

Evaluation of Star Ratings for Residential Aged Care – Summary report

19 November 2024





Acknowledgements

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Use of quotations

Quotations used in this report have been deidentified. They have not been validated with the relevant stakeholders.

Ethics approval

This evaluation received ethics approval from Bellberry Human Research Ethics Committee (Reference Number: 2024-03-340).

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Key terms and acronyms

Term	Definition
ACSQHC	Australian Commission on Safety and Quality in Health Care
CALD	Culturally and linguistically diverse
Commission	Aged Care Quality and Safety Commission
Refers broadly to individuals who are currently using, have used, considering using residential aged care homes. This includes age residents and their families and/or representatives, as well as peo evaluating residential aged care options for themselves or someon they care for.	
MPS	Multi-Purpose Services
My Aged Care	An Australian Government website that provides information and support for older individuals and their families. It helps users navigate aged care services, access assessments, and connect with appropriate support options, including home care and residential aged care homes.
NATSIFAC	National Aboriginal and Torres Strait Islander Flexible Aged Care Program
Prospective consumer	A subset of consumers, specifically referring to individuals who are in the process of considering or exploring residential aged care homes as a potential future option, either for themselves or for someone they care for.
Residents' Experience Survey (RES)	A voluntary survey that is conducted annually with residents of residential aged care homes, covering topics including staff knowledge, communication, quality care, food, and ways a residential aged care home can improve
Royal Commission	The Royal Commission into Aged Care Quality and Safety

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1.0 Background

Allen + Clarke Consulting (Allen + Clarke) was engaged by the Department of Health and Aged Care in January 2024 to undertake an independent evaluation of Star Ratings for residential aged care. This evaluation's aim was to examine the current Star Ratings design, and the impact Star Ratings has had on improving the quality of care in residential aged care homes and supporting transparency and informed decision-making for older people and their representatives.

The Royal Commission into Aged Care Quality and Safety (the Royal Commission) was established in 2018, and its <u>Final Report</u> was published in 2021. The Royal Commission highlighted a lack of measurement and transparency in the aged care system, and the need to place the voices of older people at the centre of the system. The Royal Commission recommended a comprehensive approach to quality measurement in residential aged care, including:

- indicators to measure quality
- benchmarking for continuous improvement
- a star ratings system for comparing the performance of residential aged care homes.

The Royal Commission recommended that "the Australian Government should develop and publish a system of star ratings based on measurable indicators that allow older people and their families to make meaningful comparisons of the quality and safety performance of services and providers." The Royal Commission recommended that "The overall star rating should be accompanied by appropriate additional information on performance and outcomes, in a readily understandable form and capable of comparison across services and providers."

1.1 About Star Ratings

The Australian Government introduced Star Ratings for residential aged care in December 2022. The objectives of Star Ratings are to:

- 1. empower older people and their representatives with greater information to make choices about their aged care
- 2. incentivise provider engagement in continuous quality improvement and delivery of high-quality care to older people
- 3. support Government to provide transparent information about the quality of aged care at a system-level.

Under Star Ratings, residential aged care homes in Australia receive an Overall Star Rating (1 to 5 stars – see **Table 1**), along with ratings for four sub-categories (1 to 5 stars for each – see **Table 2**). These are publicly available on the <u>My Aged Care website</u>. The higher the number of stars a home receives, the better the assessed quality of care.

Table 1. Star Ratings classifications

Excellent	5 Stars
Good	4 Stars
Acceptable	3 Stars
Improvement needed	2 Stars
Significant improvement needed	1 Star

1.1.1 The Sub-categories

Each sub-category rating contributes a different weighting towards the Overall Star Rating, as outlined in **Table 2**. Sub-category weightings

Table 2. Sub-category weightings

Residents' Experience	33%
Compliance	30%
Staffing	22%
Quality Measures	15%

The Residents' Experience sub-category captures the lived experiences of residential aged care home residents. Questions focus on aspects of care such as feelings of safety, treatment by staff, food satisfaction, and residents' sense of independence and belonging. The Residents' Experience Survey is conducted annually at each Commonwealth funded residential aged care home by an independent third-party survey team.

