



# Quarterly Financial Snapshot

## Aged Care Sector

Quarter 3 2024-25  
January to March 2025

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# Introduction

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**The Australian Government is committed to transparency in aged care. The publication of financial information gives valuable insights to the sector and community.**

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The Department of Health, Disability, and Ageing (the department) publishes a Quarterly Financial Snapshot (QFS) on the Australian aged care sector. The QFS:

- provides transparency about providers' finances and operations and helps older people and their families make informed decisions about their care
- provides information for aged care service providers to compare and benchmark their performance with sector-level results
- supports the monitoring of critical financial metrics across the aged care system
- complements other publications such as:
  - the annual Financial Report on the Australian Aged Care Sector (FRAACS)
  - registered nurse coverage in aged care dashboard
  - care minutes in residential aged care dashboard
  - the quarterly reporting of service-level financial and operations information on My Aged Care through the 'Find a Provider' tool.

This QFS covers the period 1 January to 31 March 2025 (quarter 3 of 2024-25). It has three sections:



Summary



Residential care



Home care

The Appendix contains tips on how to read the QFS, including provider type definitions, information about the data sources, and methodologies used.

An Excel data extract containing all headline figures from QFS reports published to date is available on the [department's website](#). It includes a breakdown of results by provider types. This data extract is updated quarterly.

**The department would like to thank all aged care providers who completed the Quarterly Financial Report (QFR) and helped develop the QFS.**

## Aged care reform priorities

The Australian Government is continuing to develop programs and initiatives that underpin high quality and safe aged care in Australia. These reforms strengthen choice and transparency for older people, their families and carers. They also improve the sustainability of the aged care sector.

The quarter 3 2024-25 results show an improvement in the financial performance of the residential care sector on the quarter 3 2023-24 position. The net profit before tax (NPBT) and earnings before interest, tax, depreciation, and amortisation (EBITDA) results both improved and more providers reported a positive NPBT when compared to quarter 3 2023-24.

In the home care sector, financial results were broadly consistent with results from quarter 3 2023-24, with NPBT and EBITDA results improving slightly. The proportion of profitable providers did fall, however, from quarter 3 2023-24.



### **Data reference: Timeframe for data presented in this report**

The financial and operational results presented in this report are the year-to-date (YTD) results for the nine months to 31 March 2025. Additionally, comparisons have been provided to the YTD results for the nine months to 31 March 2024. For readability however, throughout the report, results are presented as being for 'quarter 3 2024-25' and 'quarter 3 2023-24', respectively.

### **Reform impacts on quarter 3 (Jan – Mar 2025) results**

The quarter 3 2024-25 results show the impact on aged care providers when compared to quarter 3 2023-24 from the following reforms and initiatives:

- additional investment to fund the Fair Work Commission's (FWC) further decisions in the Aged Care Work Value Case:
  - \$3.8 billion from 1 January 2025 for the Stage 3 decision, which increases the award wages for approximately 340,000 aged care workers
  - \$2.6 billion from 1 March 2025 for the aged care nurses decision, increasing the award wages for approximately 60,000 enrolled and registered nurses employed in aged care.
- consecutive increases in the AN-ACC price, from \$253.82 to \$280.01 from 1 October 2024, and to \$282.44 from 1 March 2025. Similarly, consecutive increases to the hotelling supplement from \$11.24 to \$12.55 from 20 September 2024, to \$13.46 from 20 March 2025, and to \$15.60 from 1 July 2025. These uplifts support residential aged care providers to meet increased costs.
- the [24/7 registered nurse \(RN\) supplement](#) was increased by 2.8% on 1 March 2025 and assists providers to meet the Fair Work Commission's Stage 3 decision.

- an increase in the mandatory care minutes responsibility requiring providers to deliver an average of 215 care minutes per resident per day, from 1 October 2024. This includes 44 minutes of registered nurse care, of which up to 10.0% of the registered care target can be delivered by enrolled nurses.
- an increase to the maximum room price a provider can charge without approval from the Independent Health and Aged Care Pricing Authority (IHACPA) from \$550,000 to \$750,000 on 1 January 2025 and indexing on 1 July yearly.
- the Home Care Package (HCP) subsidy increased by 0.93% on 1 January 2025 and 0.10% on 1 March 2025 to assist providers to meet the FWC's Stage 3 decision.
- the release of an additional 7,615 HCPs from 1 December 2024, which will be released up until 30 June 2025.

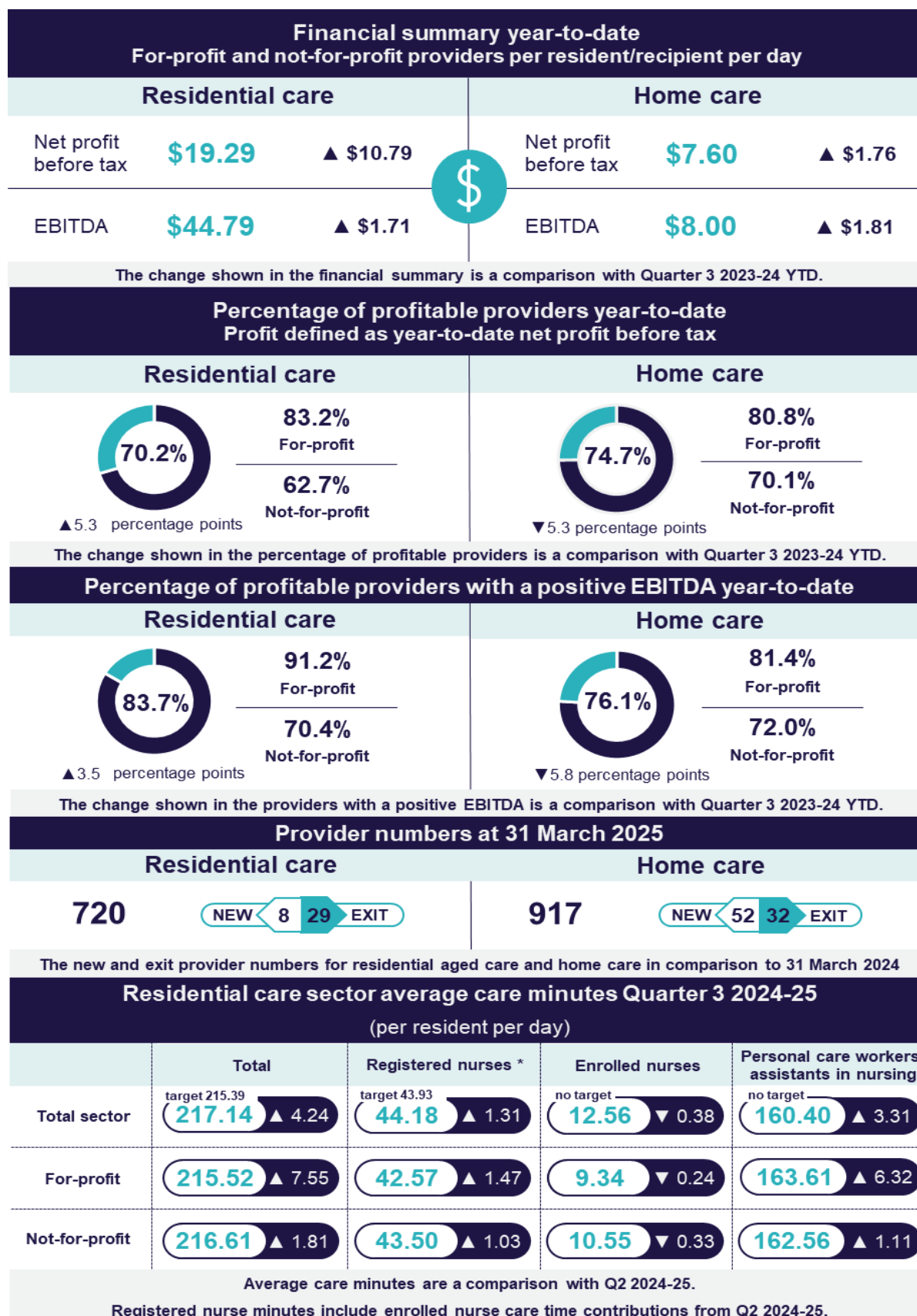
### **Future reform impacts**

In future QFS reports the department expects to see further operational and financial impacts on the sector. These will follow the introduction of the following initiatives:

- provider preparations for the commencement of the *Aged Care Act 2024*, regulatory model, and Support at Home program. These will mark changes to provider operations, including to provider registration and renewal processes, the strengthened Aged Care Quality Standards, and worker screening for aged care.
- the implementation, from April 2026, of the new care minutes supplement, which will see non-specialised residential aged care services in MM1 areas receive their full care minutes funding only if they meet their care minutes targets in quarter 2 2025-26 (October to December 2025). This change is not intended to reduce funding. Instead, it is intended to incentivise providers to meet their care minutes targets, ensuring better care for residents.
- measures announced in the Government response to the Aged Care Taskforce. These structural reforms will allow the sector to sustainably provide quality care for older people into the future.
  - requiring providers to permanently retain 2.0% per annum of Refundable Accommodation Deposits and Refundable Accommodation Contributions (capped at five years of retentions) from 1 November 2025, and
  - requiring providers to index Daily Accommodation Payments twice per year by the consumer price index for residents that enter care on or after 1 November 2025.
- \$600 million to help ensure the availability of Support at Home aged care services in rural and remote Australia, and for people with diverse backgrounds and life experiences.

More information on aged care reform is available on the [department's website](#).

