Key Findings | Financial Report on the Australian Aged Care Sector 2020-21

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| Aged care in Australia | Aged care providers | Home care | Residential care | Care minutes |
| **Key outcomes (FY20/21)*** 1.5 million Australians accessed aged care
* $23.6 billion in Government expenditure
 | * 1,432 CHSP providers (down from1,452 - FY19/20)
* 939 Home care providers (up from 920 - FY19/20)
* 830 Residential care providers (down from 845 - FY19/20)
 | 212,293 Australians accessed home care in FY20/21A bar chart titled, home care, with five bars as follows. 2016 to 17, 97,516. 2017 to 18, 116,843. 2018 to 19, 133,439. 2019 to 20, 173,743. 2020 to 21, 212,293. | 243,117 Australians accessed residential care in FY20/21A bar chart titled, residential care, with five bars as follows. 2016 to 17, 239,379. 2017 to 18, 241,723. 2018 to 19, 242,612. 2019 to 20, 244,363. 2020 to 21, 243,117. | Average paid care minutes per resident per day was 180.8 minutes in FY20/21Two bar charts titled care minutes. The first chart depicts total registered nurse minutes as follows. For-profit, 31.8. Not-for-profit, 29.0. All providers, excluding government, 30.1. The second chart depicts total minutes as follows.  For-profit, 169.8. Not-for-profit, 187.7. All providers, excluding government, 180.8. |
| **Commonwealth Home Support Programme** | **Providers of CHSP** | **Funding of CHSP** | **Australian Government funding of CHSP by state/territory** |
| **Key outcomes (FY20/21)*** 825,383 Australians accessed CHSP services
* $2.7 billion in Government expenditure for service delivery
 | A pie chart showing the provider types of Commonwealth Home Support Programme. The details are: 10% of providers were for-profit, 22% were government providers, and 68% were not-for-profit. | A bar chart titled, funding of C H S P, with 6 bars as follows. 2018 to 19, actual, $2,489 M. 2019 to 20, actual, $2,641 M. 2020 to 21, actual, $2,712 M. 2021 to 22, budgeted, $3,094 M.  2022 to 23, budgeted, $3,171 M. 2023 to 24, budgeted, $3,284 M. | A bar chart titled, Australian government funding of C H S P by state or territory, with 8 bars as follows. V I C, $760 M. N S W, $710 M. Q L D, $663 M. W A, $251 M. S A, $202 M. T A S, $65 M. A C T, $36 M. N T, $21 M. |
| **Home care** | **Home care profit** | **Home care by location** | **Home care packages** | **Home care package level subsidies** |
| **Key outcomes (FY20/21)*** Home care providers generated $248 million total profit
* $4.2 billion in Government expenditure
 | 74% of home care providers achieved a profit in FY20/21A bar chart titled, home care profit, with 6 bars as follows. 2015 to 16, $3,055. 2016 to 17, $2,989. 2017 to 18, $1,217. 2018 to 19, $1,211. 2019 to 20, $1,369. 2020 to 21, $1,792. | Average EBITDA per recipientTwo bar charts titled home care by location. The first chart depicts the years 2019 to 20 as follows. Metro, $1,579. Regional, $1,899. Metro and regional, $622. The second chart depicts the years 2020 to 21 as follows. Metro, $2,046. Regional, $1,031. Metro and regional, $1,757. | * 17,405 Level 1 (up from 16,418 in FY19/20)
* 71,020 Level 2 (up from 58,842 in FY19/20)
* 45,603 Level 3 (up from 29,336 in FY19/20)
* 42,077 Level 4 (up from 37,840 in FY19/20)
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| Package Level | Annualised subsidy 2020/21 | Annualised subsidy 2021/22 |
| --- | --- | --- |
| Level 1 | $8,928 | $9,026 |
| Level 2 | $15,706 | $15,878 |
| Level 3 | $34,175 | $34,551 |
| Level 4 | $51,808 | $52,378 |

