



# Quarterly Financial Reporting: What's changed?

# Agenda

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## 1 Quarterly Financial Report (QFR) - Quarter 1 2023-24

**Kate Stewart**

Director, Quarterly Financial Report Project  
Acting Director, Financial Reporting Analysis

## 2 Aged Care Wages

**Emma Gleeson**

Assistant Secretary, Aged Care Workforce Branch

## 3 Residential Care components

**Mark Richardson**

Assistant Secretary, Residential Care Funding Reform Branch

## 4 Reporting and Publishing Information

**Mike Pope**

Acting Assistant Secretary, Structural Adjustment Strategy Branch

# QFR – Quarter 1 2023-24

**Kate Stewart**

Director

Structural Adjustment Strategy Branch



# Why the department collects QFR data

## Financial oversight

Enables more timely analysis of the sector's financial performance and viability

## Consumer choice & transparency

Informs the Star Rating system, allowing older Australians and their families to make informed choices

## Policy development

Policy planning and development by the department is informed by accurate data from the providers

## Funding

Informs the Australian National Aged Care Classification (AN-ACC) funding model and pricing studies

## Viability Monitoring

Enables the ACQSC to monitor provider financial viability and the earlier identification of providers at risk

## Quality standards regulation

Risk-based regulation of services and providers performance against the Quality Standards and other provider responsibilities

# Why you submit a QFR in addition to the ACFR

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## Quarterly Financial Report

- Collected quarterly at the approved provider and service level
- Provides information to the Star Rating system and enables direct care minutes to be monitored
- Informs the Australian National Aged Care Classification (AN-ACC) funding model
- Information collected in the QFR is used to provide a quarterly update on the financial performance of the aged care sector through the Quarterly Financial Snapshot (QFS)

## Aged Care Financial Report

- Collected annually at the approved provider level, service level, and parent entity level where applicable
- Collects more comprehensive financial data
- Accompanied by financial statements
- Includes the Annual Prudential Compliance Statement
- Information collected in the ACFR is used to provide an annual update of the aged care sector's financial performance through the Financial Report on the Australian Aged Care Sector (FRAACS)

# Form changes for Quarter 1 2023-24

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## Viability and Prudential Compliance Questions

**NEW** wages question asking providers to attest to having passed on additional funding for the recent wage increase

## Year to Date Financial Statements

**CHANGE** renaming 'Depreciation and Amortisation' expense to exclude bed licenses

**ADDING** Amortisation and Impairment of Bed Licenses as a new data item

## Residential Care Labour Costs & Hours Reporting

**REMOVING** Other Employee Staff from both direct care labour costs and hours

**ADDING** Care Management Staff as a new data item

**REMOVING** Other Agency Staff from both agency staff costs and hours

**REMOVING** Contract Labour management entity staff costs from both labour costs and hours

# Form changes for Quarter 1 2023-24 cont.

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## Residential Aged Care Home Expenditure

**NEW SECTION** includes a number of per resident per day direct care labour cost data items

## Home Care Labour Costs Financial Reporting

**NO CHANGES**

## Food and Nutrition Reporting

**CHANGE** Expanding Food Preparation Model question to include separate questions for breakfast, lunch and dinner

**REMOVING** Total Cost of Contract from both on and off-site contract catering from the average daily spend calculation

## Guides and FAQs

**NEW** More information, including a QFR guide, FAQs and definitions can be found at

<https://health.formsadministration.com.au/DSS.nsf/DSSForms.xsp#QFR2022>

# QFR Declaration and Submission Tips

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## Things to check before submitting your Declaration

- ✓ Check that your Declaration is signed in accordance with the legislation
- ✓ Check that the position description accurately reflects governing body membership
- ✓ Ensure you are using the current quarter's Declaration template
- ✓ Check that you have uploaded the completed Declaration, not the blank template
- ✓ If you are a government provider, please ensure that your key personnel details are kept up to date through the Material Change team at the ACQSC

## QFR Resubmissions

### **A new declaration is required each time the QFR is resubmitted**

- Changes to data submitted in the QFR may result in changes to Star Ratings, reported Care Minutes, Provider Operations published information and/or provider viability assessments
- Having streamlined processes for having amended QFRs reviewed & signed will be helpful. These could include electronic signatures or enabling selected board members to be signatories, rather than the whole board



# Who must sign the QFR Declaration?

Is the approved provider:

- a State?
- a Territory?
- an authority of a State or Territory?
- a local government authority?

