



9 April 2024 Webinar Questions and Answers

Quarterly Financial Report – publication of finance information onto My Aged Care

Thank you to everyone who attended and submitted their questions in the webinar.

This document provides answers to the questions.

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1. Quarterly Financial Report (QFR) on Government Provider Management System

- 1.1. Why could the report not be better structured so that the report has algorithms in the background that calculate the Year to date (YTD) figures from the quarterly figures provided.**

The Balance Sheet and Income and Expenditure data by segment in the Year to date Finance Statements section is collected on a year to date basis, rather than a quarterly basis.

- 1.2. Is there scope to combine the Aged Care Financial Report (ACFR) and QFR process?**

This is currently not possible as the QFR and ACFR data collections are on two different IT systems. The department will consider ways to pre-fill relevant sections of the ACFR using QFR data when the ACFR data collection is transferred to the GPMS platform at a future date.

- 1.3. Last quarter, I entered my name and contact details at the start of the submission and thus I expected I would be the contact person. Could the reply email at the end be sent to me (my name and contact) rather than the person who was added to the users list most recently?**

The email that is received upon submission is sent to the user who submitted the QFR, not the contact person or person who was most recently added to the contact list.

- 1.4. Can we have the director declaration reduced to one page only?**

The department is currently considering how the director's declaration can be modified to make re-submissions simpler. We will take your feedback into account in this process.

- 1.5. Regarding the template: Could it be populated with zeros by default? Then we would add data where necessary. I spend a lot of time entering zeros.**

The template is designed so that providers need to input a value in each field that is applicable to their care type. This ensures completeness of data and reduces the risk of data oversight. In the quarterly financial statements tab, where you would expect to have zeros against segments that you do not operate, when providers select "No" to a segment, it results in all the values in that segment being populated automatically as a zero.

- 1.6. Regarding the template: Could the columns for each location please stay in the same order?**

In late February we made a system change, based on feedback we had previously received from providers, to make the order of the columns alphabetical. The columns will now remain alphabetical for Quarter 3.

2. Year to date Financial Statements

2.1. What are the key ratios?

The key ratios in the QFR are the liquidity ratio and the capital adequacy ratio. The liquidity ratio is the measure of a provider's ability to meet their debt obligations (without raising external capital) if they were to become immediately due and payable. The capital adequacy ratio can be used as an indicator of a provider's ability to absorb any unexpected losses through their net asset position.

The formulas for the ratios are provided in the QFR definitions file.

2.2. Will new liquidity standard requirements be released and incorporated in QFR commencing in Quarter 1?

As a provider, you must always have access to enough cash to meet your financial obligations. The updated liquidity arrangements are proposed for introduction with the new Aged Care Act as part of the Financial and Prudential Standards and will be rolled out to providers at a future date.

2.3. How will I know if the data being requested by the department is year to date, or quarterly for the Quarterly Financial Statements form?

The department has renamed the Quarterly Financial Statements page to "Year to Date financial statements" to make it clear that management accounts reported in this section are year to date, not quarterly data.

Further amendments are being made to the "About this section" text to provide clarity.

2.4. Why are negative amounts not able to be submitted (e.g. due to correction journals processed, some account lines may have a negative balance for the quarter)?

Negative values are restricted in the system to reduce data input errors.

Please input negative income as expenses, negative assets as liabilities, and vice versa in the YTD Financial Statements form.

For the labour cost and hours and food and nutrition forms, please do not post adjustment journals for an earlier quarter in the current quarter's submission. This will distort the actual expenditure and hours for the current period.

2.5. Regarding the YTD Financial Statements. We have one residential aged care facility, childcare, education, welfare etc. I report figures in the residential column and community column. Can I report on the provider's level only without having to enter any figures in the residential section?

Please continue to segment your data based on those categories. By separating the values out into residential, community, home care, etc., you are enabling the department to better monitor the financial performance of the sector. This ensures that government can accurately cost and fund the aged care sector.

3. Residential care labour cost and hours

3.1. Can the QFR show the calculated hourly rates once the data (care cost and care hours data) is entered so that we can check they look correct before lodging?

Hourly wage rates (collected in the Form for RN, EN, PCWs) are not the same as the direct care costs divided by direct care hours. Hourly wage rates do not include on-costs such as superannuation, leave, etc.

Hourly wage rates are collected separately as an input field in the form.

3.2. Why do we have to report on occupied bed days while the department can directly access it from its internal payment system?