# Summary of findings





## Residential care

**The quarter 3 2024-25 financial position of the residential aged care sector improved when compared to quarter 3 2023-24.**

### Results:

- EBITDA increased by \$1.71 per resident per day, totalling \$44.79.
  - 83.7% of providers reported a positive EBITDA position, up 3.5 percentage points.
  - The median EBITDA margin was 8.2%, down 0.9 percentage points.<sup>1</sup> This means an EBITDA return of \$8.20 for every \$100 of revenue earned.
- NPBT performance increased by \$10.79 per resident per day, totalling \$19.29.
  - The total NPBT for the sector was a profit of \$1,025.5 million.
  - 70.2% of providers reported a positive NPBT position, up 5.3 percentage points.
- Average occupancy rate increased to 90.2%, up 2.5 percentage points.

### Key points:

- 1. The financial performance of the sector is strengthening, with a NPBT in excess of \$1.0 billion for quarter 3 2024-25, and more than 70.0% of providers reporting a positive NPBT position.**

The residential aged care sector recorded a significant improvement in financial performance in quarter 3 2024-25, when compared to quarter 3 2023-24.

The sector NPBT improved by \$584.7 million (132.6%), with a NPBT of \$1,025.5 million in quarter 3 2024-25, compared to \$440.8 million 12 months prior. The increase was driven by growth in sector revenue of 10.6% (the difference in revenue for the first nine months of 2024-25 compared to the first nine months of 2023-24) exceeding the growth in sector expenses of 8.0% over the same period.

Strong sector revenue growth is driven in large part by significant increases in AN-ACC funding, with growth in sector expenses largely attributed to:

- increased sector median wages for direct care staff; and

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<sup>1</sup> The EBITDA margin for a provider is calculated by dividing its EBITDA result by its revenue result. The lower median EBITDA margin for the residential care sector indicates that, on balance, more providers had a proportionally higher growth in revenue than EBITDA. This resulted in more providers recording a lower EBITDA margin and resulted in the lower median figure.

- increased direct care staff time, with providers increasing their compliance with their care minute and 24/7 registered nursing requirements and increasing acuity of resident needs.

The department anticipates seeing continued strong growth in expenses, as a result of increased direct care staff time to meet care minutes targets, in the lead up to [care minute funding changes](#) that will link care funding to the delivery of care minutes for providers of non-specialised services in metropolitan areas. Reporting in the FRAACS 2023-24 shows care is fully funded, with providers using care funding to cover losses in hotelling and accommodation results.

## **2. Total care minutes delivered increased significantly between quarter 2 and 3 2024-25. Compliance still remains short of targets for many services.**

From 1 October 2024, the mandatory care minutes targets increased to a sector-wide average of 215 total care minutes per resident per day, including 44 registered nurse minutes. From this time, providers have also been able to meet up to 10.0% of their registered nurse care minutes targets with care time delivered by enrolled nurses.

In quarter 3 2024-25, providers delivered an average of 217.14 care minutes per resident per day (up 4.24 minutes from quarter 2 2024-25) and exceeding the target for the quarter (215.39 minutes) by 1.75 minutes. This included 47.22 minutes delivered by a registered nurse (including the enrolled nurse contribution) (up 1.34 minutes from quarter 2 2024-25). Increased compliance with care minutes targets has resulted in 49.0% of services now meeting both their service-level total care and registered nurse care minute targets (with enrolled nurse contribution), up 11.6 percentage points compared to quarter 2 2024-25.

Further trends in compliance with care minutes responsibilities can be found in the [Residential aged care](#) section of this QFS report.



## Home care

The quarter 3 2024-25 results show a slight improvement in the home care sector's financial position (NPBT and EBITDA results) from quarter 3 2023-24. However, fewer providers reported positive positions.

### Results:

- EBITDA increased by \$1.81 per care recipient per day, totalling \$8.00.
  - 76.1% of providers reported a positive EBITDA position, down 5.8 percentage points.
  - The median EBITDA margin was 6.7%, down 2.2 percentage points. This means an EBITDA return of \$6.70 for every \$100 of revenue earned.
- NPBT performance improved by \$1.76 per care recipient per day, totalling \$7.60.
  - The total NPBT for the sector was a profit of \$558.1 million.
  - 74.7% of providers reported a positive NPBT position, down 5.3 percentage points.

### Key point:

1. **There was a small improvement in the financial performance of the home care sector as increases in claim days and Home Care Package utilisation offset increases in expenses across the home care sector.**

In quarter 3 2024-25, the total NPBT for the sector was a profit of \$558.1 million, an increase of \$153.8 million (38.0%) from the quarter 3 2023-24 result of \$404.3 million. The NPBT margin increased from 8.1% in quarter 3 2023-24 to 9.2% in quarter 3 2024-25.

The increase in revenue is primarily attributed to a 5.3% increase in claim days and increased utilisation of HCPs from 83.4% in quarter 3 2023-24 to 85.5% in quarter 3 2024-25. The change in expenses was predominantly driven by an increase in labour costs, due to the associated increase in labour hours. These changes can be seen in the increase to total median staff costs (up 8.1% from quarter 3 2023-24).

# Residential aged care

## Financial performance

### Financial summary

The financial performance of the residential aged care sector improved in quarter 3 2024-25, when compared to quarter 3 2023-24.

- EBITDA increased by \$1.71 per resident per day, totalling \$44.79 (Table 1).
- sector NPBT was \$1,025.5 million, up \$584.7 million from quarter 3 2023-24. This equates to an increase of \$10.79 per resident per day, totalling \$19.29 per resident per day in quarter 3 2024-25.
- revenue grew by \$32.40 per resident per day (up 7.8%).
- expenses grew by \$21.62 per resident per day (up 5.3%).

The **change in revenue** from quarter 3 2023-24 was driven by:

- a \$0.5 billion increase in AN-ACC funding, from \$5.1 billion in quarter 3 2023-24 to \$5.5 billion in quarter 3 2024-25 (or \$24.60 per resident per day)
- an increase of \$0.91 per resident per day from quarter 3 2023-24 for the hotelling supplement to \$13.46 per resident per day in quarter 3 2024-25.

The **change in expenses** from quarter 3 2023-24 was driven by higher labour costs, specifically, increased wage costs and employee benefits.

**Table 1: quarter 3 2024-25 and comparison with quarter 3 2023-24, summary of financial performance of residential for-profit and not-for-profit aged care providers**

	Total	Per resident per day	Change from Q3 2023-24 per resident per day
Revenue	\$23,799.4m	\$447.61	▲ \$32.40
Operating expenses	\$21,417.8m	\$402.82	▲ \$30.69
EBITDA	\$2,381.6m	\$44.79	▲ \$1.71
Average EBITDA margin	10.0%	10.0%	▼ 0.4 percentage points
Non-operating expenses	\$1,356.1m	\$25.50	▼ \$9.07
Net profit before tax	\$1,025.5m	\$19.29	▲ \$10.79
Average NPBT margin	4.3%	4.3%	▲ 2.2 percentage points

Note: The average EBITDA margin differs from the *median* margin presented in the '[EBITDA margin](#)' section below. The average EBITDA margin (which indicates the EBITDA return on revenue) is calculated by dividing the sector EBITDA result by the sector total revenue.

### **Insights: Impact of bed license write-off expenses on NPBT**

As reported in recent QFS reports, NPBT results for the residential care sector have been impacted by providers writing off bed licenses, in line with the Government's decision to assign residential aged care places directly to people from 1 November 2025, with the commencement of the new Aged Care Act.

#### ***Bed license write offs in 2024-25***

The quarter 3 2024-25 results show providers have \$44.7 million left to amortise in the last quarter of 2024-25. This has dropped from \$489.1 million at quarter 3 2023-24, meaning \$444.4 million had been amortised over the past 12 months. Of the \$44.7 million remaining in 2024-25, for-profit providers have \$40.9 million remaining, and not-for-profit providers have \$3.8 million remaining.

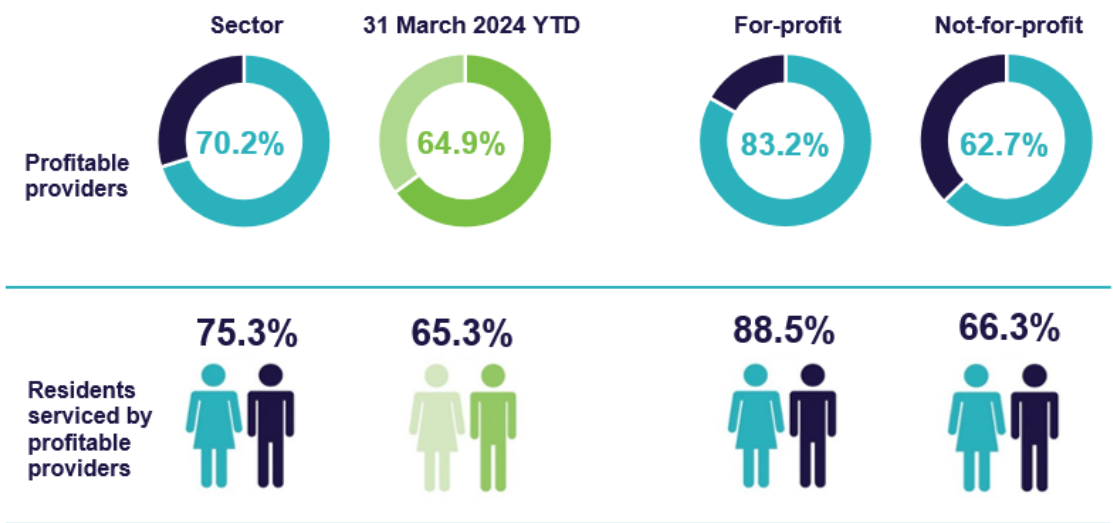
The department expects these adjustments will have only a small impact on the financial results for the remainder of 2024-25. The impacts are to providers' balance sheets (decreasing net assets). There will be no impact to recurrent income and expenses.