The QFR must be signed by one of the approved provider's **key personnel who is authorised** by the provider to sign the report

Is the approved provider:

- a body corporate that is incorporated?
- Or taken to be incorporated under the Corporation Act 2001?

The QFR must be signed by a **Director of the body corporate** for the purposes of the Act

Otherwise

The QFR must be signed by a member of the **approved provider's governing body**

# Forms Administration and Residential direct care helpdesk and data quality checks

If you have questions about completing the Quarterly Financial Report (QFR) or the Aged Care Financial Report (ACFR)

## Forms Administration

Provides support with:

- Submission related questions
- Undertakes quality checking, including the declaration
- Re-opening portal for resubmissions



(02) 4403 0640



[health@formsadministration.com.au](mailto:health@formsadministration.com.au)

If you have specific questions about Residential direct care reporting & the data quality check process

## Residential direct care helpdesk & data quality check

Provides support with:

- Residential and home care labour costs and hours
- Care minutes
- Undertakes data quality checks of Residential labour costs and hours



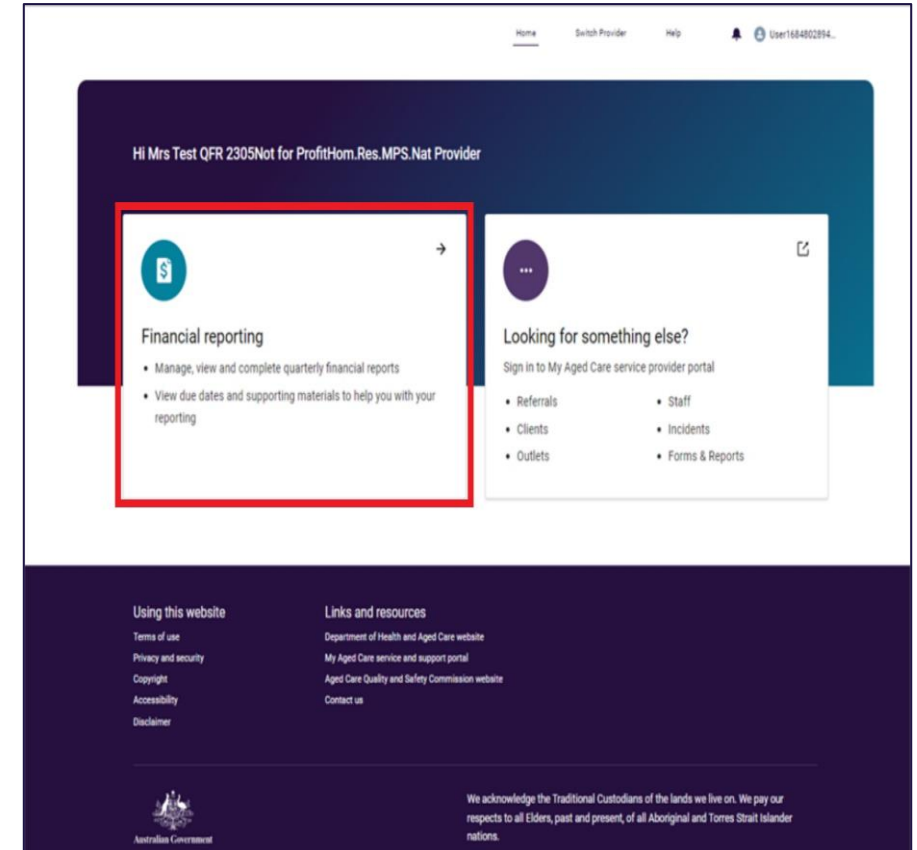
[QFRACFRHelp@health.gov.au](mailto:QFRACFRHelp@health.gov.au)

5 October 2023

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# Quarterly Financial Report (QFR) Project

- The **primary aim** of the QFR project is to bring the collection, storage and reporting of QFR data in-house and onto the department's internal IT systems
- The department is developing a **QFR data collection application** on the department's **Government Provider Management System (GPMS)** platform
- The new QFR application is being targeted for use for **Quarter 2 reporting** (October to December 2023), from **January 2024**
- More information will be provided in a webinar on the 28<sup>th</sup> November.