Occupied bed days are used to calculate per resident per day values in the QFR at the point of submission. Unfortunately, claim data is not available to the department for us to pre-populate the QFR on the provider's behalf before the submission due date. Adding the per resident per day calculations in the QFR form should help providers review their data as it can easily be benchmarked against data for similar services that is published on the My Aged Care website.

4. Hourly wage rates

Agency staff

4.1. Do we include agency staff and contractors brokered in from other agencies in our wage rate reporting?

No. Reporting is confined to base wage rates only, without including any on-costs, penalty rates, casual loadings, or agency fees. Therefore, we ask you to exclude agency staff or contractors brokered in from other agencies in this reporting.

Casual rates

4.2. Should I include wage rates for our casual employees, who we directly employ?

No. All current wage rates (lowest, average, and highest) compare base wage rates. The base wage rates do not include casual loading or any other on-costs, superannuation contributions, penalty rates or tax deductions. We recognise the important role of casual employees in residential aged care and home care. The current exclusion of data entry for casual employees in the QFR is to simplify reporting and enable comparison of base wage rates.

Base wage rate reporting inclusions and exclusions

4.3. Do we include on-costs in the wage rates, like penalty rates or employer-guaranteed superannuation in the hourly wage rates?

No. All wage rates should be base wage rates only for consistency of comparison, without including any on-costs. On-costs, including superannuation, are reported elsewhere in the QFR under direct care labour costs.

Worker roles included in QFR reporting

4.4. Do we report our personal care workers and aged care support workers (altogether under the 'personal care workers (including cleaning and gardening)' group?

For home care only, support and care workers, who provide cleaning, gardening or other types of support and care should be included in the category personal care workers (including gardening and cleaning).

4.5. Should nurse practitioner pay rates be included in the RN sections?

Yes. If your organisation directly employs nurse practitioners, include their pay rates in the RN section.

4.6. Which wage rates do we report for staff with splits in work responsibilities and roles?

Report the applicable wage rates for all roles involving direct provision of support and care, irrespective of how many hours (part time or full time) are spent providing direct support and care.

Average wage rate calculations

4.7. Should we adjust our average wage rates according to the number of hours worked?

No. Average wage rates should be simple calculations based on wage rates only, without applying any adjustment or weighting depending on hours worked. We ask all providers to apply the same, simple approach for a fair and consistent approach to wage reporting.

4.8. Over what period do we get the number of staff to calculate wage rates? Do we report the last pay run of the quarter or try to cover the whole quarter?

Report all wage rates, including averages, as at the end of the quarter, based on your best available data at the time. You may calculate your averages based on data from the last pay run of the quarter, if this is your most recent, easily available data at the end of the quarter.

5. Outbreak management

5.1. What is the definition of an outbreak for the purposes of the QFR?

A disease outbreak is the occurrence of cases of disease in excess of what would normally be expected in a defined community, geographical area or season. For example, the National Guidelines for the Prevention, Control and Public Health Management of Outbreaks of Acute Respiratory Infection (including COVID-19 and Influenza) in Residential Care Facilities outline that an outbreak should be declared if:

- 2 or more residents test positive for COVID-19 within a 72-hour period or
- 2 or more residents test positive for influenza within a 72-hour period

Please note that jurisdictional public health guidance may vary. It is important to ensure your approach is based on local guidance.

5.2. Do we report on PPE and RAT tests purchased for prevention, or only those purchased for outbreaks?

The cost of purchasing PPE and RAT kits is included in the preventative measures costs reporting line under outbreak management costs in the QFR. This includes the cost of purchasing PPE and RAT kits to proactively plan for and respond to outbreaks. All such costs should be reported in the QFR regardless of whether or not there has been an outbreak.

5.3. Will providers have to report in Quarter 4 on costs for all outbreaks including gastro, influenza, and not just COVID-19 outbreak costs?

Yes, the costs for preparing for and managing all outbreaks should be reported in Quarter 4. This includes the costs for preparing for and managing outbreaks of gastro, influenza, RSV and other infectious diseases as well as COVID-19.

5.4. Do we only report on additional hours to normal or do we include all hours within a normal shift that are associated with an outbreak?

Outbreak management expenses should include hours within a normal shift (not just the additional hours) as they relate to all outbreak management activity and are not just limited to either direct care or additional expenses.

However, the values reported in this section are independent of the care labour costs and are not required to add to a total. Do not reduce the care labour expenses by the amounts reported in the outbreak management expense section.

