/new-model-for-regulating-aged-care

The Commission seeks to resolve complaints about aged care services and to provide education and information about its functions. It also engages with older people to understand their experiences, and to provide advice to providers about working with older people in designing and delivering best-practice care. The Commission regulates individual aged care workers and governing persons of providers to ensure that they act in a way that is consistent with the behaviours set out in the Code of Conduct for Aged Care.

The Commission delivers regulation that is proportionate, risk-based, responsive and intelligence-led. The Commission's regulatory approach enables it to focus activities on the areas of greatest risk to the safety, health and wellbeing of older people in Australia, and on those providers delivering care and services that fall short of legislated standards.

The Commission uses education, information and targeted communications to support its regulatory objectives, including publishing outcomes of regulatory activities to promote greater transparency and accountability, and highlighting best practice.

The Commission's functions

The Commission's functions in 2024–25 were set out in the ACQSC Act and the Rules, and guided its priorities under the Corporate Plan.[21]

The functions of the Commission are to:

- protect and enhance the safety, health, wellbeing and quality of life of older people, their families and carers
- approve providers of aged care to deliver government-funded aged care services
- work with older people and their representatives to develop best-practice models of engagement between providers and their older people, their families and carers, and promote these models to providers
- deal with complaints or information given to the Commissioner about a provider's responsibilities under the *Aged Care Act 1997* (the Act) or funding agreement
- regulate aged care providers by accrediting residential services, conducting quality reviews with home services and monitoring the quality of care and services
- respond to non-compliance by providers with their aged care responsibilities and taking regulatory and enforcement action as appropriate
- regulate aged care workers and key personnel through monitoring compliance with the Code of Conduct for Aged Care and considering suitability of key personnel, including taking enforcement action such as making banning orders

21 www.agedcarequality.gov.au/about-us/corporate-documents#corporate-plan

- deal with reportable incidents under the Serious Incident Response Scheme
- provide information and education about anything related to the Commissioner's functions to providers, older people, their families and carers and their representatives, and the Australian public
- monitor aged care providers' financial viability and engage proactively to build sector financial resilience.

10.3. National Aged Care Mandatory Quality Indicator Program

The National Aged Care Mandatory Quality Indicator Program (QI Program) collects quality indicator data from residential aged care services quarterly. This data provides an evidence base that can be used to improve the quality of services provided to care recipients.

Quality indicators measure aspects of service provision that contribute to the quality of care and services given by the provider, and care recipients' quality of life and experiences. They relate to care events where improvement of quality of care can be made and measured. The objectives of the QI Program are for providers to have robust, valid data to measure and monitor their performance and support continuous quality improvement. The program also aims, over time, to give older people in Australia transparent, comparable information about quality in aged care to aid decision making.

The QI Program de-identified data is published quarterly by providers at a national, state, and territory level on the GEN Aged Care Data website.[22]

Up to and including the 2024–25 reporting period in this report, the QI Program was governed by:

- the *Aged Care Act 1997*
- the Aged Care Legislation Amendment (Quality Indicator Program) Principles 2021
- Accountability Principles 2014
- Records Principles 2014.

From 1 July 2019, the Aged Care Legislation Amendment Principles 2019 took effect. All government-subsidised residential aged care services are required to collect and submit data against all quality indicators to the department under the National Aged Care Mandatory Quality Indicator Program.

22 https://www.gen-agedcaredata.gov.au/topics/quality-in-aged-care

The QI Program was expanded to introduce new quality indicators to residential aged care in July 2021 and April 2023. Introducing 3 staffing indicators in April 2025 brought the total to 14, including:

- pressure injuries
- restrictive practices
- unplanned weight loss
- falls and major injuries
- medication management
- activities of daily living
- incontinence care
- hospitalisation
- workforce
- consumer experience
- quality of life
- enrolled nursing
- allied health
- lifestyle officers.

As part of the 2023–24 Budget, the government announced a QI Program for services providing in-home aged care under the Support at Home program. Targeted consultations with in-home aged care services, sector representatives, peak bodies and aged care participants were undertaken, and a consultation paper and survey were open for public feedback. A nationally representative sample of in-home aged care providers participated in a national pilot of proposed quality indicators in late 2024.

