



# Care Minutes Performance Statement – guidance for providers

We are updating the way we fund and monitor care minutes in residential aged care. These changes aim to strengthen the link between funding and the actual delivery of care, ensuring greater accountability and improved outcomes for residents.

This guidance outlines what's changing, when the new audit requirements take effect and how you can prepare.

## Upcoming changes to care minutes requirements

On 1 October 2024, the Minister for Aged Care wrote to residential aged care providers identifying that performance against the care minute responsibility was below expectations. Analysis undertaken by the Department of Health, Disability and Ageing (the department) indicated that compliance with care minute requirements was lower than expected. In the open letter, the Minister noted they had requested the department identify ways to improve care time minutes compliance.

## What's changing?

Care funding will be linked to the delivery of care minutes for non-specialised residential aged care services in metropolitan areas (MM1). To make sure providers are meeting care minute targets and to ensure funding is used for its intended purpose, impacted services not meeting their targets will see their care funding reduce from April 2026. The amount will depend on the services' care minutes performance from the October – December quarter of 2025 onwards. This will not impact providers who offer specialised homeless services and services located in regional, rural, or remote areas (MM 2-7). Learn about [changes coming to care minutes funding](#).

To make sure providers are paid the right amount, all residential aged care providers will be required to complete a Care Minutes Performance Statement (Performance Statement) to submit as part of their Aged Care Financial Report (ACFR). This requirement will commence from the 2025-26 reporting year. The Performance Statement includes care time and associated expense reporting. All providers will be required to obtain an external audit opinion over their Performance Statement under [ASAE3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information](#).

Providers who misreport their care minutes may receive incorrect care minutes supplement payments throughout the year. If this happens, their care minutes supplement may be adjusted after submitting their audited Performance Statement.

## Who is affected?

All registered residential aged care providers must prepare a Performance Statement and have it audited, starting with the ACFR 2025-26.

Only non-specialised residential aged care providers in MM1 areas will have their care minutes supplement linked to care minutes delivery.

## Reporting requirements

### New Care Minutes Performance Statement

From the 2025-2026 financial year, all residential aged care providers will be required to prepare and submit a Performance Statement as part of their annual ACFR.

The Performance Statement captures detailed information on:

- direct care minutes delivered
- associated labour costs
- registered nurse (RN) coverage
- occupied bed days.

A draft [template](#) is available on the department's website.

You must prepare their Performance Statement so the information can be audited. The aim is to streamline the audit process to a single Performance Statement for each provider, rather than assuring all of the individual Quarterly Financial Reports and 24/7 RN reports submitted in the period.

The department will use the information provided in the Performance Statement to ensure the previous unaudited reports were correct, and that you've been paid the correct amount.

### Other reporting will continue

You must continue to report care time delivered and RN coverage through the [Quarterly Financial Report \(QFR\)](#). This helps tracking care time minute targets and ensure providers receive accurate funding. Quarterly insights are captured in the [care minutes dashboard](#).

You must also [report their RN coverage](#) every month to show they meet the [24/7 RN responsibility](#). Monthly insights are captured in the [RN coverage dashboard](#).

This reporting is submitted via the [Government Provider Management System \(GPMS\) portal](#). GPMS allows both manual data entry and bulk file upload to facilitate reporting.

## Audit requirements

Starting in the 2025-26 financial year, all residential aged care providers will be required to engage an external auditor to complete an audit of their Performance Statement.

The audit must be conducted by a registered company auditor, under the assurance standard ASAE 3000. The audit must be done to a reasonable assurance level.

This audit will be used by the department to make sure we have paid the correct care minutes supplement. The audit ensures that providers meet the government's expectations for providing care time to residents and increase transparency for how funding is spent.

## How to prepare for the audit

You are responsible for maintaining their records and ensuring that the care time data included in their Performance Statement is accurate.

You can follow these steps to maintain their records effectively:

- Implement reliable systems to capture data, including care minutes, RN coverage, and occupied bed days.
- Use digital tools and technology such as cloud-based solutions or care management software where possible to reduce the risk of incorrect data.
- Test processes and systems for data accuracy and completeness.
- Store care time data in centralised databases with appropriate levels of access.
- Review the template and organise your data so that it is easy to prepare the report.
- Provide training to staff about these requirements.

## Engaging with the audit process

Effective engagement with the audit process starts with clear and transparent communication, good coordination and understanding the purpose of the audit. These factors will assist you to engage effectively with your auditor.

### 1. Early engagement with an auditor

Early engagement of an auditor will help you better understand what they need to complete their work within the required timeframe.

### 2. Appoint a key contact

Assigning a staff member to coordinate with the auditor will make the process easier.

This person should understand the care minutes data and be able to respond to the auditor's questions.

### **3. Prepare relevant information**

The auditor will be reviewing the information and data included in the Performance Statement. To complete this process, the auditor may need access to the following supporting information:

- Australian Health Practitioner Regulation Agency (AHPRA) identification
- position descriptions and duty statements
- staff rosters
- payroll records
- calculations and working papers used to prepare reporting submissions
- records of your processes and controls to ensure accurate reporting
- ACFR
- QFR
- GPMS account details
- 24/7 RN reporting documents.

### **4. Addressing audit queries**

If you encounter issues with data limitations or other aspects of the audit, discuss them with your auditor. You should help the auditor understand the context of your care minutes information and walk them through relevant procedures.

## **Completing the audit process**

At the completion of the process, the auditor will issue an audit report to both you and the department as part of their annual ACFR. The audit will provide assurance to the department on the completeness and accuracy of your care time reporting and provide an opinion as to whether you have met the care minute requirements for the relevant period.