Profitable providers

At quarter 3 2024-25:

- 70.2% of providers were profitable (defined by NPBT) (up 5.3 percentage points from quarter 3 2023-24) (Figure 1).
- profitable providers serviced 75.3% of residential care recipients (up 10.0 percentage points from quarter 3 2023-24).

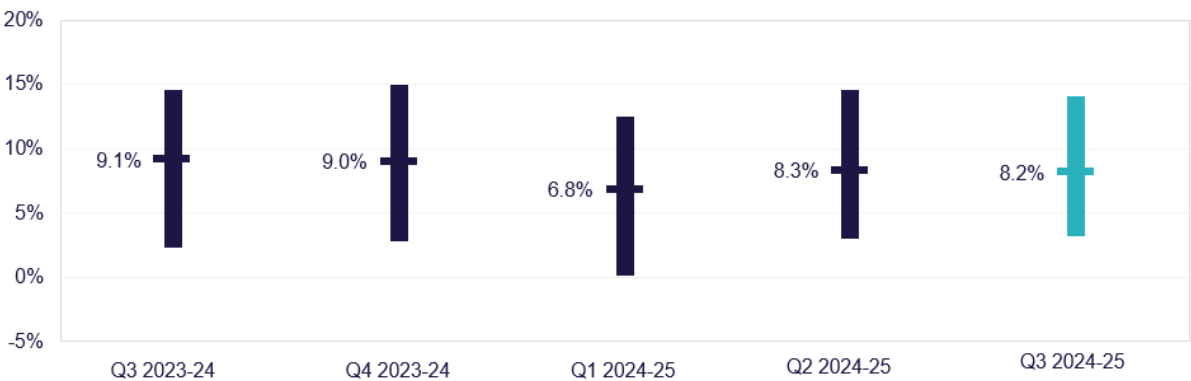
Figure 1: Percentage of profitable providers and percentage of residents serviced by profitable providers at quarter 3 2024-25, and comparison with quarter 3 2023-24



EBITDA margin

In quarter 3 2024-25, the median EBITDA margin for the sector was 8.2% (Chart 1), which means an EBITDA return of \$8.20 for every \$100 of revenue earned.

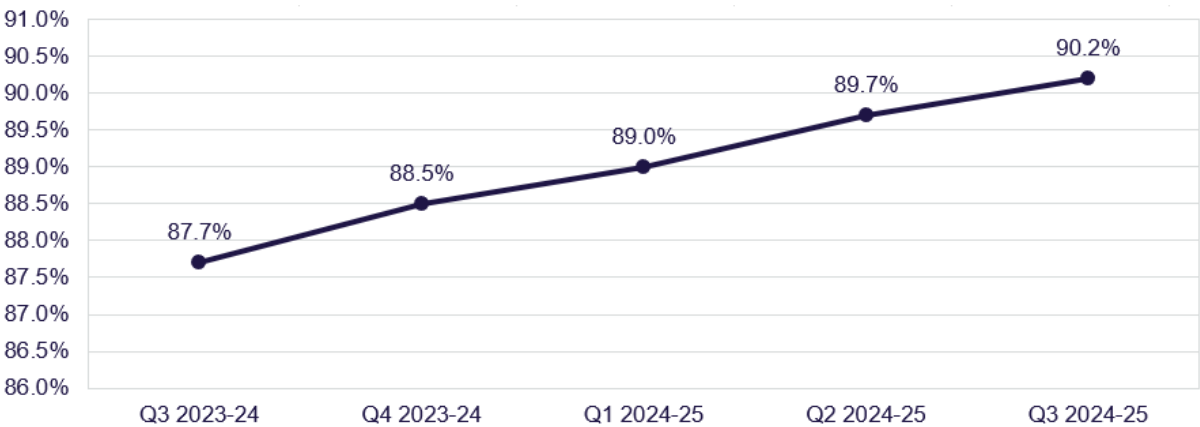
Chart 1: Median and quartile EBITDA margin (quarter 3 2023-24 to quarter 3 2024-25)



## Occupancy

In quarter 3 2024-25, the average occupancy rate was 90.2% (up 2.5 percentage points from quarter 3 2023-24) (Chart 2).

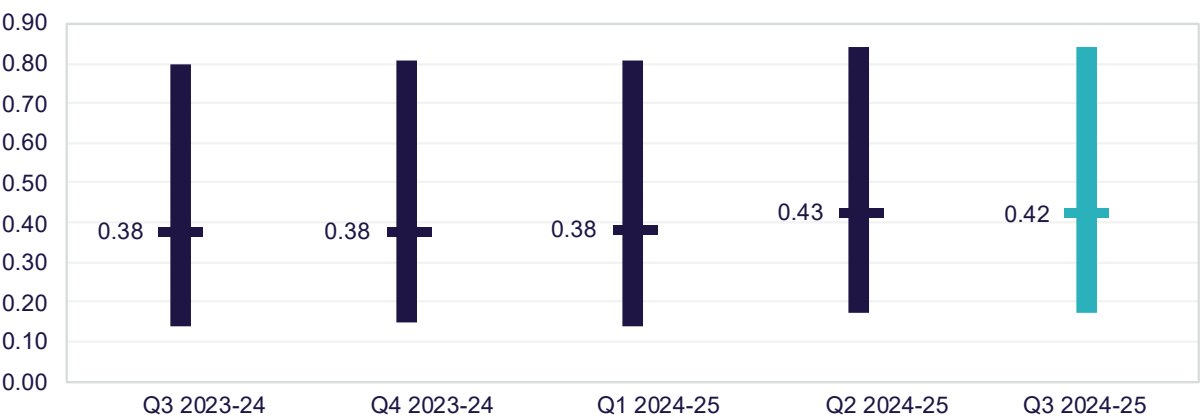
Chart 2: Average occupancy rate (quarter 3 2023-24 to quarter 3 2024-25)



## Liquidity

In quarter 3 2024-25, the median liquidity ratio for the sector was 0.42 (up 0.04 from quarter 3 2023-24) (Chart 3), meaning providers had around two-fifths of cash and financial assets available compared to their debt obligations.

Chart 3: Median and quartile liquidity ratio (quarter 3 2023-24 to quarter 3 2024-25)



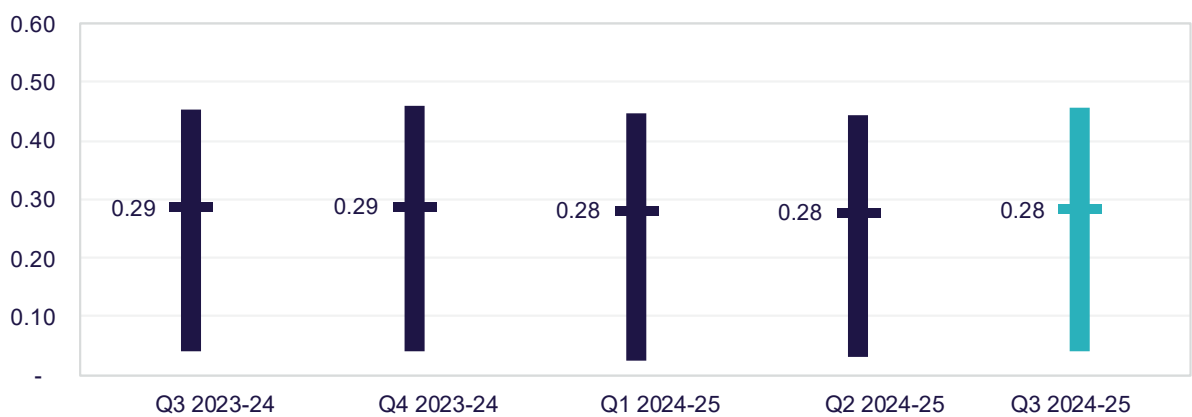
Liquidity ratio = (cash and cash equivalents + financial assets) ÷ (total liabilities - lease liabilities).

Calculations do not include undrawn credit facilities as liquid assets. Total liabilities do not include RADs that residents have agreed to pay but have not yet been received by the provider.

## Capital adequacy

In quarter 3 2024-25, the median capital adequacy ratio for the sector was 0.28 (down 0.01 from quarter 3 2023-24) (Chart 4), meaning for every \$100 of assets owned, \$28 was funded through equity and \$72 through debt or other liabilities.

Chart 4: Median and quartile capital adequacy ratio (quarter 3 2023-24 to quarter 3 2024-25)

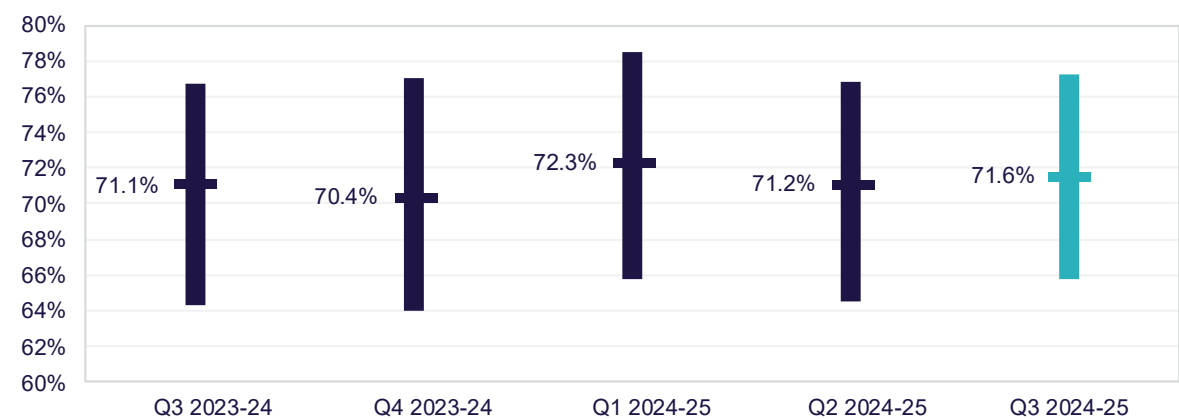


Capital adequacy ratio = (net assets - intangible assets) ÷ (total assets - intangible assets).  
Intangible assets are removed as they are not considered to have value in the event of insolvency. This provides a more realistic reflection of the available capital to absorb unforeseen circumstances.