# QFR - New Wages Questions

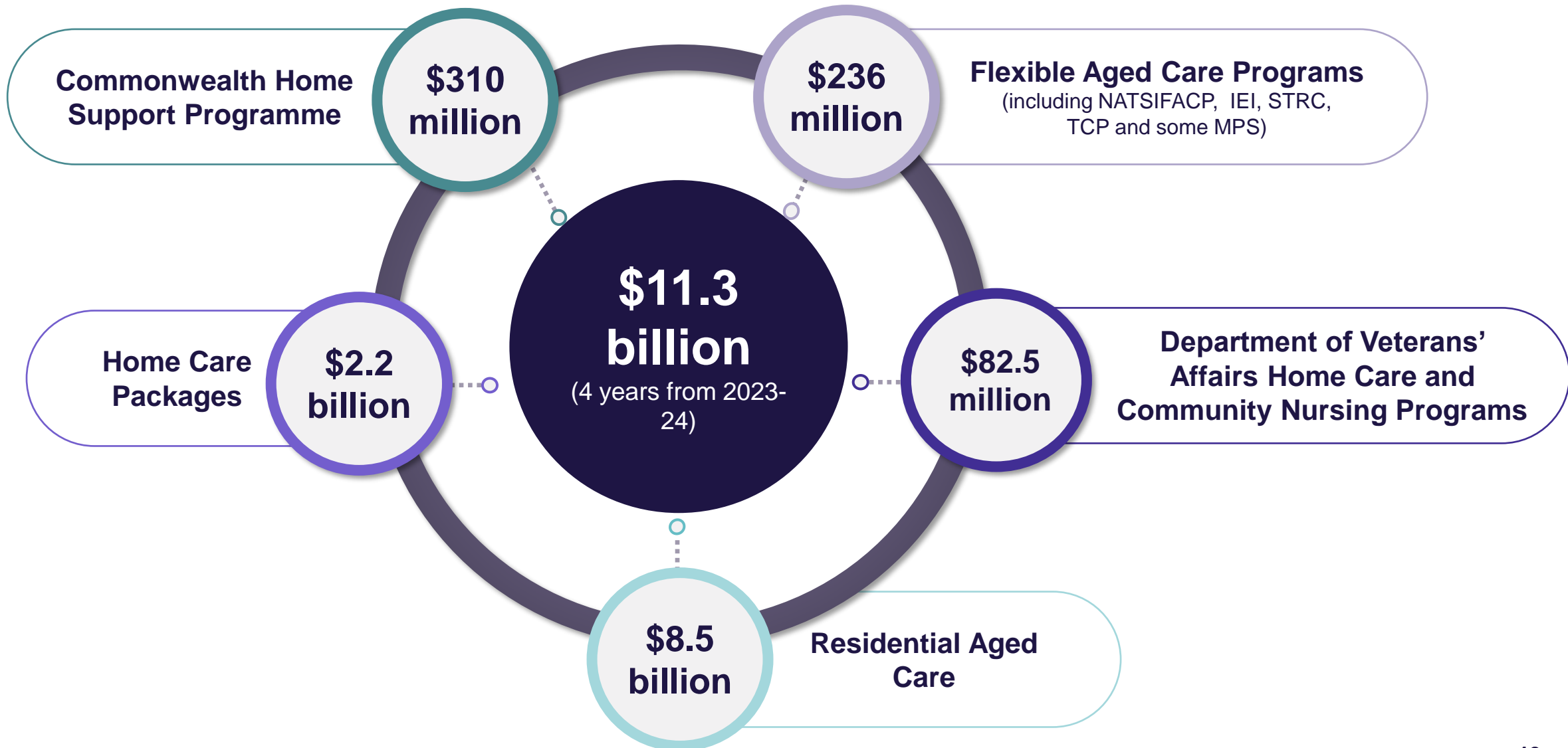
**Emma Gleeson**

Assistant Secretary

Aged Care Workforce Branch



# Funding the wage increase



# Additional items collected in Quarter 4 2022-23

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- The QFR **already collects information** on providers' labour costs and the average hourly wage rates of direct care workers
- New data items collected in Quarter 4 2022-23 included:
  - minimum and maximum hourly rate of pay for direct care workers
  - information on the primary way direct and indirect workers are paid
- The new data items will continue to be collected in Quarter 1 2023-24

# Wages Publication

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- From late December 2023, the Department will publish a list of all residential and home care providers:
  - **minimum**
  - **average** and
  - **maximum wage rates for registered nurses, enrolled nurses and personal care workers/home care workers.**
- The Department will use the **wage rates reported by providers through the QFR** for Quarter 4 2022-23 and Quarter 1 2023-24 for this publication

## Additional item collected in Quarter 1 2023-24

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- From Quarter 1 Residential and Home Care providers will be required to attest that all funding provided for the wage increase has been passed onto workers.