The quality indicators piloted covered the consumer experience, quality of life and service delivery/care planning. Outcomes of the consultation and pilot informed recommendations on implementing the QI Program for Support at Home. Implementation will occur no earlier than 12 months after the introduction of the new Support at Home program.

10.4. Compliance

Approved providers of Australian Government-funded aged care services must comply with responsibilities specified in the Act, the associated Aged Care Principles and the Rules. These responsibilities encompass quality of care, prudential compliance, user rights and accountability.

When non-compliance or heightened risk to older people is identified, appropriate regulatory action is taken. This action prompts or compels providers to address the shortcomings as quickly as possible to ensure their compliance and appropriate mitigation of risk. A provider that fails to remedy non-compliance or heightened risk in a timely manner will be subject to escalating regulatory action that may include enforcement measures.

Access to compliance information

In December 2022, the department introduced the Star Ratings system for residential aged care services. One of the sub-categories of the Overall Star Rating is the compliance rating. This rating is based on regulatory and accreditation decisions made by the Commission in relation to each residential aged care service. The Compliance rating reflects a residential aged care service's current compliance status and is based on whether specific formal regulatory notices are in place, the period of time since having specific formal regulatory notices, and the period of time accreditation has been granted for.

Star Ratings are available on the My Aged Care website. Information about the compliance rating is available on the department's website.[23]

The My Aged Care website also has information on specific compliance action taken in relation to Sector Performance Reports.[24]

Star Ratings and compliance information is published so older people in Australia can make informed choices about their care needs and having these needs met.

10.5. Protecting residents' safety

Serious Incident Response Scheme

On 1 April 2021, the Serious Incident Response Scheme (SIRS) came into effect for residential aged care services. SIRS complements existing provider obligations under the Act and strengthens responsibilities for providers to prevent and manage incidents, focusing on the safety and wellbeing of older people in Australia. It requires providers to use incident data to drive quality improvement, and to report serious incidents to the Commission.

On 1 December 2022, SIRS was extended to encompass home care and flexible care delivered in a home or community setting. This includes providers of Home Care, Short-Term Restorative Care at home, Commonwealth Home Support Programme (CHSP), National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC), Multi-Purpose Services Program and Transition Care Program services.

Aged care providers are required to prevent and manage incidents effectively. Reportable incidents include:

- unreasonable use of force
- unlawful sexual contact or inappropriate sexual conduct

23 https://www.health.gov.au/resources/publications/star-ratings-provider-manual

24 https://www.agedcarequality.gov.au/news-publications/reports/sector-performance

- psychological or emotional abuse
- unexpected death
- stealing or financial coercion by a staff member
- neglect
- inappropriate use of restrictive practices
- unexplained absence of a resident or missing recipient.

Information about the number of serious incidents reported to the Commission in 2024–25 is available in its Annual Report[25] and Sector Performance Reports.[26]

10.6. Prudential

The Prudential Standards enable effective monitoring of approved providers' prudential compliance by the Aged Care Quality and Safety Commission.

An approved provider was, in 2024–25, required under the Act to comply with the Prudential Standards as set out in the *Fees and Payments Principles 2014* (No. 2). The 4 Prudential Standards (Liquidity, Records, Disclosure, and Governance) seek to:

- protect Refundable Accommodation Deposits (RADs) (including accommodation bonds and/or entry contributions) paid by care recipients to providers, through measures to ensure they are refunded to care recipients
- support the sound financial management of approved providers
- enable relevant information about the financial management of approved providers to be given to current and future care recipients, and to the government.

The sound financial management of providers and protection of RADs are accomplished by requiring providers to:

- systematically assess their future RAD refund obligations and ensure they have sufficient cash (or equivalents) available to meet these obligations
- establish and document governance arrangements for the management and expenditure of RADs so that they are only used for permitted uses and are refunded to care recipients as required by law
- establish and maintain a register that records information about who the provider owes RADs to, and the value of each RAD owed.