## Wages to revenue

In quarter 3 2024-25, wages as a proportion of revenue for the sector was a median of 71.6% (up 0.5 percentage points from quarter 3 2023-24) (Chart 5). Wages are inclusive of all residential aged care employees.

Chart 5: Median and quartile wages to revenue percentage (quarter 3 2023-24 to quarter 3 2024-25)





## Average care minutes

In quarter 3 2024-25, the sector targets were 215.39 minutes per resident per day for total care minutes, and 43.93 per resident per day for registered nurse care minutes.

- The sector delivered above the care minute targets with residents receiving an average of 217.14 total care minutes per day (up 4.24 minutes, or 2.0% from quarter 2 2024-25).
  - This includes 47.22 minutes delivered by a registered nurse (up 1.34 minutes, or 2.9% from quarter 2 2024-25). This includes enrolled nurse time, which can contribute up to 10.0% of the registered nurse care minutes target from quarter 2 2024-25).
- 56.7% of services met their service-level total care minutes targets up 10.3 percentage points when compared to quarter 2 2024-25.
- 74.7% of services met their service-level registered nurse targets (with enrolled nurse contribution), up 10.0 percentage points compared to quarter 2 2024-25.
- 49.0% of services met both their service-level total care and registered nurse care minute targets (with enrolled nurse contribution), up 11.6 percentage points compared to quarter 2 2024-25.

**Table 2: Quarter 3 2024-25 and comparison with quarter 2 2024-25, average care minutes per resident per day (sector and by provider type)**

	Sector	Change in average sector care minutes from Q2 2024-25	For-profit	Not-for-profit	Local, state, or territory government
Registered nurse	44.18	▲ 1.31	42.57	43.50	75.71
Enrolled nurses	12.56	▼ 0.38	9.34	10.55	88.01
Personal care workers / assistants in nursing	160.40	▲ 3.31	163.61	162.56	82.33
Total	217.14	▲ 4.24	215.52	216.61	246.05

Total sector care minutes does not equal the sum of care minutes by role due to rounding. Average care minutes per resident per day is calculated using occupied bed days rather than claim days.

Average care minutes = Total care minutes / Occupied bed days.

## 💡 Insights: Trends in compliance with care minutes responsibilities

The quarter 3 2024-25 results highlight trends in relation to care minutes compliance across the sector, at the sector level and by location.

### 1. Increasing care minutes compliance from providers in MM1 areas.

Sector results for quarter 3 2024-25 show that 49.0% of services met both their service-level total care minutes and registered nurse care minute targets.

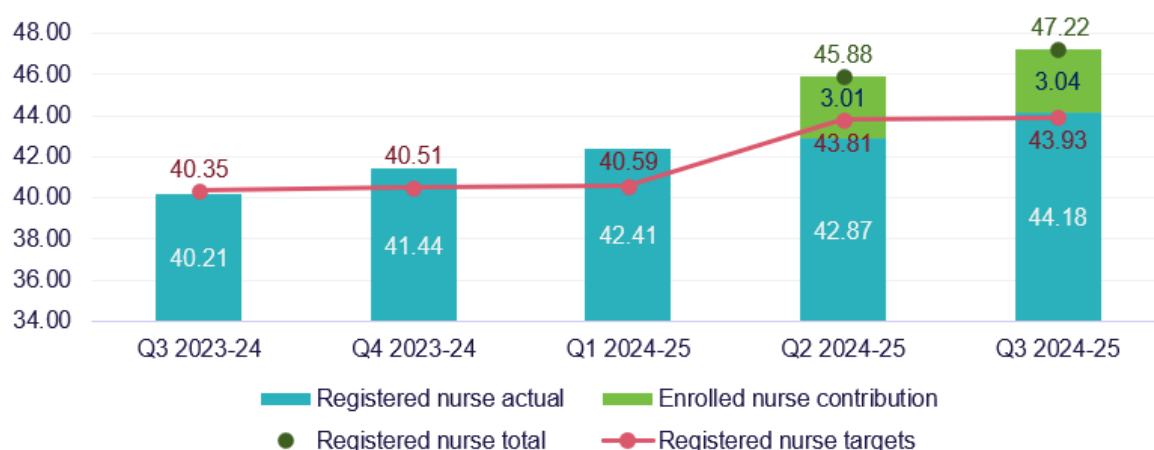
The largest improvement in performance has been in metropolitan (MM1) services, which improved from 33.8% of services meeting both targets in quarter 2 2024-25, to 48.6% in quarter 3 2024-25 (up 14.8 percentage points). In comparison, 49.6% of regional providers (MM2 – MM7) met both targets in quarter 3 2024-25 (up from 44.3% in quarter 2 2024-25). The increase in compliance in MM1 homes occurred following the announcement in December 2024 that care minutes delivered from October 2025 will be linked to funding.

### 2. Increasing registered nurse minutes compliance (sector level).

From 1 October 2024 (quarter 2 2024-25), the sector-wide average target for registered nurse care minutes increased from 40 to 44 minutes. From this time, providers have also been able to meet up to 10.0% of their registered nurse care minutes target with care time delivered by enrolled nurses. This adjustment to the care minutes policy was informed by feedback from the sector and recognises the important role of enrolled nurses in delivering aged care and improves recruitment and retention of these skilled workers. It also helps providers to meet their care minutes if they are facing registered nurse workforce shortages.

The chart below highlights the positive impact of this policy change on compliance with registered nurse care minutes requirements.

**Chart 6: Registered nurse minutes delivered (quarter 3 2023-24 to quarter 3 2024-25)**



## Staff cost and time

### Total median staff cost and time

The total median staff costs and time increased from quarter 3 2023-24 to quarter 3 2024-25. Costs increased to \$242.85 per resident per day (up \$21.19 or 9.6% from quarter 3 2023-24) and total time increased to 234.70 minutes per resident per day (up 8.64 minutes or 3.8% from quarter 3 2023-24) (Table 3).

Personal care workers and assistants in nursing saw the largest proportionate change over the past 12 months with the increase in cost of \$16.12 representing a 12.0% increase, and the increase of 9.10 minutes representing a 6.0% increase.

**Table 3: Quarter 3 2024-25 and comparison with quarter 3 2023-24, median staff cost and time per resident per day <sup>1</sup>**

	Cost per resident per day	Change in cost from Q3 2023-24	Minutes per resident per day	Change in minutes from Q3 2023-24
Registered nurses	\$61.76	▲ \$5.97	43.43	▲ 2.69
Enrolled nurses	\$10.72	▼ \$0.75	10.65	▼ 0.27
Personal care workers / assistants in nursing	\$145.87	▲ \$16.12	160.85	▲ 9.10
Allied health	\$5.47	▲ \$0.26	3.96	▼ 0.09
Diversional / lifestyle / recreation / activities officer	\$6.26	▲ \$0.60	7.73	▲ 0.20
Care management staff	\$6.10	▲ \$0.14	3.67	▲ 0.06
Total median <sup>2</sup>	\$242.85	▲ \$21.19	234.70	▲ 8.64

Notes:

1. Direct labour costs include all on-costs for engaging staff (such as superannuation, leave, allowances), whereas the hourly rates presented below in this QFS report are the base gross hourly rates of pay and do not include on-costs.
2. Total median staff cost and time is derived from the QFR data and is not the sum of sub-categories listed above the totals. Local, state or territory government providers are included in this data.

## Agency median staff cost and time

Agency staff costs represented 7.5% of the total direct care labour cost in quarter 3 2024-25 (Table 4), a decrease from quarter 3 2023-24 of 2.2 percentage points. Agency staff hours represented 5.6% of the total direct care labour hours to the sector in quarter 3 2024-25, a decrease from quarter 3 2023-24 of 1.2 percentage points. Agency staff costs and hours decreased for all staff roles.