Questions related to wages data items contact

[agedcarewages@health.gov.au](mailto:agedcarewages@health.gov.au)

***“I attest that I have increased wages, and passed on all additional funding allocated to the wage increase”***



# QFR – Residential care components

**Mark Richardson**

Assistant Secretary

Residential Care Funding Reform Branch



# Direct care minutes delivered by Aged Care Services

**Care minutes** refers to the direct care time that older people in Australia living in government-funded residential aged care services receive from:



Registered Nurses



Enrolled Nurses



Personal Care Workers /  
Assistants in nursing



Services receive individual **care minutes targets** based on their resident casemix. The average care minutes target across the sector is 200 care minutes per resident per day, including 40 registered nurse (RN) minutes.



Care minutes establish a minimum care staffing standard. Staffing levels inform the **Staffing Star Rating**.



Care minutes funding commenced **1 October 2022**. Targets become mandatory **1 October 2023**. Average targets will increase to 215 care minutes (including 44 RN minutes) from **1 October 2024**.

# Lessons learned from Quarter 4 2022-23 QFR Reporting

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Providers should check their reporting practices on these topics:

## Accruals

- Ensure that the **care hours are accrued up to the end of the quarter** and not based on pay cycles.
- Ensure that the **expenditure aligns with the hours worked** within the quarter.
- **Do not** include adjustments that are not related to the reporting quarter.

## Care Management

- Staff activities that are administrative or not related to the direct care of individual residents, such as staff rostering, recruitment, and facility level planning and reporting, **cannot** be counted towards care minutes.