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| **Residential care** | **Residential care profit** | **Residential care by location** | **Residential care revenue and expenses** |
| Key outcomes (FY20/21)* Residential care providers lost $854 million in net profit (-$12.38 per resident, per day)
* $14.1 billion in Government expenditure
 | 46% of residential care providers achieved a profit in FY20/21A bar chart titled, residential care profit, with 6 bars as follows. 2015 to 16, $11,134. 2016 to 17, $11,481. 2017 to 18, $8,746. 2018 to 19, $8,523. 2019 to 20, $6,445. 2020 to 21, $3,771. | Average EBITDA per residentTwo bar charts titled residential care by location. The first chart depicts the years 2019 to 20 as follows. Metro, $8,055. Regional, $1,138. Metro and regional, $5,165. The second chart depicts the years 2020 to 21 as follows. Metro, $5,217. Regional, negative $335. Metro and regional, $2,252. | Residential care providers net profit margin was -4.0% in FY20/21down from -3.6% in FY19/20

|  | **2017/18** | **2018/19** | **2019/20** | **2020/21** |
| --- | --- | --- | --- | --- |
| Revenue ($m) | $18,066 | $19,302 | $20,536 | $21,478 |
| Expenses ($m) | $17,631 | $19,037 | $21,723 | $22,332 |
| NPBT ($m) | $435 | $264 | -$736 | -$854 |

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\*Earning Before Interest Tax Depreciation and Amortisation (EBITDA): Net profit after tax with interest, tax, depreciation, and amortisation added back to it, and can be used to analyse and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.

# Summary of residential providers financial performance, income and expense category comparison, per resident per day, all providers 2020-21

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| --- | --- |
| 1. Care result
 |  |
| **Revenue** | $194.31 |
| Care subsidies and supplements (Commonwealth) | $179.66 |
| Resident fees – MTCF | $9.53 |
| Other | $5.12 |
| **Expenses** | $169.17 |
| Labor cost |
| Registered nurses | $31.34 |
| Enrolled and licensed nurses | $13.74 |
| Personal care staff | $83.91 |
| Other care staff | $22.76 |
| Resident supplies and supplements | $7.07 |
| Other direct care | $10.35 |
| Result | $25.14 |

|  |  |
| --- | --- |
| B Hotel result |  |
| **Revenue** | $56.63 |
| Basic daily fee | $52.18 |
| Extra and additional service fees | $4.45 |
| **Expenses** | $55.72 |
| Catering expense | $32.65 |
| Cleaning expense | $9.86 |
| Laundry expense | $4.47 |
| Utilities  | $6.66 |
| Other | $2.08 |
| Result | $0.91 |

A+B=C C. Care and hotel result: $26.05

| F. Administration result |
| --- |
| **Revenue** | $0.00 |
| **Expenses** | $38.24 |
| Corporate charges | $19.22 |
| Labour costs | $9.74 |
| Other administration | $9.28 |
| Result | ($38.24) |

| D. Accommodation result (incl. finance income) |
| --- |
| **Revenue** | $35.96 |
| Accommodationsubsidies and supplements (Commonwealth) | $19.39 |
| Daily accommodation payments | $10.62 |
| Accommodation charges | $1.39 |
| Finance income | $3.24 |
| Other | $1.32 |
| **Expenses** | $36.60 |
| Depreciation, rent and other | $27.33 |
| Routine maintenance | $9.27 |
| Result | ($0.64) |

| E. COVID-19 result |
| --- |
| **Revenue** | $10.93 |
| COVID-19 income grants and subsidies | $10.93 |
| **Expenses** | $8.42 |
| COVID-19 expense | $8.42 |
| Result | $2.51 |

C+D+E+F=G G. Operating profit/ (loss): ($10.32)

| H. Non-recurrent income and expenses |
| --- |
| **Revenue** | $13.60 |
| Adoption of AASB 16 Leases | $7.38 |
| Other | $6.22 |
| **Expenses** | $15.66 |
| Adoption of AASB 16 Leases | $7.01 |
| Impairment losses | $5.25 |
| Other | $3.40 |
| Result | ($2.06) |

G+H=I I. Net profit / (loss): ($12.38)