**Table 4: Quarter 3 2024-25 and comparison with quarter 3 2023-24, agency staff costs and hours as a percentage of direct care costs and hours**

	Agency staff costs as % of total	Change in cost from Q3 2023-24	Agency staff hours as % of total	Change in hours from Q3 2023-24
Total direct care	7.5%	▼ 2.2 percentage points	5.6%	▼ 1.2 percentage points
Registered nurses	9.7%	▼ 4.6 percentage points	7.1%	▼ 2.8 percentage points
Enrolled nurses	5.5%	▼ 2.8 percentage points	4.2%	▼ 1.5 percentage points
Personal care workers / assistants in nursing	4.8%	▼ 1.3 percentage points	4.0%	▼ 0.7 percentage points

### Insights: Changes in agency usage over time

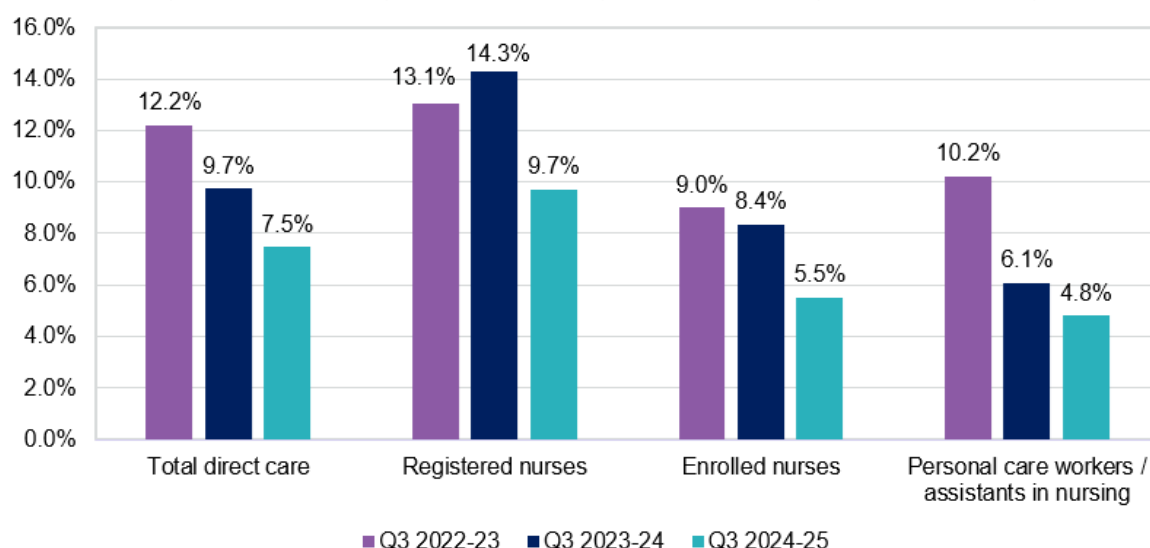
Following the COVID-19 outbreak, workforce pressures across the residential care sector saw the need for agency staff in residential aged care facilities grow. This demand continued in the lead up to the introduction of care minutes requirements.

More recently, there has been a reduction in the proportion of agency staff costs to total direct care labour costs, across all worker types (registered nurses, enrolled nurses, personal care workers and assistants in nursing) (Chart 7).

This change has occurred whilst care minute targets, and sector compliance with these targets, have increased. This indicates that at a sector-level, providers are increasingly recruiting and retaining directly employed staff. Of note, the use of agency staff for registered nurses, enrolled nurses, and personal care workers and assistants in nursing is significantly lower than levels seen prior to the introduction of the care minutes responsibility (1 October 2023).

While the use of agency personnel remains more prevalent in regional areas (MM2 – 7), a downward trend has been observed. In quarter 3 2024-25, agency staff represented 11.0% of total direct care labour costs in regional areas, down from 14.9% in quarter 3 2023-24. This is in comparison to metropolitan areas (MM1) where agency staff accounted for 6.6% of total direct care labour costs in quarter 3 2024-25, down from 8.2% in quarter 3 2023-24.

**Chart 7: Agency staff costs as a proportion of the total direct care labour cost (quarter 3 2022-23, quarter 3 2023-24 and quarter 3 2024-25)**



## Allied health median staff cost and time

In quarter 3 2024-25, 98.7% of providers delivered allied health care (consistent with quarter 3 2023-24). As shown in Table 3, the median total cost and time for allied health services per resident per day were \$5.47 and 3.96 minutes, respectively, in quarter 3 2024-25.

The highest median allied health cost and time per resident per day was for physiotherapists. The median cost was \$3.46 per resident per day (up \$0.20 or 6.1% from quarter 3 2023-24) (Table 5). The median cost per resident per day equates to a median spend on physiotherapy of \$311.40 per resident per quarter (up \$14.74 from quarter 3 2023-24). The median minutes delivered by physiotherapists was 2.63 minutes per resident per day (remained consistent with quarter 3 2023-24). The median minutes per resident per day equates to 236.39 minutes per resident per quarter (down 2.94 minutes from quarter 3 2023-24).

**Table 5: Quarter 3 2024-25 and comparison with quarter 3 2023-24, median allied health cost and time per resident per day**

	Cost per resident per day	Change in cost from Q3 2023-24	Allied health minutes of care per resident per day	Change in minutes from Q3 2023-24
Physiotherapist	\$3.46	▲ \$0.20	2.63	– 0.00
Podiatrist	\$0.34	▲ \$0.02	0.21	▼ 0.01
Dietetic Care	\$0.28	▲ \$0.05	0.15	▲ 0.02
Speech pathologist	\$0.18	▲ \$0.06	0.07	▲ 0.01

Note: Results for occupational therapists, allied health assistants, and other allied health have not been included as over half of QFR respondents did not report expenditure for these categories. Local, state or territory government providers are included in this data.



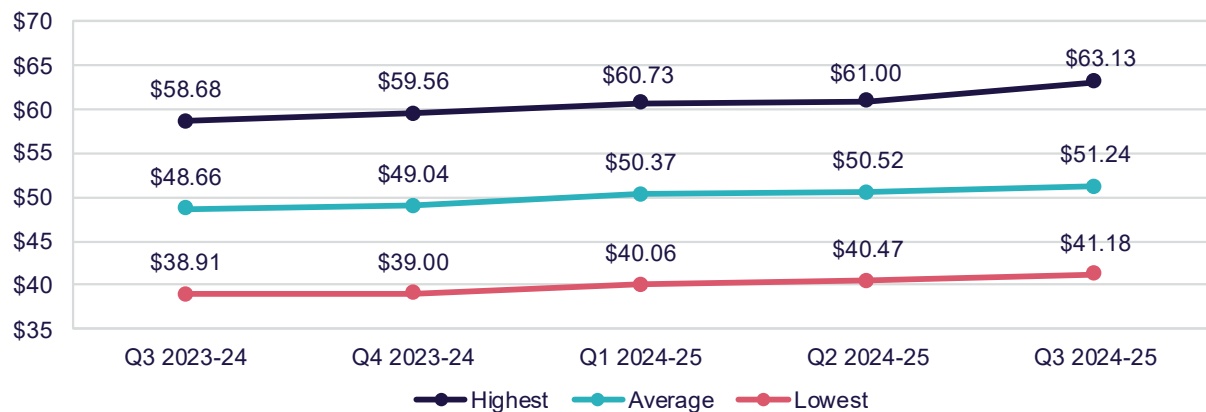
## Hourly rates

In quarter 3 2024-25, median sector hourly rates increased for all direct care staff compared to quarter 3 2023-24. The sector median of the average hourly rate was:

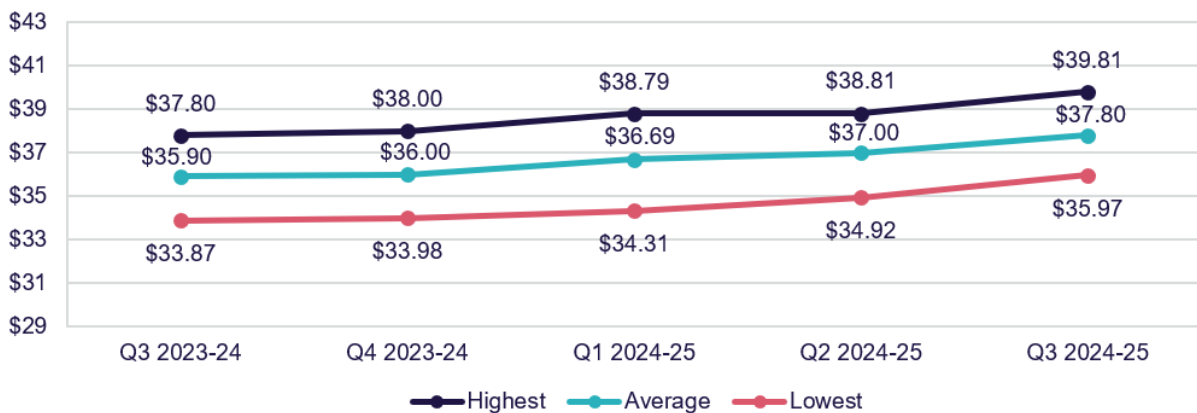
- \$51.24 for registered nurses (up \$2.58 or 5.3% from quarter 3 2023-24) (Chart 8)
- \$37.80 for enrolled nurses (up \$1.90 or 5.3% from quarter 3 2023-24) (Chart 9)
- \$32.86 for personal care workers and assistants in nursing (up \$1.86 or 6.0% from quarter 3 2023-24) (Chart 10).

These average hourly rates are for staff employed per the employee award, enterprise agreement or contract. It does not include on-costs, penalty rates or casual rates. Nil-value responses are excluded.