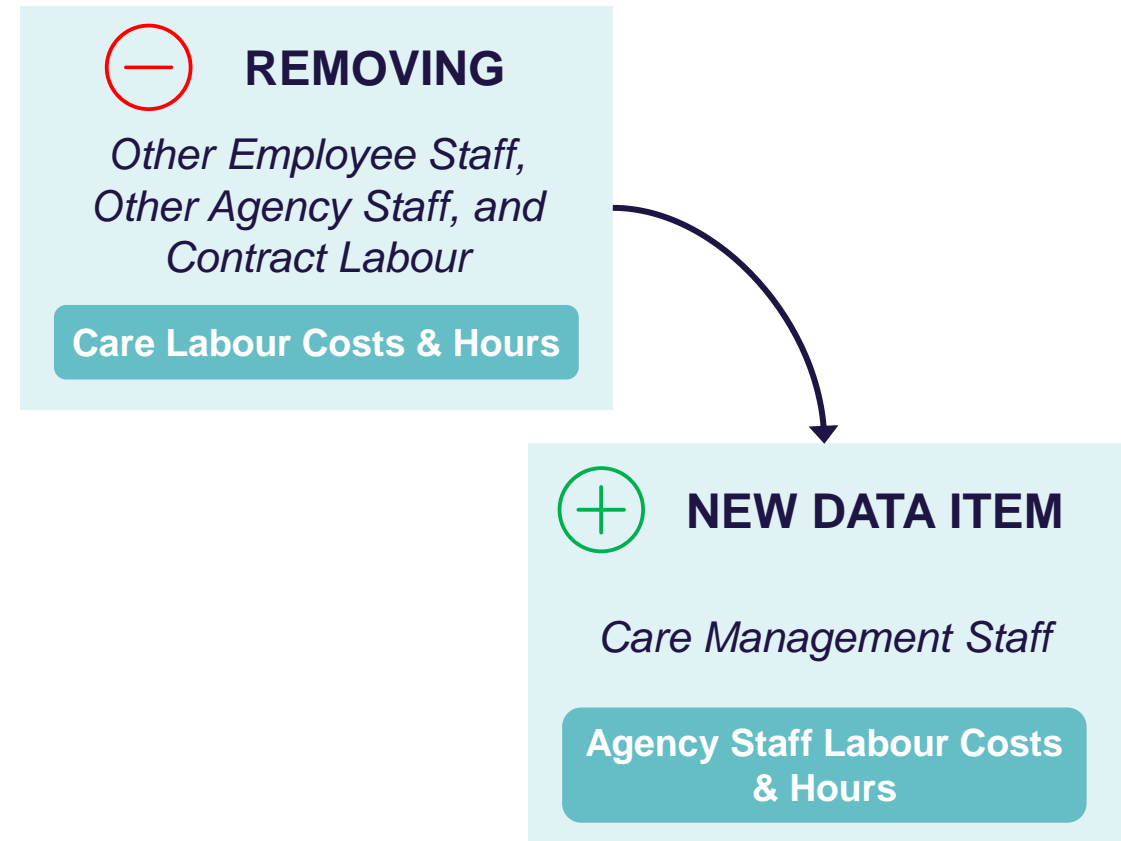
## Worked Hours

- This refers to the number of hours an employee is paid/compensated to provide services at a residential aged care facility. It does **not** include staff leave, training and voluntary hours.

# Changes to reporting of agency Care Management Staff

In the QFR 2023-24, how you report agency Care Management Staff is changing.

- The data *item Other Employee Staff, Other Agency Staff, and Contract Labour* has been **removed** from *Care Labour Costs and Hours*.
- *Care Management Staff* has been **added** as a new data item to *Agency Staff Labour Costs and Hours*.
- The purpose of this change is to better monitor the costs and hours of care workers hired from agencies.



# QFR reporting clarifications

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## Direct care workers

Only labour costs and hours related to caring for government subsidised permanent residents, COVID-19 Aged Care Support Program Extension Grant (GO4863) or respite aged care residents can be included

## Registered nurse retention payments

Not included in labour costs. These payments are included in the ACFR under the *Residential Non-Recurrent I & E* tab. Payments from the government are reported under *Other non-recurrent income* and the payments to the RNs under *Other non-recurrent expenses*. No hours are associated with these payments

## Registered nurse telehealth

Not included in labour costs and hours. Only activities provided by an RN on-site (including one-on-one and non-face-to-face care) are included

## Occupied Beds

Total days of subsidised care delivered in the period for residents funded under AN-ACC, including residents in hospital for 29 days or less. Does not include private residents or non-AN-ACC residents (like Transition Care Program)

# QFR reporting clarifications

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- **Allied health** definition clarifies the minimum qualifications required.
- **Other Allied Health** definition clarifies which professions can be included and registration/certification requirements.
- **Definitions** are on the Forms Administration data collection portal.
- **Allied health care time and costs** include telehealth, virtual and other care not delivered in person.
- **Allied health categories** include physiotherapist, occupational therapist, speech pathologist, podiatrist, dietetic care, other allied health, and allied health assistants.

Updates to **PCW/AIN definitions** include:

- an update to the Aged Care Award (2010)
- recognition that there are PCWs engaged under awards other than the Aged Care Award (2010) and the Nurses Award 2020 (such as state-based awards)

# Residential direct care data quality check & validation definitions

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## Data quality check / validation Process

The **data quality check / validation process** supports providers in accurately reporting residential care data for their services.

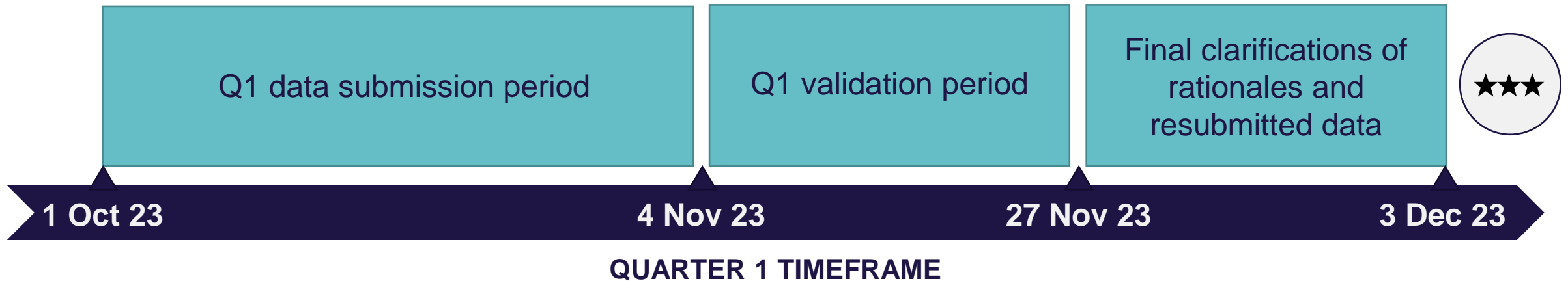
## Data quality check / validation parameters

A range of **data quality check / validation parameters** are deployed including average hourly rates, expenditure/minutes per occupied bed day, missing fields, and comparisons to Departmental data sources.