25 https://www.agedcarequality.gov.au/about-us/corporate-documents#annual-report

26 https://www.agedcarequality.gov.au/news-publications/reports/sector-performance

The Prudential Standards promote public transparency of providers' financial management by requiring providers to disclose relevant financial information, including on prudential compliance and RAD management, to current and future care recipients, their families and carers.

Financial Monitoring and viability support

The Aged Care Quality and Safety Commission is responsible for monitoring aged care provider viability.

Market Adjustment Program

The Market Adjustment Program commenced on 1 July 2023, replacing earlier viability supports. The program provides funding to avoid disorderly aged care service closures and, in appropriate situations, to support orderly exits and service consolidation. The program may also fund initiatives aimed at improving business capability (to reduce likelihood of deteriorating performance). The program supports providers that are most in need of funding assistance, are strategically important (including those in thin markets), and require support to improve business capability and operations. Eligible providers are invited to apply.

At 30 June 2025, funding has been provided to 13 providers delivering care to 880 residents, with a total grant value of $70.3 million.

Accommodation Payment Guarantee Scheme

The Accommodation Payment Guarantee Scheme (Guarantee Scheme) was established under the *Aged Care (Accommodation Payment Security) Act 2006*. The Guarantee Scheme ensures the government refunds residents their accommodation deposits, with interest if applicable, if an approved provider becomes bankrupt or insolvent. The residents' rights to pursue the defaulting provider for recovery of the accommodation deposits transfers to the government.

In the event the government cannot recover the full amount from the defaulting provider, the minister may levy all providers holding accommodation payment balances to recoup the shortfall (this instrument has not been used to date). The department has implemented risk mitigation strategies by offering financial supports through other programs (such as grants to assist with business improvements, sales or closures) that may reduce the risk of insolvency and, thereby, activation of the Guarantee Scheme.

At 30 June 2025, the Guarantee Scheme had been activated 17 times since its introduction, with refunds of approximately $180.2 million (including interest) made to 541 residents. The Guarantee Scheme was not activated in 2024–25.

Validation of independent assessors under the Australian National Aged Care Classification (AN-ACC)

Approved providers receive Australian Government funding for residential aged care services based on the level of care need of their care recipients. AN-ACC is designed to provide equitable care funding to approved residential aged care services by linking subsidy to characteristics of services and residents. Independent funding assessors determine the amount of funding providers receive based on an assessment of each care recipient to determine their AN-ACC.

Independent assessments are continually monitored for anomalous patterns and outliers, including trends of assessors, facilities, assessment organisations, classifications and other demographic details, to ensure and maintain integrity and consistency of the AN-ACC model.

Ernst & Young (EY) has supported the department to identify and analyse trends, anomalies and patterns in AN-ACC assessments that may be of concern in the assessment process. EY has also supported the ongoing quality assurance of AN-ACC assessments.

EY presented results of inter-rater reliability analysis conducted on 1,098 dual assessments involving 2,196 individual assessments for 1,098 residents occurring between June and August 2024. Across all dual assessments, assessors assigned residents to the same mobility category in 96.9% of assessments, the same level 2 category (Mobility: Cognition/Function/Pressure Sores) in 89.8% of assessments, and the same final AN-ACC classification in 86% of assessments. When also treating classification to adjacent categories as an agreement, the agreement rates increased to 100%, 97.8% and 94.1% respectively.

AN-ACC assessments continue to be monitored for quality and consistency.

11 Appendices

Appendix A: Report against s63-2 of the *Aged Care Act 1997*

The Act specifies the following annual reporting requirement:

63-2 Annual report on the operation of the Act

(1) The Minister must, as soon as practicable after 30 June but before 30 November in each year, cause to be laid before each House of the Parliament a report on the operation of this Act during the year ending on 30 June of that year.