The Compliance sub-category is based on regulatory decisions and accreditation decisions by the Aged Care Quality and Safety Commission (Commission). The Compliance rating reflects a residential aged care home's current compliance status and is based on whether specific formal regulatory notices are in place, the period of time since having specific formal regulatory notices and the period of time accreditation has been granted for. Formal regulatory notices directly impact the Compliance and Overall Star Ratings given to residential aged care homes. Serious non-compliance issues, reflected in lower ratings, signal the critical need for improvements.

The *Staffing* sub-category measures the average amount of care time provided to residents against minimum care minute targets, which vary based on the specific care needs of residents. Care time is calculated based on the minutes delivered by registered nurses, enrolled nurses, personal care workers, and assistants in nursing.

The *Quality Measures* sub-category describes the quality of care provided to residents across five crucial areas of care, comprising:

- 1) pressure injuries
- 2) restrictive practices
- 3) unplanned weight loss
- 4) falls and major injuries
- 5) medication management.

These indicators are reported by residential aged care homes through the **National Aged Care Mandatory Quality Indicator Program**.

2.0 Evaluation methodology

This evaluation answers the key evaluation questions detailed in **Figure 1**.

Figure 1. Key evaluation questions

Consumer awareness

A: What is the level of awareness of Star Ratings among older people and their representatives?

B: What measures can be implemented to increase awareness of Star Ratings among target cohorts (including those with cognitive impairment or dementia, Aboriginal and Torres Strait Islander people, people who speak a language other than English, and people living in regional, rural, and remote communities)?

Consumer confidence

2

4

6

Has Star Ratings contributed to increased consumer confidence in choosing a residential aged care home and in the quality of care being provided?

Influence on decision-making

To what extent does Star Ratings influence the decision-making processes of older people and their representatives when choosing a residential aged care home?

Accuracy and alignment

Does Star Ratings accurately reflect the quality of residential aged care homes? How well has Star Ratings addressed its original intent?

Relevance and diverse needs

A: How well does Star Ratings address the needs of different users including older people and their representatives, care finders, providers and users from diverse backgrounds including people with cognitive impairments, Aboriginal and Torres Strait Islander people, non-English speakers, and people in regional, rural and remote areas?

B: What can be done to make Star Ratings more relevant and accessible for different users?

Continuous improvement

A: Has Star Ratings driven improvements in care quality and care outcomes? If so, what has changed and what influenced this change?

B: Have there been any improvements in the quality and timeliness of Star Ratings data submitted by residential aged care homes to the Department of Health and Aged Care since Star Ratings was established?

Expansion to other services

Should Star Ratings be expanded to National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) services and Multi-Purpose Services (MPS)? What are the benefits, challenges, and considerations for publishing Star Ratings for these services?

Future design considerations

What additional indicators or modifications to the way Star Ratings are calculated and reported might be considered to strengthen alignment with consumer expectations and needs?

This mixed methodology evaluation included a document review, data review and national stakeholder consultation. Data collected and analysed for this evaluation included:

- surveys and interviews with residents in residential aged care homes
- surveys and focus groups with prospective consumers
- surveys and interviews with sector stakeholders
- written submissions from sector stakeholders
- workshops with specific groups including National Aboriginal and Torres Strait
 Islander Flexible Aged Care (NATSIFAC) and Multi-Purpose Services (MPS) staff.

Through this approach, the evaluation captured a wide range of perspectives, including most importantly those of aged care consumers and prospective consumers.

The evaluation team reviewed Star Ratings performance data to understand the accuracy and reliability of Star Ratings, assess trends over time, and evaluate to what extent Star Ratings is achieving its original objectives. The goal of this data analysis was to provide a comprehensive assessment of Star Ratings' performance, highlight areas for improvement, and evaluate whether Star Ratings effectively reflects the quality of care provided.

The evaluation received ethics approval from the Bellberry Human Research Ethics Committee (Reference Number: 2024-03-340) for consultation activities with residents in residential aged care homes.

Figure 2 provides a snapshot of key data sources informing the evaluation.

