Australia’s age care system offers a variety of services to support people as their care needs change. This factsheet presents highlights from the GEN topic People’s care needs in aged care.

Permanent residential care provides up to 24-hour care for people who need ongoing assistance with everyday tasks and health care, and who are no longer able to live independently.

At 30 June 2020, nearly 184,000 people living in permanent residential care had a current Aged Care Funding Instrument (ACFI) assessment. Data on this factsheet relate to the care needs of these people assessed using the ACFI. Most of these people had high care need ratings in at least one care domain: activities of daily living (63% of people), cognition and behaviour (65% of people), and complex health care (54% of people).

The Aged Care Funding Instrument (ACFI)
The Aged Care Funding Instrument (ACFI) is a tool used in allocating government funding to residential aged care service providers based on the assessed needs of the people in their care. ACFI-assessed care need ratings are independent of actual care planning or care provided by the service to the assessed individual.

The ACFI provides basic information on a person’s care needs across three care domains:

- activities of daily living (for example, nutrition, mobility and personal hygiene),
- cognition and behaviour (for example, cognitive deficits, wandering and depression), and
- complex health care (for example, requiring assistance with administering medications).

The resulting ratings — nil, low, medium or high — in each care domain are used to allocate government funds to residential aged care service providers. For example, if a person is assessed as having nil or minimal care needs in a particular domain, the aged care provider does not receive government funding to support care in that domain.

Care needs by age and sex
People at different ages have different care needs. For example, at 30 June 2020, high care need ratings for activities of daily living were more common among older people (80% of people aged 100 and over) and least common among younger people (55% of people aged 65–69). In contrast, high care need ratings for cognition and behaviour were most common among younger people (76% of people aged 55–59) and least common among older people (59% of people aged 100 and over).

Compared with men, women were more likely to have high care need ratings for most care domains — 65% of women compared with 59% of men for activities of daily living, and 55% of women compared with 51% of men for complex health care. Women and men had similar care need ratings for cognition and behaviour.

The age profiles of men and women in permanent residential care vary and this is reflected in their differing care needs. At 30 June 2020, the increase in high care need ratings associated with older age in both activities of daily living and complex health care was more noticeable for women than men. For example, in people aged 100 and over, 82% of women had high care need ratings in activities of daily living (Figure 1) compared with 71% of men.

Figure 1: Proportion of women with high care need ratings for activities of daily living by age, 30 June 2020
Care needs over time

The proportion of people assessed as having high care needs when they first enter permanent residential care has increased. However, the use of the ACFI as a funding-related instrument makes it difficult to infer whether people entering aged care now have higher care needs than a decade ago.

Since 2010–11, a higher proportion of people are now assessed as having high care need ratings at their first ACFI assessment for activities of daily living (rising from 35% to 54% of people), and cognition and behaviour (rising from 33% to 49% of people) (Figure 2). Ratings for complex health care fluctuated during this period, reflecting changes to the rating method for complex health care that were introduced in January 2017.

Low and nil care need ratings have become less common in all three care domains, with the largest decrease in nil care ratings for complex health care (from 14% to less than 1% of people), and the largest decrease in low care ratings for activities of daily living (from 33% to 12% of people).

Care needs for people with dementia

At 30 June 2020, people with dementia were more likely to be assessed as having higher care needs than people without dementia for cognition and behaviour (80% and 46% respectively) and activities of daily living (67% and 58% respectively). The smallest difference in care need ratings was for complex health care, where 55% of people without dementia received a high rating compared with 52% of people with dementia.

COVID-19 and care needs

Australia has faced significant challenges during the COVID-19 pandemic. COVID-19 can be more serious for people who have pre-existing health conditions, including older Australians.

The pandemic affected residential aged care services through lockdowns and restricted visitors throughout much of 2020. The reduced activity and social interaction most likely negatively affected the functional abilities of people using aged care services.

For further information related to aged care and COVID-19, including access to advice and support resources, see the Australian Government’s My Aged Care website. For more information on COVID-19-related changes to aged care assessments, see the My Aged Care assessment page.

Where can I find out more?

GEN topic: Care needs in aged care


Australian Government: My Aged Care


ACFI user guide


Suggested citation


Information and data on aged care in Australia

GEN-agedcaredata.gov.au