(2) A report under subsection (1) must include information about the following matters:

- *(a) the extent of unmet demand for places; and*
- *(b) the adequacy of the Commonwealth subsidies provided to meet the care needs of residents; and*
- *(c) the extent to which providers are complying with their responsibilities under this Act and the Aged Care (Transitional Provisions) Act 1997; and*
  - *(ca) the amounts of accommodation payments and accommodation contributions paid; and*
  - *(cb) the amounts of those accommodation payments and accommodation contributions paid as refundable deposits and daily payments; and*
- *(d) the amounts of accommodation bonds and accommodation charges charged; and*
- *(e) the duration of waiting periods for entry to residential aged care; and*
- *(f) the extent of building, upgrading and refurbishment of aged care facilities; but is not limited to information about those matters.*

63-2 (2) (a) the extent of unmet demand for places

Data is not available which provides an accurate measure of any unmet demand for residential aged care places. In the 2024–25 reporting period, residential aged care places were not assigned directly to older people in Australia.

However, the residential aged care system began to transition to a new model with key reforms having commenced on 1 July 2024. This includes responding to issues facing older people and aged care providers, with a person-centred approach and the cessation of bed licences with the commencement of the *Aged Care Act 2024.* This will give older people more choice and control over which provider they judge can best meet their needs. Future of reporting on this measure will also change.

From June 2011 to June 2025, residential aged care occupancy in Australia has fallen from 93.1% to 89.9%.

63-2 (2) (b) the adequacy of the Commonwealth subsidies provided to meet the care needs of residents

The average annualised level of Australian Government payments per resident in aged care in 2024–25 was $107,635. It increased by 2.4% from the prior year. This calculation includes primary and other supplements under AN-ACC but excludes service supplements. These figures are different to those provided in past editions of this report, which were based on the previous Aged Care Funding Instrument (ACFI) model that preceded AN-ACC, and have excluded respite funding, amongst other differences. Data for 2022–23 and earlier years in past editions of ROACA therefore are not directly comparable to these figures provided here. The increase between 2022–23 and 2023–24 includes the increase to the AN-ACC base price in 2023 to fund the 2023 Fair Work Commission (FWC) Annual Wage Review (AWR) decision for a 5.75% award wage increase.

Table 25: Average Australian Government payments (subsidies plus supplements) for each permanent aged care resident 2022–23 to 2024–25

2022–23*	2023–24	2024–25	% Change 2023–24 to 2024–25
$85,745	$105,157	$107,635	2.4

*Note: 2022–23 data are computed across 9 months from the commencement of the AN-ACC model in October 2022. A new calculation method is employed here, which differs to past editions of this report.

Table 26: Summary of Australian Government payments by subsidies and supplements for residential aged care, 2020–21 to 2024–25

Type of payment		2020–21 $M	2021–22 $M	2022–23 $M	2023–24 $M	2024–25 $M
Basic subsidy	Permanent	12,392.2	12,623.9	9,006.1	9,642.4	10,806.4
	Respite	401.6	439.9	302.9	336.9	392.8
	Fixed	-	-	5,650.9	8,950.4	10,447.3
Primary Care Supplements	Respite	-	-	155.3	190.4	196.0
	Respite Incentive	51.9	64.6	21.9	-	-
	Oxygen	16.1	14.7	11.6	12.3	12.7
	Enteral Feeding	4.5	3.9	3.0	2.8	2.9
Service Supplements	Hotelling	-	-	-	792.0	920.1
	Registered Nurse	-	-	-	173.4	114.7
	Aged Care Outbreak Management	-	-	-	83.9	164.0
Hardship	Hardship	15.7	16.9	15.9	18.5	23.9
	Hardship Accommodation	1.6	1.0	2.2	2.6	3.2
Accommodation Supplements	Accommodation Supplement	1,277.9	1,271.0	1,352.5	1,496.5	1,587.3
Supplements subject to grandfathering	Basic Daily Fee	0.1	0.1	171.0	0.0	0.0
	Concessional	33.8	26.2	25.4	22.5	19.4
	Pension	10.1	8.0	6.4	5.3	4.4
	Transitional Accommodation Supplement	3.8	6.1	1.8	1.3	1.0
	Transitional	2.2	1.7	0.3	-	-
	Charge Exempt	1.2	1.1	0.3	-	-
	Accommodation Charge Top-up	0.3	0.2	0.2	0.1	0.1