Figure 2. Snapshot of data informing the evaluation

Snapshot of data SECTOR ENGAGEMENT 189 86 25 responses from sector sector written representatives representatives responses received via survey* interviewed received **CONSUMER ENGAGEMENT** 8 Participation in consultation by prospective consumers and residents by state and territory focus groups with prospective consumers (n =41 individuals) 56 🗒 survey responses from NT: 21 residential aged care home residents* QLD: **80 WA:59** 325 **SA: 55** responses from prospective consumers NSW: 110 received via survey*** **ACT: 11** 16 small-group interviews in TAS: 22 residential aged care homes with residents (n = 74 individuals)**ENGAGEMENT WITH MPS AND NATSIFAC SERVICES** 3 workshops with MPS workshops with service representatives **NATSIFAC** representatives (n = 39 participants) (n = 18 participants) *118 completed full survey **34 survey participants were also small-group interview participants

*** 274 survey respondents provided information about their postcode enabling identification of the state and territory

3.0 Summary of key findings

The evaluation findings presented in this report provide insights into the perspectives, needs and expectations of residential aged care consumers, providers and sector stakeholders.

Star Ratings constitutes an important commitment by the Australian Government to increase transparency about the quality of residential aged care homes, support comparison and informed decision-making by consumers, and improve the quality of residential aged care. At the time of this evaluation, Star Ratings is less than two years old. This evaluation has found that while there is evidence of Star Ratings contributing to incentivising aged care quality improvements, there remains scope for enhancement and it will take time for the initiative to mature and its objectives to be fully achieved.

In principle, Star Ratings is broadly supported by many stakeholders across the aged care sector, including most importantly aged care residents, prospective residents, and their families and representatives. In practice, however, stakeholders generally agree there are a range of factors limiting the impact of Star Ratings, and that these should be addressed for Star Ratings to more effectively meet its intended objectives.

This evaluation has found that Star Ratings faces challenges relating to consumer awareness, confidence and accessibility. There are also negative perceptions relating to Star Ratings' reliability and utility. The progress of Star Ratings in achieving its three key objectives, key findings and opportunities for improvement are summarised below.

Objective 1: Empower older people and their representatives with greater information to make choices about their aged care

Star Ratings has made progress in increasing the availability of information to help older people and their families make more informed decisions about residential aged care. However, challenges remain in relation to the accessibility and usability of this information. Many consumers report difficulty accessing and navigating Star Ratings, and express concerns over the complexity of the information provided. Additionally, low levels of public awareness of Star Ratings have limited its overall impact.

There are also concerns about the lack of granularity and market differentiation in the ratings, which some consumers and consumer advocates believe currently diminishes their utility in guiding informed decisions. Some consumers have suggested that Star Ratings do not always reflect all their needs and priorities. Furthermore, trust in Star Ratings has been undermined by perceived inaccuracies and a lack of reliability, particularly in relation to Staffing and Compliance ratings.

Objective 2: Incentivise provider engagement in continuous quality improvement and delivery of high-quality care to older people

Despite these consumer-facing challenges, evidence suggests Star Ratings have been successful in motivating providers to engage in continuous quality improvement. More residential aged care homes are now achieving 4 or more stars, indicating that Star Ratings may have incentivised higher standards of care. Data also suggests the introduction of Star Ratings may have driven improvements in both the timeliness and accuracy of reporting by

providers, as well as a reduction in the number and duration of formal regulatory notices issued by the Commission.

Providers appear to be responding to the incentive to improve their ratings, and using Star Ratings as a benchmark for quality improvement. This suggests that Star Ratings is achieving its goal of encouraging aged care homes to deliver better care.

Objective 3: Support government to provide transparent information about the quality of aged care at a system level

Star Ratings has contributed to greater transparency in the aged care sector by providing a structured framework for comparing residential aged care homes. This transparency is an important step in helping consumers and their families make more informed decisions and allowing the government to present a clearer picture of the quality of care across the sector.

However, the effectiveness of Star Ratings in fully meeting this objective is limited by trust and awareness factors. Many consumers remain unaware of Star Ratings, and of those who are aware, a proportion express scepticism about its accuracy and credibility. There is a perception among some stakeholders that Star Ratings lacks rigour in verifying the data reported by providers and that the ratings may not always reflect the true quality of care.