## Data / validation queries

If you receive a **data / validation query** after your report submission, check the data submitted for accuracy. We understand that there may be service-specific reasons for data outside of norms. We appreciate a short rationale to explain these outliers.

# Residential direct care data / validation query timeframes



QFR data is used to inform Star Ratings and care minutes



Forms Administration conduct quality assurance activities from when the QFR is submitted, including checking the declaration.



# Direct Care Time Reporting Assessments

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Assess the **accuracy** of information included in:

- **Quarterly Financial Reports**
- **24/7 RN reports**

with regard to **care minutes** and the **24/7 RN responsibility**

- **Previously published information** on care minutes and 24/7 RN will be updated if needed, including **Star Ratings**
- The Department will take an **education-first approach** with good faith reporting errors
- **Deliberate or negligent misreporting** will have proportionate action

# QFR – Reporting and publishing information

**Mike Pope**

A/g Assistant Secretary

Structural Adjustment Strategy Branch



# Sector-level reporting

## Quarterly Financial Snapshot (QFS)

- Provides an **overview of key financial indicators**, including care minutes, labour costs and time, wages to revenue, food and nutrition, and occupancy.
- Provides timely information for aged care service providers to **compare and benchmark** their **performance** with sector-level results.
- Supports the **monitoring of key financial metrics** for Home Care and Residential Care.
- Complements other existing publications such as Aged Care Star Ratings and the Food and Nutrition Report.



# Sector-level reporting

## Financial Report on the Australian Aged Care Sector (FRAACS)

- Provides a more **detailed insight** into the financial performance of the aged care sector, covering the Commonwealth Home Support Program, Home Care and Residential Care.
- Identifies **industry trends and reporting on how much is spent** on care, nursing, food, maintenance, cleaning and administration and profits at the sector-level, including relevant comparisons with previous years.
- Acts as an **annual authoritative record** of the aged care sector's financial performance, enabling providers to **compare** their own financial performance with sector-level results.





# Publishing service and provider-level information

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- From February 2024, service and provider level information from the Quarterly Financial Report will be published on the My Aged Care website.
- Increased transparency will empower older Australians and their families to make more informed decisions about their care needs.



# Publishing service and provider-level information

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- Publishing this service and provider level information will not impose any new reporting requirements on providers as it will use information already collected from the QFR (and ACFR)

## Quarterly Information

Collected through the QFR

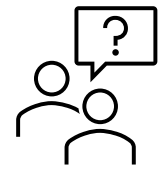
- Care and nursing
- Food and catering
- Wages

## Annual Information

Collected through the ACFR

- Expenses including:
  - Care
  - Maintenance
  - Cleaning and laundry
  - Administration
  - Catering
- Income
- Profit and/or loss

- The Department will be holding **another webinar 28<sup>th</sup> November** to further discuss the publication of this information on the My Aged Care website with the sector



# Question & Answers



# Resources

**Better and fairer wages  
for aged care workers**



**Care minutes and  
24/7 registered nurse  
responsibility guide**



**AN-ACC funding  
and care minutes  
estimator**



**My Aged Care  
Service and  
Support Portal**



**Financial report on the  
Australian aged care  
sector 2020-21**



**Quarterly Financial  
Snapshot of the aged  
care sector**



## **Better and Fairer wages**

(reporting your provider labour costs and wage rates)

[agedcarewages@health.gov.au](mailto:agedcarewages@health.gov.au)

## **Forms Administration helpdesk**

(accessing, using the portal or completing an online form)

(02) 4403 0640 [health@formsadministration.com.au](mailto:health@formsadministration.com.au)

## **QFR & ACFR helpdesk**

(reporting your residential care labour costs and hours data)

[QFRACFRHelp@health.gov.au](mailto:QFRACFRHelp@health.gov.au)

## **FRAACS & QFS report feedback**

[agedcaremarket@health.gov.au](mailto:agedcaremarket@health.gov.au)







[agedcareengagement.health.gov.au](https://agedcareengagement.health.gov.au)



Phone **1800 200 422**  
(My Aged Care's free call phone line)