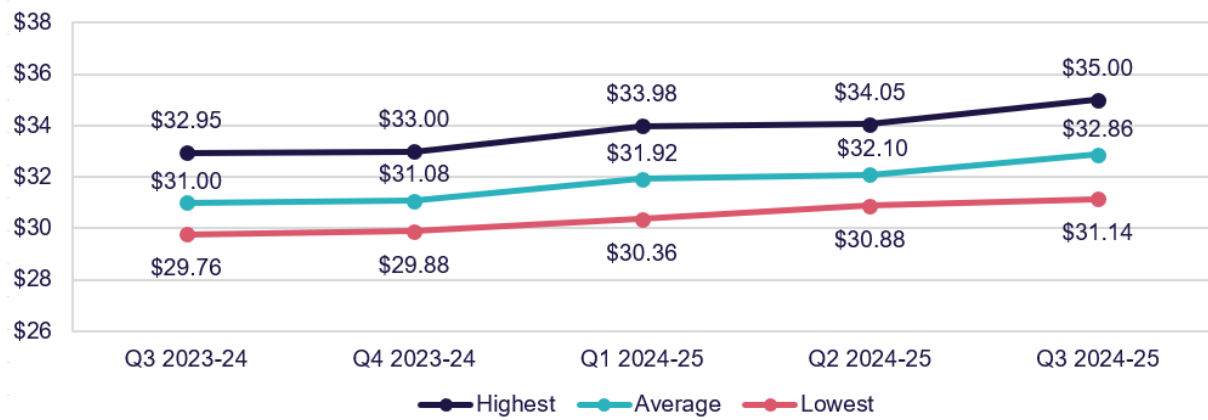
**Chart 8: Lowest, average, and highest hourly rates (medians) paid to registered nurses (quarter 3 2023-24 to quarter 3 2024-25)**



**Chart 9: Lowest, average, and highest hourly rates (medians) paid to enrolled nurses (quarter 3 2023-24 to quarter 3 2024-25)**



**Chart 10: Lowest, average, and highest hourly rates (medians) paid to personal care workers and assistants in nursing (quarter 3 2023-24 to quarter 3 2024-25)**



## Food and nutrition

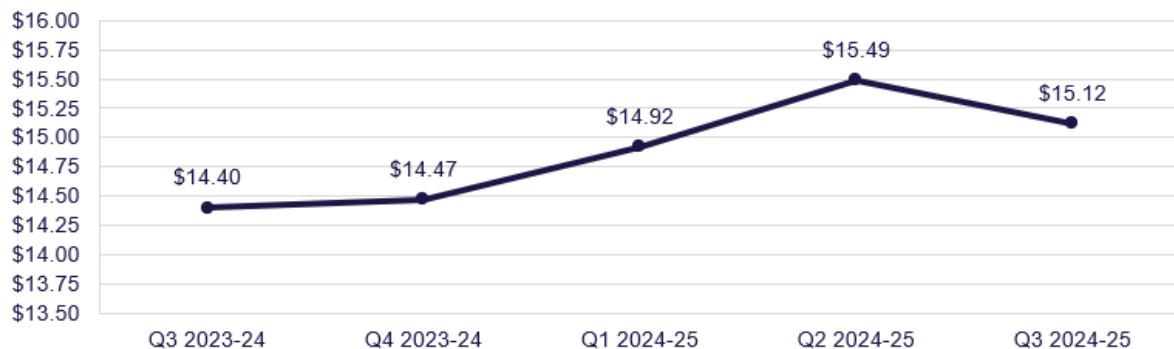
In quarter 3 2024-25, at a sector level:

- the median total cost of food and ingredients was \$15.12 per resident per day (up \$0.72 or 5.0% from quarter 3 2023-24) (Chart 11).
- the median proportion of the total cost of food and ingredients spent on fresh food and ingredients (foods free of GST as per itemised purchase receipts) was 83.3% (up 0.3 percentage points from quarter 3 2023-24) (Chart 12).

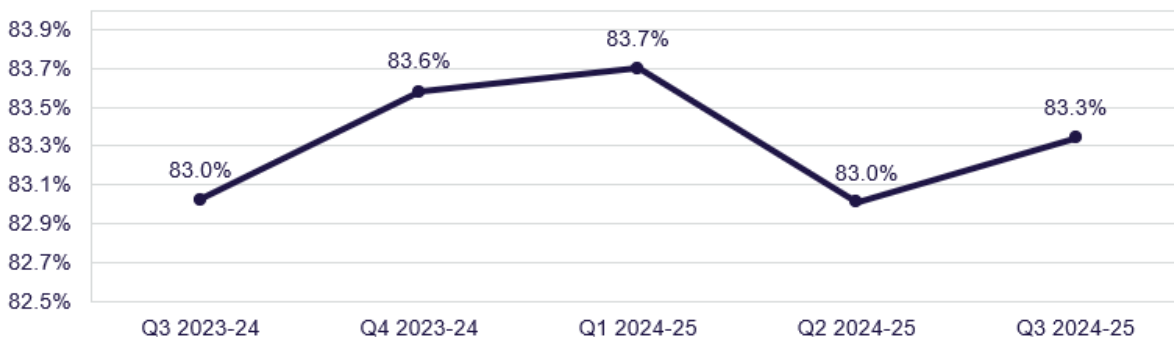
The decrease of \$0.37 (or 2.4%) between quarter 2 2024-25 (\$15.49) and quarter 3 2024-25 (\$15.12), follows a 1.2% decrease between quarter 2 and quarter 3 in 2023-24.

The amount spent on food and ingredients per resident per day is only one indicator of food quality. It should not be taken in isolation, as it does not consider factors such as residents' satisfaction, cooking preparation method and overall nutritional status.

**Chart 11: Median food and ingredients cost per resident per day (quarter 3 2023-24 to quarter 3 2024-25)**



**Chart 12: Median proportion of the total cost of food and ingredients spent on fresh food and ingredients (quarter 3 2023-24 to quarter 3 2024-25)**



# Home care

## Financial performance

### Financial summary

The financial performance of the home care sector in quarter 3 2024-25 improved slightly compared with the performance reported in quarter 3 2023-24 (Table 6).

- EBITDA increased by \$1.81 per care recipient per day, totalling \$8.00.
- NPBT for the sector was \$558.1 million, an increase of \$153.8 million from quarter 3 2023-24. This equates to an improvement of \$1.76 per care recipient per day, totalling \$7.60.
- revenue grew by \$10.15 per care recipient per day (up 14.0%).
- expenses grew by \$8.39 per care recipient per day (up 12.6%).

**Revenue increases** were driven by a 5.3% increase in claim days, and increased utilisation of HCPs from 83.4% in quarter 3 2023-24 to 85.4% in quarter 3 2024-25.

**Expense increases** were predominantly driven by an increase in labour costs, due to the associated increase in labour hours (higher claim days and utilisation).

**Table 6: Quarter 3 2024-25 and comparison with quarter 3 2023-24, summary of financial performance of home care for-profit and not-for-profit providers**

	Total	Per care recipient per day	Change from Q3 2023-24 per care recipient per day
Revenue	\$6,070.3m	\$82.68	▲ \$10.15
Operating expenses	\$5,483.2m	\$74.69	▲ \$8.33
EBITDA	\$587.1m	\$8.00	▲ \$1.81
Average EBITDA margin	9.7%	9.7%	▲ 1.2 percentage points
Non-operating expenses	\$29.0m	\$0.40	▲ \$0.06
Net profit before tax	\$558.1m	\$7.60	▲ \$1.76
Average NPBT margin	9.2%	9.2%	▲ 1.1 percentage points

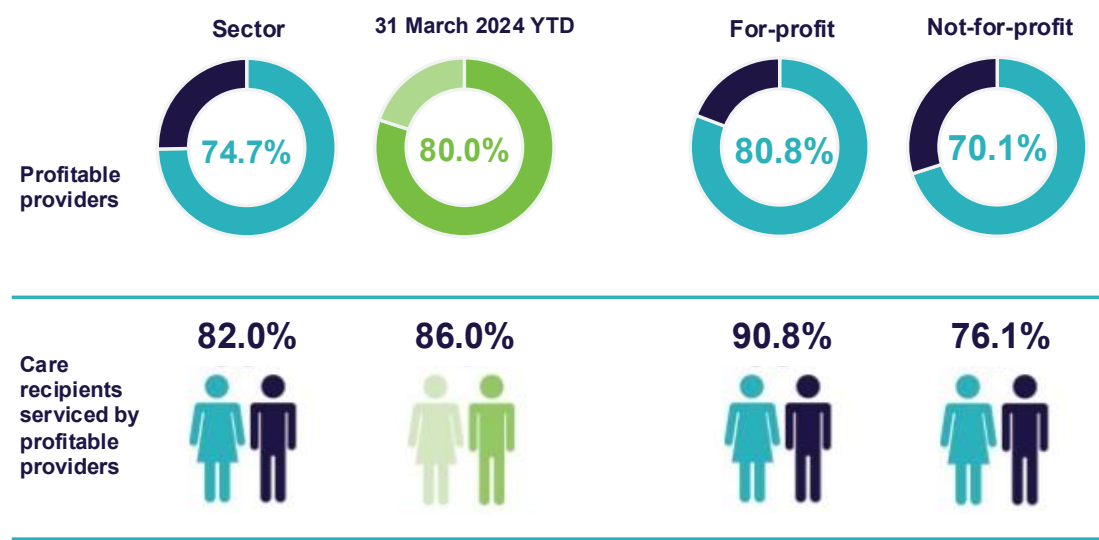
Note: The average EBITDA margin differs from the *median* margin presented in the [‘EBITDA margin’](#) section below. The average EBITDA margin (which indicates the EBITDA return on revenue) is calculated by dividing the sector EBITDA result by the sector total revenue.

Profitable providers

At quarter 3 2024-25:

- 74.7% of providers were profitable (defined by NPBT) (Figure 2). This was a decrease of 5.3 percentage points from quarter 3 2023-24.
- profitable providers serviced 82.0% of HCP recipients. This was a decrease of 4.0 percentage points from quarter 3 2023-24.