3.1 Continuous improvement

The evaluation has found that Star Ratings may be incentivising the residential aged care sector to implement improvements in care quality, and encouraging proactive engagement with the Commission and remediation of non-compliance when it is identified.

Analysis of performance data shows a steady improvement in Overall Star Ratings from May 2023 to May 2024. There have been significant increases in Overall Star Ratings over time. The largest change in distribution occurred in the proportion of residential aged care homes receiving 4 or 5 stars, which increased from 40.9% in May 2023 to 62.1% in May 2024. As of May 2024, 99.4% of homes received 3 or more stars.

The evaluation has also found positive trends since the introduction of Star Ratings in relation to Residents' Experience, Compliance and Staffing sub-category ratings, and some of the quality indicators feeding into the Quality Measures rating. This has contributed to the increase in Overall Star Ratings. Since the introduction of Star Ratings, there has been a significant reduction in the number of residential aged care homes that have received formal regulatory decisions from the Commission. There have also been reductions in time to remediate non-compliance following a formal regulatory decision.

Despite these improvements, most aged care sector survey respondents did not perceive Star Ratings as having a meaningful impact on improving care quality in residential aged care. Over 80% of sector survey respondents believed that Star Ratings had either no impact or only a 'limited impact' on care quality improvement while 13% of sector survey respondents felt that Star Ratings had, 'to some extent' or 'to a great extent', prompted improvements in aged care quality.

Since the establishment of Star Ratings, there has been improvement in the timeliness of data submissions by providers, and in the accuracy of quality indicator data reported by providers. These improvements in data quality and timeliness suggest that Star Ratings is becoming a more reliable tool for supporting informed decision-making and monitoring of quality in residential aged care homes.

3.2 Consumer awareness

About 70% of prospective consumer survey respondents reported being aware of Star Ratings. However, findings from the evaluation suggest that many residents and their families are not aware of Star Ratings and its features, such as the *Find a Provider* tool on the My Aged Care website. Just over 7% of residents surveyed reported being aware of Star Ratings when they entered residential aged care.

This lack of awareness for some consumers limits the ability of Star Ratings to support informed decision-making and achieve its core objective of empowering consumers with information to help their decision-making.

3.3 Consumer confidence

Many consumers feel anxious and distrustful when navigating aged care options. Half of the prospective consumer survey respondents had a 'moderate' to 'high' level of confidence in the information about Star Ratings provided on the *Find a Provider* tool on the My Aged Care website. The remaining half were 'slightly' or 'not at all confident'.

Many sector stakeholders indicated that they did not believe Star Ratings have contributed to increasing consumer confidence in decision-making or perceptions of care quality. Perceived barriers to increasing consumer confidence largely aligned with the barriers and concerns identified by consumers, with commonly cited issues including data accuracy, timeliness, and transparency.

Consumer confidence in Star Ratings is likely undermined by a broader lack of trust in the quality of residential aged care and with aged care providers. One source of reduced consumer confidence relates to the perceived disconnect between Star Ratings and regulatory non-compliance. Prospective consumers raised instances where residential aged care homes who are found by the Commission to be non-compliant with regulatory standards still received acceptable or high ratings, which have led to concerns about how Star Ratings are calculated.

Consumers and sector stakeholders also suggested that negative media coverage has impacted consumer confidence in Star Ratings. Another concern raised by sector stakeholders was the complexity of Star Ratings, including the weighting, risk adjustment and calculation methods used to determine the ratings. Many sector stakeholders reported that providers and consumers struggle to understand how the ratings are calculated.

3.4 Influence on decision-making

Some consumers and families struggle to define and articulate their needs, and rely on subjective factors like the "look and feel" of an aged care home to judge quality. They are often unaware of objective metrics, such as care quality, staffing levels, and non-compliance – core elements of Star Ratings – which potentially limits the role that Star Ratings could play in their decision-making process. Without a clear understanding of what Star Ratings measure, consumers may overlook data that could inform their care choices.