Type of payment		2020–21 $M	2021–22 $M	2022–23 $M	2023–24 $M	2024–25 $M
Other Supplements	Viability	99.7	99.9	24.9	-	-
	Homeless	18.4	18.0	4.8	-	-
	Veterans	1.3	1.2	1.0	0.9	0.8
Adjustment	AN-ACC Initial Entry	-	-	65.3	98.8	110.5
Manual Adjustment	Other	-	-	6.6	7.9	7.4
Reductions	Means Tested Reductions	-655.2	-681.3	-801.0	-928.2	-979.6
	Compensation Payment	-	-	-3.4	-5.4	-6.2
	Extra Service	-	-	-0.7	-0.6	-0.4
	Other	396.2	731.6	25.8	338.1	136.9
Total ($M)		**14,073.4**	**14,648.7**	**16,051.0**	**21,243.1**	**23,965.6**

Note: the commencement of the Australian National Aged Care Classification (AN-ACC) funding model on 1 October 2022 involved the commencement of new subsidy and supplement categories and the cessation of others, which requires consideration when comparing the distribution of funding by subsidy and supplement type between financial years.

Table 27: Summary of Australian Government payments by subsidies and supplements for home care, 2020–21 to 2024–25

Type of payment		2020–21 $M	2021–22 $M	2022–23 $M	2023–24 $M	2024–25 $M
Subsidy	Home care subsidy	4,389.0	5,468.9	7,010.7	8,921.3	9,929.4
Supplements	Oxygen	5.4	5.9	7.1	8.6	9.0
	Enteral Feeding	0.9	1.0	1.1	1.2	1.2
	Dementia and Cognition	62.0	74.5	85.6	109.5	127.2
	Veterans	0.7	0.8	0.9	1.1	1.2
	Hardship	0.2	0.2	0.1	0.1	0.2
	Viability	33.3	32.0	40.0	51.6	57.9
Reductions	Income testing reduction	-73.3	-94.6	-117.7	-136.0	-149.5
	Other	-225.0	-1,086.7	-1,411.8	-1,426.4	-1,316.64
Total ($M)		**4,193.1**	**4,401.9**	**5,615.9**	**7,530.9**	**8,659.9**

Since 1 September 2021, changes were implemented to the way providers of Home Care Packages were paid. The 2022–23 financial year represents the first full year of these Improved Payment Arrangements: accordingly, 2021–22, 2022–23, 2023–24 and 2024–25 payment figures for Home Care Packages are not directly comparable to one another nor to previous financial years.

In 2024–25, $9.9 billion in government subsidy was made available, plus supplements, but less the income-tested care fee. In addition, unspent or saved package funds may have accrued in Home Care Accounts, which are managed by Services Australia, whilst some providers continued to hold a balance of unspent funds that had accumulated prior to 1 September 2021 and are used to meet care recipient needs, but do not further accrue with new funds. For more detail about unspent funds and home care account balances, refer to the Financial Report of the Australian Aged Care Sector.

In this table, unspent funds balances and funds returned from providers to the Australian Government upon people exiting the program are accounted in the 'Other' category. Once all these variables were factored in, in 2024–25, nearly $8.7 billion in home care payments was expensed to providers.

63-2 (2) (c) the extent to which providers are complying with their responsibilities under this Act and the *Aged Care (Transitional Provisions) Act 1997*

Providers funded by the Australian Government to deliver aged care services must continue to meet legislative and funding agreement/contract responsibilities. If a provider is not meeting its obligations, the Commission may take regulatory action.

Providers who have charged RADs are required to complete and submit an Annual Prudential Compliance Statement (APCS) within 4 months from the end of their financial year. For 2023–24, 773 providers completed an APCS.

The Commission is responsible for the regulation of approved providers in relation to their prudential responsibilities.

63-2 (2) (ca) the amounts of accommodation payments and accommodation contributions paid

The balance of RADs held by providers at 30 June 2024 was $42.2 billion. This was an increase of $4.7 billion (12.4%) from 30 June 2023 ($37.5 billion).

63-2 (2) (cb) the amounts of those accommodation payments and accommodation contributions paid as refundable deposits and daily payments

In 2023–24, $5.8 billion was paid to residential aged care providers in accommodation payments and accommodation contributions.

This included around $4.7 billion in RADs and around $1.1 billion was received in Daily Accommodation Payments (DAPs)/Daily Accommodation Contributions.