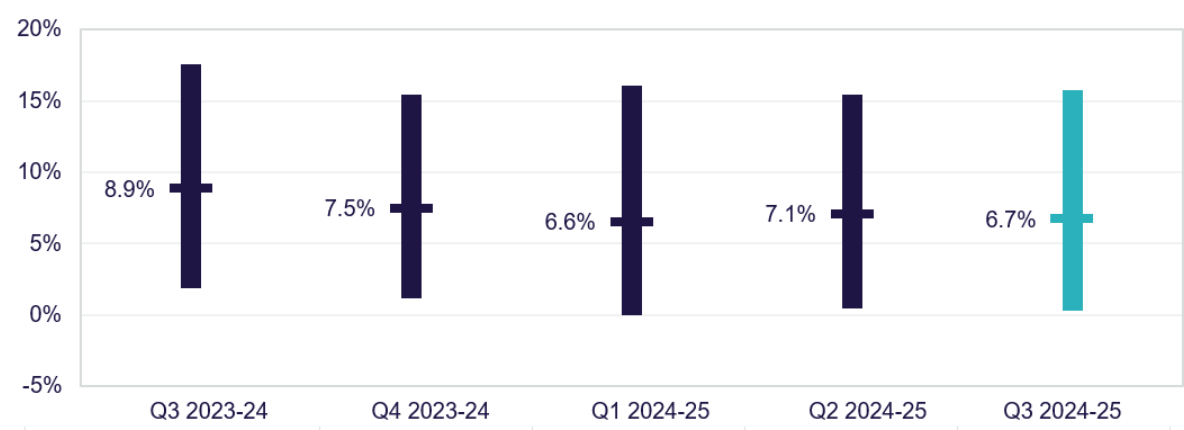
Figure 2: Quarter 3 2024-25 percentage of profitable providers and percentage of home care recipients serviced by profitable providers and comparison with quarter 3 2023-24



EBITDA margin

In quarter 3 2024-25, the median EBITDA margin for the sector was 6.7% (Chart 13). This means an EBITDA return of \$6.70 for every \$100 of revenue earned. This was a 2.2 percentage point decrease on the quarter 3 2023-24 result.

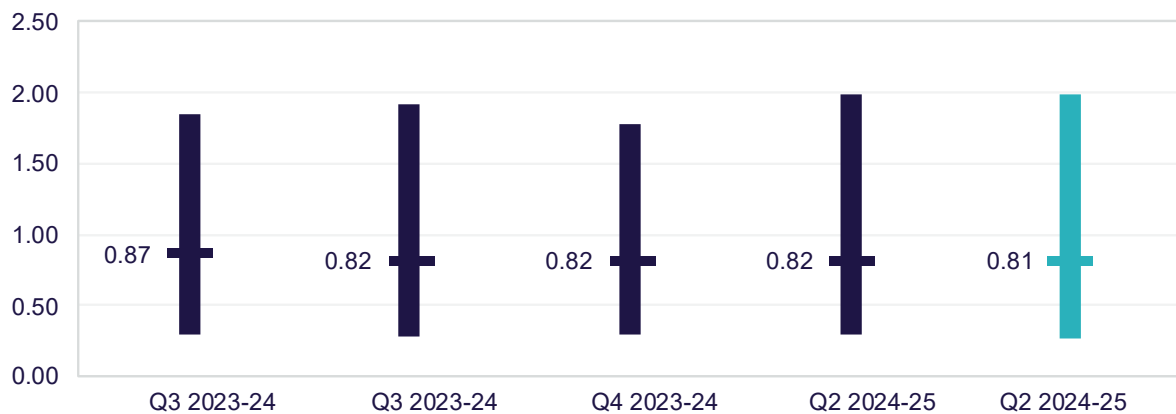
Chart 13: Median and quartile EBITDA margin (quarter 3 2023-24 to quarter 3 2024-25)



## Liquidity

In quarter 3 2024-25, the median sector liquidity ratio was 0.81 (Chart 14), which was a decrease of 0.06 on the quarter 3 2023-24 position. This means for every \$100 of debt obligations, providers had \$81 in liquid assets.

**Chart 14: Median and quartile liquidity ratio (quarter 3 2023-24 to quarter 3 2024-25)**

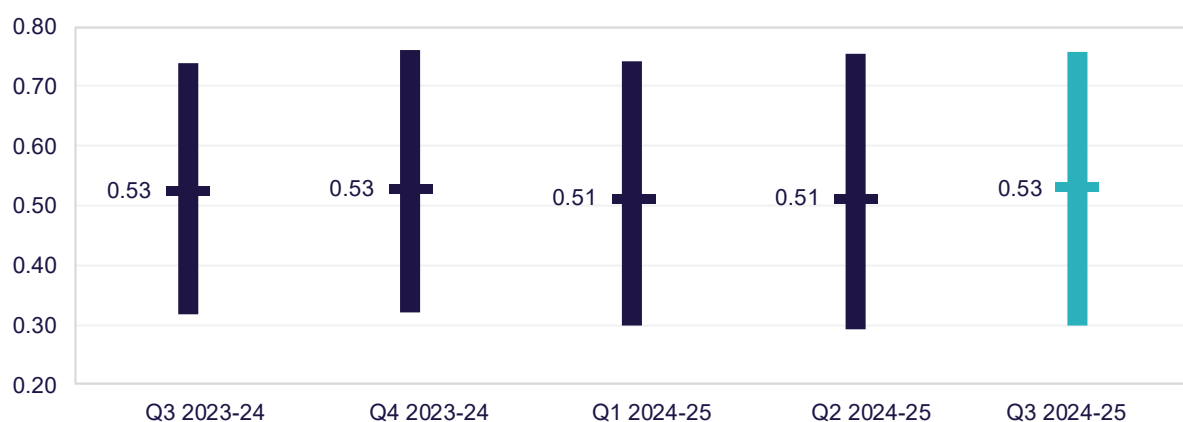


Liquidity ratio = (cash and cash equivalents + financial assets) ÷ (total liabilities – lease liabilities).  
Calculations do not include undrawn credit facilities as liquid assets.

## Capital adequacy

In quarter 3 2024-25, the sector median capital adequacy ratio remained consistent at 0.53 (Chart 15). This means for every \$100 of assets owned, \$53 was funded through equity and \$47 was funded through debt or other liabilities.

**Chart 15: Median and quartile capital adequacy ratio (quarter 3 2023-24 to quarter 3 2024-25)**



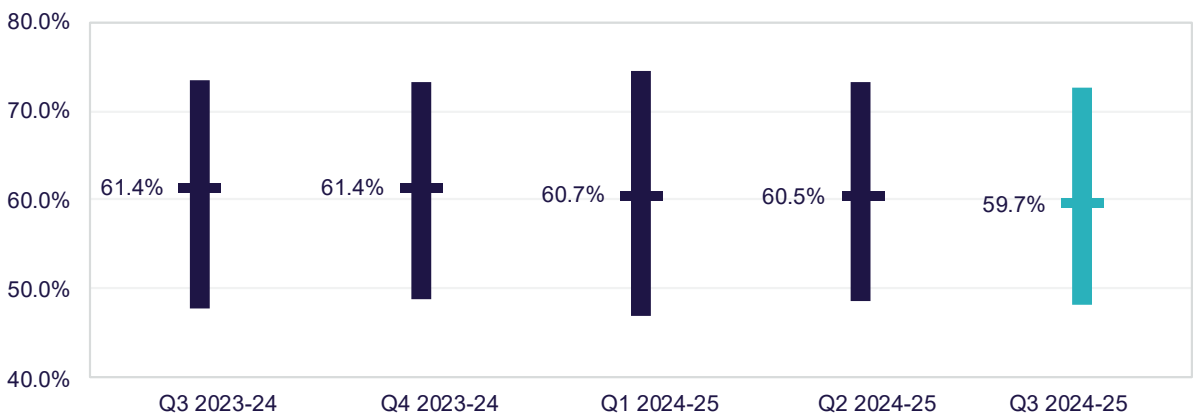
Capital adequacy ratio = (net assets - intangible assets) ÷ (total assets - intangible assets)



## Wages to revenue

In quarter 3 2024-25, wages as a proportion of revenue for the sector was a median of 59.7% (Chart 16), a decrease of 1.7 percentage points from quarter 3 2023-24. The gradual drop in the median wages to revenue ratio has contributed to the improved financial position of the home care sector over the past 12 months, given wages is the largest expense item for providers. Wages include salaries and employment benefits, agency and subcontractor costs, and management fees. It does not include staff training and development.

**Chart 16: Median and quartile wages to revenue percentage (quarter 3 2023-24 to quarter 3 2024-25)**



## Staff cost and time

In quarter 3 2024-25, total median staff costs increased to \$55.21 per care recipient per day (up \$4.13 or 8.1% from quarter 3 2023-24). Total median time decreased to 54.91 minutes per care recipient per day (down 0.75 minutes or 1.3% from quarter 3 2023-24). Despite the decrease, utilisation of HCPs increased from 83.4% in quarter 3 2023-24 to 85.4% in quarter 3 2024-25, meaning on average, more of a care recipient's funding entitlement was used for care and services.

**Table 7: Quarter 3 2024-25 and comparison with quarter 3 2023-24, median staff cost and time per care recipient per day <sup>1</sup>**

	Cost per care recipient per day	Change in cost from Q3 2023-24	Minutes per care per recipient per day	Change in minutes from Q3 2023-24
Registered nurse <sup>2</sup>	\$1.10	▲ \$0.07	0.77	▲ 0.08
Personal care staff	\$26.80	▲ \$1.79	30.15	▲ 0.57
Allied health	\$4.18	▲ \$1.03	1.88	▲ 0.43
Other direct care	\$0.31	▼ \$0.35	0.18	▼ 0.10
Care management	\$7.58	▲ \$0.36	7.76	▲ 0.80
Administration and non-care staff	\$7.06	▲ \$0.61	7.61	– 0.00
Total median <sup>3</sup>	\$55.21	▲ \$4.13	54.91	▼ 0.75

Notes:

1. Staff travel, or work done on administration tasks during care staff paid hours, is included in the results of Chart 16, which shows the median wages to revenue percentage. All provider types are included in this data, including local, state or territory government providers.
2. Data for enrolled nurses has not been included as 70.0% of home care providers did not report expenditure in this category.
3. The total median staff costs and time were derived from the QFR data set and are not equal to the sum of the medians listed above.