Compounding this, many residents enter aged care following a sudden health crisis, which results in decisions about aged care being made in a context of urgency, leaving little time for research or comparison of aged care options. This urgency represents a key contextual barrier to the use of Star Ratings, limiting its effectiveness in helping consumers make informed choices.

Approximately 60% of prospective consumer survey respondents indicated that they had accessed the *Find a Provider* tool on the My Aged Care website to learn about the Star Ratings of aged care homes. While approximately two-thirds of these survey respondents found navigating and accessing information about Star Ratings on the My Aged Care website to be 'very easy' or 'somewhat easy', over half felt that the information provided was 'insufficient to meet their needs.'

About 80% of prospective consumers who reported being aware of Star Ratings, indicated they would access information on Star Ratings in the future to help inform their decision-making. However, less than one-fifth would consider Star Ratings as a primary input to inform their choice of residential aged care home.

Although care quality and staffing are captured within Star Ratings, many prospective consumers in focus groups described forming their views in relation to a residential aged care home's care quality or staffing through direct observation of the home. They indicated they were unaware of, or sceptical about, the availability of objective metrics to help assess these criteria.

While sector stakeholders acknowledge the potential of Star Ratings to inform consumer decision-making, sector stakeholders generally agreed that Star Ratings are not a central consideration influencing consumers' decisions when selecting residential aged care options.

3.5 Accuracy and alignment

Some consumers believe that Star Ratings do not sufficiently assess and communicate important factors relating to the quality of residential aged care. This is particularly the case in relation to Staffing and Compliance ratings. Some residential aged care homes receive high ratings despite not meeting staffing benchmarks or failing to comply with Aged Care Quality Standards. This has eroded trust in the accuracy of Star Ratings and led to calls for improvements in the assessment and communication of Staffing and Compliance ratings.

When the Staffing rating was implemented in 2022, it was designed to include some 'tolerances' to reflect the workforce constraints in the aged care sector at the time. This meant that a home could receive a Staffing rating of 3 or 4 stars while meeting just one of their care minute targets. Consumer and workforce groups have called for stricter penalties when residential aged care homes fail to meet staffing standards, including a greater impact on Star Ratings. Changes to the Staffing rating are scheduled for implementation from 1 October 2025, when residential aged care homes will need to meet both care minute targets to achieve a Staffing rating of 3 stars or higher.

Changes to the Compliance rating algorithm are expected to come into effect with the commencement of the new Aged Care Act. This will enable incorporation of graded assessment against the strengthened Aged Care Quality Standards into the Compliance rating.

3.6 Relevance and diverse needs

While most prospective consumers consider the sub-categories of Star Ratings to be 'very' to 'extremely important', feedback indicates that Star Ratings alone may not fully address the holistic and individualised care needs consumers prioritise.

Some prospective consumers felt that Star Ratings do not fully capture their personal experiences or reflect issues that may arise in specific residential aged care homes. Some felt that the focus on standardised metrics fails to address consumer information needs, including the quality of social and recreational activities, food quality, and the built environment. Prospective consumers emphasised the importance of more comprehensive information on key areas including compliance, staffing, detailed information on complaints, and feedback from the family and representatives of residents.

For some consumers and sector stakeholders, Star Ratings does not have sufficient information relating to the particular care requirements of consumers with complex needs who require specialised care. This includes, for instance, people living with dementia. This information gap can lead to feelings of vulnerability and uncertainty among those who rely on these services.

For residents living in a culturally-specific residential aged care home, the ability to speak their first language was a high priority in their decision-making process. For these residents, their decision to move into their current residential aged care home was strongly influenced by the presence of language-speaking staff and a culturally familiar environment. In addition to language, culturally specific food plays an important role in the

satisfaction of culturally and linguistically diverse (CALD) residents in residential aged care homes.

Although the evaluation was only able to engage with a small number of Aboriginal and Torres Strait Islander people, interviews and surveys with these residents revealed a complex relationship between their experiences and the utility of Star Ratings. There was a general lack of awareness and understanding of Star Ratings among these residents, with most interviewees not having heard of Star Ratings.

As with CALD residents, Aboriginal and Torres Strait Islander residents indicated that the lack of traditional food options, language and culturally specific activities in their residential aged care home prevented their cultural needs from being fulfilled, and suggested this should be captured within Star Ratings.