The 731 providers who held RADs at 30 June 2024 reported through their APCS that they held a total of 107,548 RADs with a total value of around $42.2 billion. These figures include the RADs held by 5 providers who reported on an alternate financial year. This is an increase of almost 5,080 RADs. The average RAD holding per provider was 147 RADs valued at $57.7 million.

63-2 (2) (d) the amounts of accommodation bonds and accommodation charges charged

The average accommodation price agreed with a new non-supported resident in 2023–24 was a RAD of $506,807, equivalent to a DAP of $115.80 at 30 June 2024.

Of non-supported residents, 50% chose to pay by RAD, 28% by DAP, and 22% by combination of both.

63-2 (2) (e) the duration of waiting periods for entry to residential aged care

Table 28 shows the proportion of residents placed in permanent residential aged care within a specified time period after assessment (and recommendation for residential aged care) by an Aged Care Assessment Team (ACAT).

This entry period is not a proxy for waiting time for admission to a residential aged care service. The ACAT recommendation is simply an option for that person. Many people who receive a recommendation for residential aged care may also receive and accept a recommendation for a Home Care Package. Alternatively, they may simply choose not to take up residential aged care at that time. The increased availability of home care, restorative care and respite care has a significant effect in delaying entry to residential aged care.

Table 28: Proportion of new entrants to permanent residential aged care entering within a specified period after an ACAT assessment during 2024–25

2 day or less	7 days or less	Less than 1 month	Less than 3 months	Less than 9 months
1.0%	3.2%	13.4%	38.9%	58.9%

63-2 (2) (f) the extent of building, upgrading and refurbishment of aged care facilities

Estimated building works completed during 2023–24, or in progress at June 2024, totalled $4.2 billion, up from $3.6 billion in 2022–23. Data for the 2023–24 building works can be found in the 2023–24 Financial Report on the Australian Aged Care Sector.[27]

When available, 2024–25 data will be published on GEN, in the 2024–25 Financial Report on the Australian Aged Care Sector and in future iterations of this reporting series.

27 https://www.health.gov.au/resources/publications/financial-report-on-the-australian-aged-care-sector-2023-24

Table 29: Consolidated building activity report 2019–20 to 2023–24

		2019–20	2020–21	2021–22	2022–23	2023–24
Building work	Estimated building works completed during the year or in progress at June 30 ($m)	$5,661.3	$4,684.7	$3,818.1	$3,604.5	$4,227.3
	Proportion of homes that completed any building work during the year	14.7%	9.8%	8.5%	8.8%	10.1%
	Proportion of homes with any building work in progress at the end of the year	10.0%	8.9%	6.8%	5.7%	7.1%
New building work	Proportion of homes that completed new building work during the year	1.5%	1.0%	0.7%	0.9%	0.9%
	Proportion of homes with new building work in progress at the end of the year	1.8%	1.7%	1.5%	1.2%	0.6%
	Estimated new building work completed during the year ($m)	$1,468.0	$1,006.6	$600.8	$727.4	$1,195.6
	Estimated new building work in progress at the end of the year ($m)	$1,739.8	$1,549.0	$1,518.8	$1,540.3	$1,423.3
	Proportion of homes that were planning new building work	1.5%	1.4%	0.8%	0.5%	0.4%

		2019–20	2020–21	2021–22	2022–23	2023–24
Rebuilding work	Proportion of homes that completed rebuilding work during the year	0.8%	0.4%	0.4%	0.4%	0.2%
	Proportion of homes with rebuilding work in progress at the end of the year	1.2%	1.1%	0.7%	0.5%	0.5%
	Estimated rebuilding work completed during the year	$398.5	$268.6	$276.1	$220.6	$151.1
	Estimated rebuilding work in progress at the end of the year ($m)	$1,037.1	$962.5	$777.0	$447.7	$506.9
	Proportion of homes that were planning rebuilding work	0.7%	0.7%	0.5%	0.4%	0.3%
Upgrading work	Proportion of homes that completed upgrading work during the year	12.6%	8.6%	7.5%	7.6%	9.0%
	Proportion of homes with upgrading work in progress at the end of the year	7.3%	6.5%	4.6%	4.2%	6.0%
	Estimated upgrading work completed during the year ($m)	$384.1	$436.8	$228.0	$220.8	$324.4
	Estimated upgrading work in progress at the end of the year ($m)	$633.7	$461.2	$417.5	$446.8	$626.0
	Proportion of homes that were planning upgrading work	3.9%	3.5%	2.7%	1.9%	2.3%

Note: the 2023–24 data includes the Aged Care Financial Report data from those providers with a December year end.