5.5. What if systems have not yet been set up to record outbreak management data?

Providers will need to plan for and prepare to include outbreak management expenditure reporting, including the expenditure of the Aged Care Outbreak Management Support supplement, in Quarter 4 (2023-24) 1 April to 30 June 2024, due on 4 August 2024 in the QFR. However, as your accounting systems may not be setup to capture this information (from the beginning of April), please use your best estimate to apportion the values for this quarter and ensure that your systems have been setup to capture information accurately from the next quarter.

5.6. When we are reporting the outbreak costs, does it include extra costs for staff COVID-19 cases as well as residents?

Yes, these should generally be included under employee and agency labour costs under outbreak management costs.

6. Home care labour cost and hours

6.1. Why could the report not be better structured so that: For the home care business structure question, when asked for a % of internal service provision, you need to use 50 characters to write 98%?

This issue has been rectified for Quarter 3 therefore, you will no longer need to enter 50 characters. There is now no minimum character limit to these questions.

6.2. When are you fixing the home care financial information published on the My Aged Care website? i.e. the cost per day shows the total cost?

The home care financial information shown on My Aged Care is deliberately shown as a total cost. It is not benchmarked to per care recipient per day as the data can significantly vary based on the level of care received by care recipients.

7. Sector level reporting (finance and operations, QFS, FRAACS)

7.1. When will the Quarterly Financial Snapshot (QFS) for Quarter 2 be published?

The QFS for the October to December 2023 period will be published in mid to late June 2024.

7.2. What additional resources are available for seniors when looking at the new information published on My Aged Care?

Information to help older people understand the provider finance and operations information that has been published on My Aged Care is available [here](#).

7.3. Where do we find the most recent QFS?

The most recent QFS (Quarter 1 2023-24) is available [here](#).

8. General

8.1. Can you combine the data collection with StewartBrown Survey data?

The StewartBrown survey data is an optional (pay to use) benchmarking service that StewartBrown (a private company) operates for providers who wish to participate in their survey, whereas the QFR and ACFR are legislative requirements that all aged care providers must complete and as part of the responsibilities of being an approved provider. For that reason, there isn't the potential for us to combine those datasets.

8.2. Why is it necessary for directors to re-sign the declaration for minor changes?

This is to ensure that directors remain well informed regarding any changes made to the information their organisation is responsible for providing. The directors are ultimately accountable for the data that is made available to the department and the Aged Care Quality and Safety Commission and for the provider's financial data that is published on the My Aged Care website.

8.3. What are the implications for not completing mandatory reporting commitments?

Providers have responsibilities under the *Aged Care Act 1997* (the Act) and associated Principles to report certain information to the department and the Commission. This includes providing statements on financial and prudential matters, submitting data required under the Quality Indicator Program and making reports under the Serious Incident Response Scheme.

Section 63-1(1)(m) of the Act and Part 4A of the Accountability Principles 2014 (the Principles) set out the requirements for approved providers to prepare a QFR for each financial quarter and submit this to the Secretary of the Department of Health and Aged Care. Failure to lodge a QFR is a breach of your approved provider responsibilities set out under section 43 of the Principles.

Any breach of your responsibilities under the Act or Principles, may result in a delegate of the Commissioner considering taking regulatory action including by issuing a Non-Compliance Notice, or imposing one or more sanctions under section 63N of the *Aged Care Quality and Safety Commission Act 2018*.

8.4 Is there a way to send this information via API?

The department is working on developing a Business 2 Government API Gateway, which will provide a direct connection between providers and Government systems. More information is available [here](#).

8.5 Is there any data available on required vs expected time required to complete this reporting?

No data has been collected regarding the time required by providers to complete the reporting. The expected time required to complete the reporting has not been estimated as it will differ according to the circumstances of each provider.

8.6 There are several display issues when making a submission?

We are aware some display issues were appearing in past reporting cycles and have worked to rectify them.

8.7 Is it possible to use the lookup function in the excel file?

No, this functionality currently does not exist.

8.8 Could the QFR have some more validation rules set so that it flags if the submission is out of range or is inconsistent with any prior submissions?

We are continuously looking at ways in which the reporting process can be simplified and will look at opportunities to implement more validation rules.

8.9 Last quarter, when I logged in, the first thing I needed to do is switch providers. Could my preferred provider be set as the default?

This functionality currently does not exist, however, is being considered as a potential future improvement.

8.10 Why is the sector being advised of changes to reporting requirements after the reporting period has commenced?

We aim to advise the sector of upcoming changes as soon as we can. We understand that the reporting period has already started and will take this feedback onboard as part of our commitment to the continuous improvement of the QFR process.