3.7 Expansion to other services

Expanding Star Ratings to NATSIFAC services and MPS would present both opportunities and challenges. This expansion would enhance transparency, but careful consideration is needed to ensure assessments are culturally appropriate and relevant. Any expansion of Star Ratings must be designed and undertaken in consultation with relevant communities to ensure it reflects the unique service and community contexts.

The NATSIFAC and MPS residential aged care providers who participated in the workshops expressed hesitancy about the prospect of expanding Star Ratings to these settings without a clearer demonstration of the value of Star Ratings in mainstream residential aged care homes. NATSIFAC and MPS stakeholders highlighted that Star Ratings may have limited relevance and applicability to those services, given their niche settings and complexity of services.

NATSIFAC providers emphasised that existing NATSIFAC residential aged care homes have been co-designed in collaboration with Aboriginal and Torres Strait Islander people, ensuring that the services are not only culturally responsive but also deeply rooted in the specific needs and preferences of local communities. NATSIFAC providers suggested there may be a low level of applicability and relevance of Star Ratings to their specific service context, and indicated that there is a need for a culturally appropriate approach to care quality in their settings that considers the specific challenges and conditions faced by Aboriginal and Torres Strait Islander people.

For MPS, the typically small size and the range of services they provide complicates the application of a single-star rating to just one component of their service offering. Stakeholders also noted the challenges presented by differences in regulatory requirements and the need for a common understanding of quality measures between MPS and residential aged care homes.

Some sector stakeholders suggested that there may be merit in expanding Star Ratings to MPS to provide transparency on quality and support continuous improvement. In this regard, the expansion of Star Ratings was perceived to be a potentially beneficial long-term goal that would help to create a consistent system of comparison across residential aged care homes.

4.0 Future design considerations

The evaluation has identified opportunities to enhance the effectiveness of Star Ratings and more effectively meet the needs of consumers and providers of residential aged care. These opportunities focus on improving awareness, relevance and reach of Star Ratings. This section also summarises future design considerations for each sub-category of Star Ratings.

Cross-cutting considerations

Promote awareness and accessibility

This evaluation has identified a range of opportunities to raise awareness, and support comparison to enable more informed decision-making by consumers. These include the implementation and ongoing evaluation of national marketing/communication campaigns; mandating or strongly encouraging the display of Star Ratings in residential aged care homes; promoting Star Ratings through home-care package pathways, healthcare providers, and hospitals; and developing further multilingual resources.

Introduce more granular ratings

Introducing half-star ratings may reduce clustering around 3 and 4 stars, supporting consumers to more effectively differentiate between residential aged care homes and make more informed decisions.

Enhance food and nutrition metrics

Including a dedicated food and nutrition sub-category, or incorporating into Star Ratings objective measures such as food spend (which is presently published alongside Star Ratings). Alternatively, dietitian feedback through funded meal and menu assessments, may improve the visibility of nutrition quality in residential aged care homes.

Incorporate further input from family members and resident representatives into Star Ratings

Outside of proxy participation in the Residents' Experience Survey, there is currently no provision for the inclusion of information from family and representatives. Family members and representatives often play a crucial role in the care and wellbeing of aged care residents, particularly when residents have cognitive impairments, experience communication difficulties, or are otherwise unable to fully express their experiences, views and needs. In these cases, family members can provide valuable insights into the quality of care being received, and identify issues that residents might not recognise or be able to articulate.

Improve information clarity and website usability

While the *Find a Provider* tool includes explanations of the Overall Star Rating and its subcategories, some users report difficulty navigating the website and understanding the information it provides. Enhancements could be made to simplify the layout, make the explanations of Star Ratings and their calculations clearer and more intuitive, and improve the visibility and accessibility of key information. Additionally, more user-friendly features, such as visual aids, step-by-step guides, enhanced search and display functionality based on personalised user preferences, and more clearly articulated distinctions between sub-categories, would make the tool more accessible and easier for consumers to understand and use effectively.

