



AN-ACC Transition Fund

The Australian National Aged Care Classification (AN-ACC) funding model for residential aged care replaced the Aged Care Funding Instrument (ACFI) on 1 October 2022. This fact sheet is about the 2024-25 AN-ACC Transition Fund, which continues to support providers as they transition from ACFI to AN-ACC.

Overview

The 2024-25 AN-ACC Transition Fund grant opportunity provides targeted temporary financial support for a small number of residential aged care services. These services have specific characteristics that do not align with existing Base Care Tariff (BCT) categories under the current AN-ACC funding model.

Providers can use funds from the 2024-25 AN-ACC Transition Fund for expenses to support continuity of care for residents, including (but not limited to) staff salaries, allied health, diversional therapy, recreation activities, medical supplies and nutritional supplements (not including pharmaceuticals), chaplaincy and pastoral care, and administration.

Who is eligible

The Department of Health and Aged Care (the department) identifies eligible services for the AN-ACC Transition Fund and sends an invitation to apply.

To be eligible to apply for the 2024-25 grant opportunity, providers must:

- be an approved provider under the Aged Care Quality and Safety Commission Act 2018 that:
 - provides residential care services
 - existed prior to 1 July 2024
 - is a body corporate; and
 - have received an invitation from the department to apply.

How eligibility is determined

The department determines the eligibility of residential aged care services based on 3 specified categories:

Category	Eligibility
1	Isolated services in MM 3-4 MM 3-4 services in specified enclaves identified in the Grant Opportunity Guidelines.
2	MM 6-7 services with 30 or more beds and high occupancy Services in MM 6-7 classified locations with 30 or more beds and occupancy* of 80% or more .
3	Aboriginal and/or Torres Strait Islander services in MM 1-4 Services in MM 1-4 classified locations with at least 50% Aboriginal and Torres Strait Islander residents (according to resident pre-entry Aged Care Needs Assessment records held by the department).

**Occupancy will be based on the average claim days (including occupied respite beds) recorded for each service in the individual quarterly payment periods throughout the grant period. An invitation to apply for funding may be extended to all MM 6-7 services with 30 or more beds, although this does not guarantee funding eligibility. Should the calculated occupancy be less than 80% within an individual quarterly payment period, a funding payment will not be processed for that quarter.*

An automated notification email from GrantConnect advising you of the 2024-25 AN-ACC Transition Fund grant opportunity is not an invitation to apply.

How the payments work

Payments will be calculated based on the AN-ACC claims submitted by eligible providers within the period of 1 July 2024 until 30 September 2025. Payments will be paid quarterly in arrears commencing within one month of the last quarter's claim payment date.

Payments for each service will be calculated based on the difference between the service's current BCT National Weighted Activity Unit (NWAU), and its eligible BCT NWAU under the AN-ACC Transition Fund. Category 1 and 3 will be paid per occupied bed and Category 2 paid per operational bed for beds 30 and above.

Previous AN-ACC Transition Fund Grant Opportunities

The AN-ACC Transition Fund started on 1 October 2022. It provided financial support to eligible residential aged care providers to ensure they could adjust their business operations and transition smoothly from ACFI to AN-ACC with no impact on their funding, while they continue to deliver services and care. The AN-ACC Transition Fund is not grand-parenting of the ACFI funding model.

Applications for all previous AN-ACC Transition Fund grant opportunities have now concluded.

More information

For information on AN-ACC, see:

- the [Australian National Aged Care Classification \(AN-ACC\) funding guide](#)
- the [Australian National Aged Care Classification webpage](#)