Australia’s age care system offers a variety of services to support people as their care needs change. This fact sheet presents highlights from the GEN topic People’s care needs in aged care, specifically people in permanent residential 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 2022, just over 177,000 people living in permanent residential care had a current Aged Care Funding Instrument (ACFI) assessment. Data on this fact sheet 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 (68% of people), cognition and behaviour (68% of people), and complex health care (58% 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 2022, high care need ratings for activities of daily living were more common among older people (81% of people aged 100 and over) and less common among younger people (59% of people aged 65–69). In contrast, high care need ratings for cognition and behaviour were more common among younger people (78% of people aged 55–59 and 60–64) and less common among older people (63% of people aged 95–99 and 62% of people aged 100 and over).

Compared with men, women had higher proportions of high care need ratings for most care domains — 70% of women compared with 65% of men for activities of daily living, and 60% of women compared with 56% 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 older ages, there were higher proportions of women with high care needs for activities of daily living than men. For example, in people aged 100 and over, 83% of women had high care need ratings in activities of daily living compared with 74% of men (Figure 1).

Figure 1: Proportion of people with high care need ratings for activities of daily living by age, 30 June 2022
Care needs over time
The proportion of people assessed as having high care needs when they first enter permanent residential care has increased over time.

Since 2012–13, 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 36% to 58% of people), and cognition and behaviour (rising from 35% to 55% 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.

Since 2012–13, 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 11% to less than 1% of people), and the largest decrease in low care ratings for activities of daily living (from 32% to 8.9% of people).

Figure 2: Proportion of people entering permanent residential care for the first time with high care need ratings, 2012–13 to 2021–22

Care needs for people with dementia
At 30 June 2022, people with dementia were more likely to be assessed as having higher care needs than people without dementia for cognition and behaviour (83% and 51% respectively) and activities of daily living (71% and 65% respectively). The smallest difference in care need ratings was for complex health care, where 60% of people without dementia received a high rating compared with 56% of people with dementia.

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

Most of Australia’s residential aged care homes experienced a COVID-19 outbreak during 2021–22 (2,570 facilities experienced one or more outbreaks in 2021–22). Aged care homes locked down and restricted visitors during active outbreaks. This reduction in activity and social interaction had impacts on the wellbeing and functional abilities of residents, particularly those living with dementia.

For further information on aged care services and the COVID-19 pandemic, see the Report on the Operation of the Aged Care Act and the COVID-19 outbreaks in Australian residential aged care facilities weekly report.

Where can I find out more?
GEN topic: Care needs in aged care

Aged Care Funding Instrument (ACFI) user guide

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