Glossary

Term	Definition
ACAR	Aged Care Approvals Round
ACAT	Aged Care Assessment Team
ACCO	Aboriginal Community Controlled Organisation
ACFI	Aged Care Funding Instrument
ACH	Assistance with Care and Housing
ACQSC Act	*Aged Care Quality and Safety Commission Act 2018*
ACSO	Aged Care Specialist Officer
ACVVS	Aged Care Volunteer Visitors Scheme
Act, new	*Aged Care Act 2024*, the new Aged Care Act which commenced on 1 November 2025 and replaced the prior governing legislation
Act, the	*Aged Care Act 1997*, the primary legislation that governed the provision of aged care services in this reporting period, later replaced by the new Act
ADF	Australian Defence Force
Aged Care Principles	Subordinate legislation made by the minister under subsection 96 1 (1) of the Act
AIHW	Australian Institute of Health and Welfare
AMO	Assessment Management Organisation
AN-ACC	Australian National Aged Care Classification
APCS	Annual Prudential Compliance Statement
AWR	Annual Wage Review
BCT	Base Care Tariff
BPSD	Behavioural and psychological symptoms of dementia
CALD	Culturally and Linguistically Diverse
CHSP	Commonwealth Home Support Programme
Commission, the	Aged Care Quality and Safety Commission

Term	Definition
CVS	Community Visitors Scheme
DACS	Dementia and Aged Care Services
DAP	Daily Accommodation Payment
DBMAS	Dementia Behaviour Management Advisory Services
department, the	The Department of Health, Disability and Ageing
DTP	Dementia Training Program
EACHD	Extended Aged Care at Home Dementia
EY	Ernst & Young
FECCA	Federation of Ethnic Communities Councils of Australia
FWC	Fair Work Commission
Guarantee Scheme	Accommodation Payment Guarantee Scheme
GEAT	Goods, Equipment and Assistive Technology
HCP	Home Care Package
HELF	Higher Everyday Living Fee
IHACPA	Independent Health and Aged Care Pricing Authority
IPC	Infection prevention and control
IVR	Interactive Voice Response
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender, Intersex, Queer and other diverse sexualities
minister, the	The Minister for Aged Care and Seniors
MPS	Multi-Purpose Services
MYEFO	Mid-Year Economic and Fiscal Outlook
NACAP	National Aged Care Advocacy Program
NACCHO	National Aboriginal Community Controlled Health Organisation
NATSIAACC	National Aboriginal Torres Strait Islander Ageing and Aged Care Council
NATSIFAC	National Aboriginal and Torres Strait Islander Flexible Aged Care
NDIS	National Disability Insurance Scheme

Term	Definition
NDSP	National Dementia Support Program
NMS	National Medical Stockpile
NPS	National Priority System
NSLP	National Sign Language Program
OPAN	Older Persons Advocacy Network
PALM	Pacific Australia Labour Mobility
PHN	Primary Health Network
PICAC	Partners in Culturally Appropriate Care
PPE	Personal Protective Equipment
QI Program	National Aged Care Mandatory Quality Indicator Program
RACH	Residential aged care home
RAD	Refundable Accommodation Deposit
RAS	Regional Assessment Service
RAT	Rapid Antigen Test
ROACA	Report on the Operation of the *Aged Care Act 1997*
Rural LAP	Rural Locum Assistance Program (Rural LAP) Aged Care
SBRT	Severe Behaviour Response Teams
SDCP	Specialist Dementia Care Program
SIRS	Serious Incident Response Scheme
STRC	Short-Term Restorative Care
TCP	Transition Care Program
TIS	Translating and Interpreting Service

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