Enhance the existing Steps to enter an aged care home guide

Integrating information about Star Ratings into the guide will raise awareness of Star Ratings and support confident, personalised decision-making in relation to residential aged care home selection.

Introduce cultural safety measures

Enhancing information about culturally appropriate care and inclusive practices for CALD communities and Aboriginal and Torres Strait Islander people will increase the relevance and usefulness of Star Ratings for these groups.

Residents' Experience

Increase the sample size of the Residents' Experience Survey

Expanding the Residents' Experience Survey to meet the Royal Commission's recommendation of a 20% participation rate at each home (Recommendation 94) would achieve a more representative sample of resident feedback.

Broaden the scope of the Residents' Experience Survey

Including quality-of-life indicators, such as emotional wellbeing, sense of belonging, and satisfaction, would provide a richer understanding of resident experience.

Compliance

Strengthen compliance reporting

Redesigning the Compliance sub-category to incorporate graded assessments against the strengthened Aged Care Quality Standards¹ would provide greater visibility of noncompliance and improve trust in Star Ratings.

Include incidents and complaints data

Publishing data on serious incident reports and more detailed information about complaints, above the current resident feedback published on My Aged Care alongside Star Ratings, will enhance transparency and provide consumers with greater insight into a residential aged care home's quality and safety.

Quality Measures

Include holistic measures of social, emotional and mental wellbeing

Expanding the Quality Measures sub-category to incorporate metrics that capture residents' mental health, emotional wellbeing, and social interactions will provide a more comprehensive view of aged care quality².

¹ The strengthened Standards and graded assessments by the Aged Care Quality and Safety Commission are expected to come into effect from the commencement of the new Aged Care Act.

² While not currently part of the Quality Measures calculation, the Quality of Life – Aged Care Consumers (QOL-ACC) and Quality-of-Care Experience – Aged Care Consumers (QCE-ACC) survey, which are collected as part of the National Aged Care Mandatory Quality Indicator Program, collects information on many of these areas. However, the performance of individual aged care homes is not published or available to support older people and their representatives to compare the performance of aged care homes.

Improve communication of Quality Measures, including restrictive practices

Strengthening communication in relation to what quality indicators measure will improve consumer understanding and support better decision-making. In particular, there is an opportunity to enhance transparency around the use of restrictive practices – such as differentiating between environmental restraint and other forms of restrictive practices – and to explain the specific circumstances in which their use may be legally considered (e.g., to prevent harm to a resident or others, and after considering how it impacts the resident, trialling alternative strategies and seeking informed consent).

Staffing

Expand staffing metrics

Including metrics on workforce stability and care continuity would provide a more complete and transparent picture of staffing, and support more informed decision making. Examples include providing information relating to staff retention and turnover rates, the use of agency and permanent staff, and staff qualifications in specialised areas like dementia care or palliative care.

Raise care minute thresholds

Adjusting the staffing thresholds to remove tolerances for unmet care minute targets (effective from 1 October 2025) will ensure that Star Ratings more accurately reflect sector and consumer expectations.

5.0 Conclusion

Star Ratings is an important element of the Australian Government's response to the Aged Care Royal Commission, and a significant step forward in supporting older people and their representatives to make more informed decisions about their aged care. Star Ratings has increased transparency of information about residential aged care homes. Since the establishment of Star Ratings, there have been increases in Overall Star Ratings, particularly in the proportion of residential aged care homes receiving 4 or 5 stars, and there have been improvements across sub-category ratings. There have also been notable improvements in the quality and timeliness of data provided by residential aged care providers to support calculation of Star Ratings.

Despite this progress, there remains significant scope for enhancement, and it will take time for the initiative to mature and fully achieve its intended objectives. This evaluation has found a range of areas in which Star Ratings can continue to be refined and enhanced to ensure that it achieves its key objectives going forward. With nearly two years having passed since its establishment, the Australian Government has an important opportunity to implement measures to increase consumer awareness of, and confidence in, Star Ratings, and to ensure that Star Ratings are accessible and relevant to the breadth of consumers of residential aged care. This evaluation has also identified refinements that could be made to the administration and calculation of Star Ratings to ensure that the initiative is fit for purpose, trusted and impactful.



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