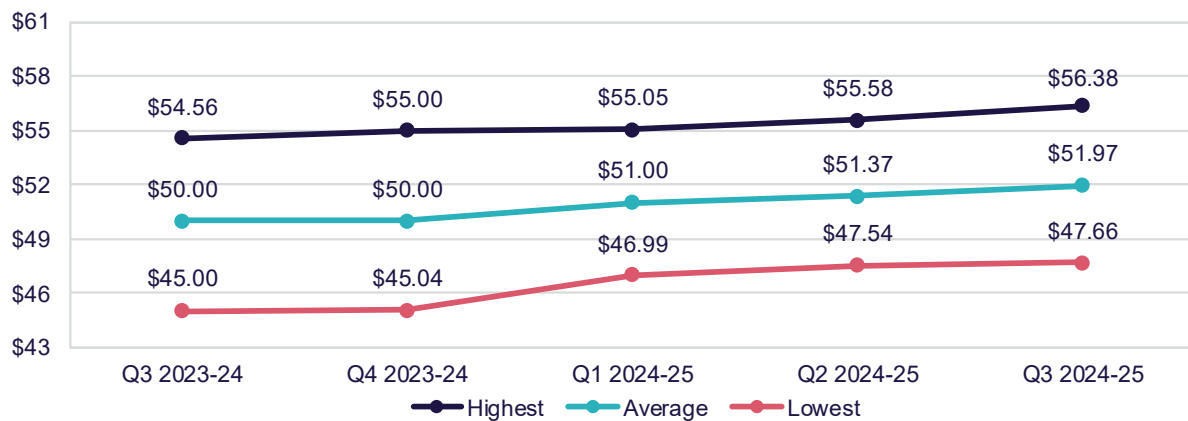
## Hourly rates

In quarter 3 2024-25, the sector median of the average hourly rates increased for all direct care staff in comparison to quarter 3 2023-24:

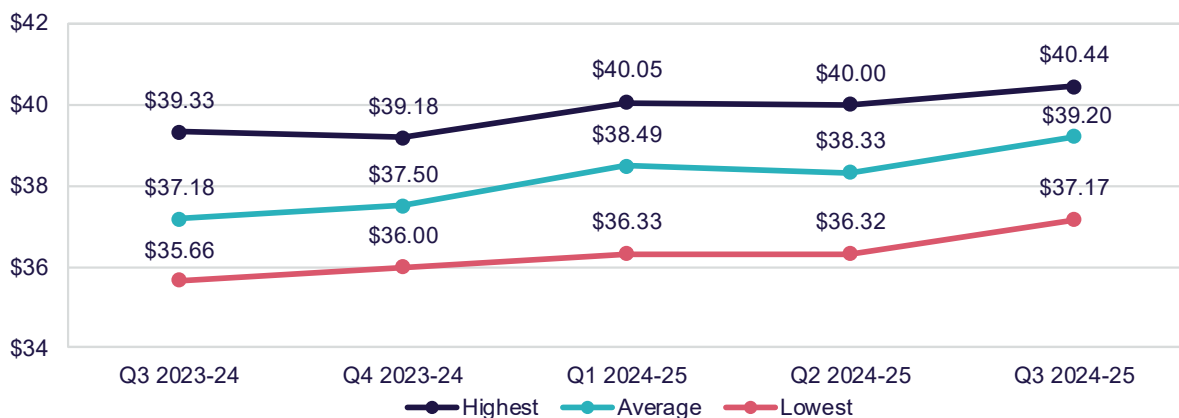
- \$51.97 for registered nurses (up \$1.97 or 3.9% from quarter 3 2023-24) (Chart 17)
- \$39.20 for enrolled nurses (up \$2.02 or 5.4% from quarter 3 2023-24) (Chart 18)
- \$35.00 for personal care staff (up \$1.66 or 5.0% from quarter 3 2023-24) (Chart 19).

The average hourly rates are for staff employed per the employee award, enterprise agreement or contract. It does not include on-costs, penalty rates, casual rates, agency fees and subcontracting arrangements. Nil-value responses are excluded.

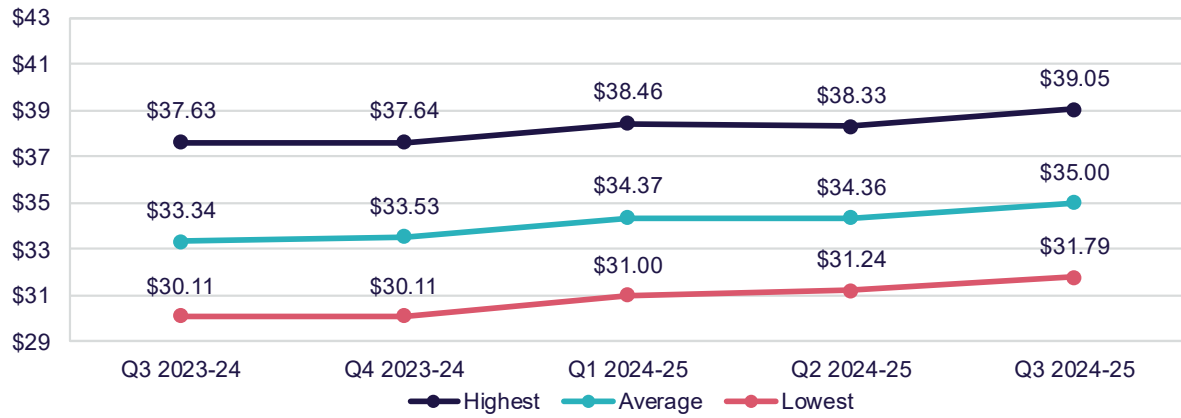
**Chart 17: Lowest, average, and highest hourly rates (medians) paid to registered nurses (quarter 3 2023-24 to quarter 3 2024-25)**



**Chart 18: Lowest, average, and highest hourly rates (medians) paid to enrolled nurses (quarter 3 2023-24 to quarter 3 2024-25)**



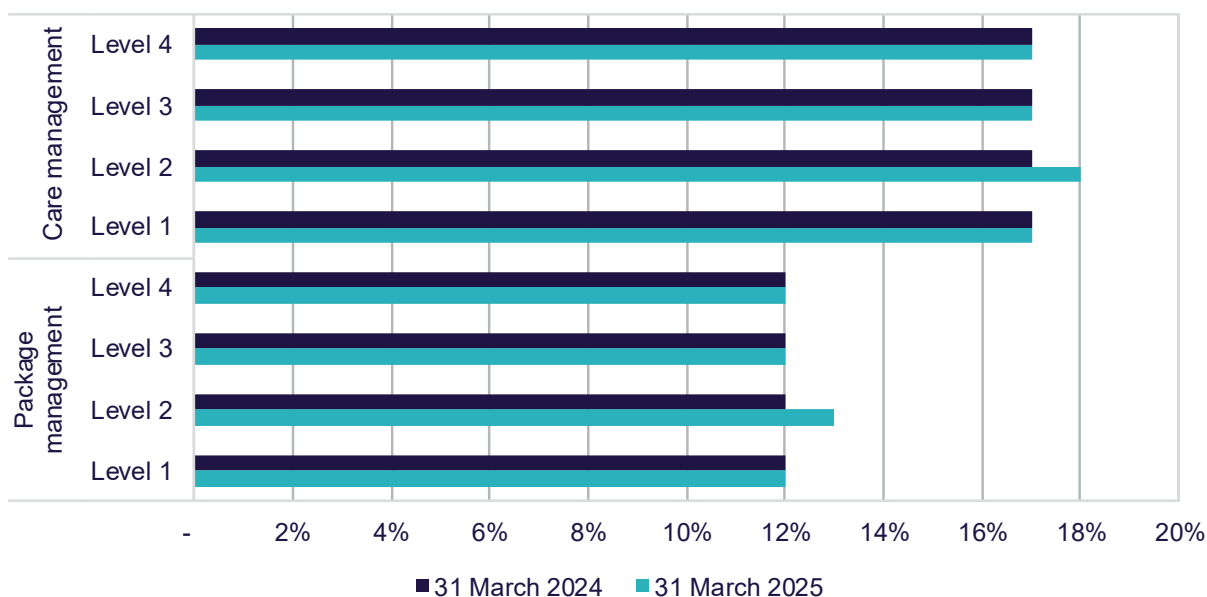
**Chart 19: Lowest, average, and highest hourly rates (medians) paid to personal care staff (quarter 3 2023-24 to quarter 3 2024-25)**



## Care and package management

In quarter 3 2024-25, all HCP levels maintained a median care management percentage of 17% per HCP, except for level 2, which increased to 18%. In quarter 3 2024-25, package management charges remained consistent with quarter 3 2023-24 for all HCP levels at 12%, except for level 2 which increased to 13% (Chart 20).

**Chart 20: 31 March 2024 and 31 March 2025, median care and package management percentage per HCP level**



Care management percentage = published national median price for care management (for each level) ÷ subsidy per fortnight (for each level)

Package management percentage = published national median price for package management (for each level) ÷ subsidy per fortnight (for each level)

### Insights: Care management fees and expenses

Reporting through the department's Financial Report on the Australian Aged Care Sector (FRAACS) between 2020-21 and 2023-24 has shown that while care management charges represent 16.5% – 18.0% of total revenue for providers (which is under the cap of 20.0% introduced on 1 January 2023), the cost to providers of delivering care management services is between 10.5% – 11.0%.

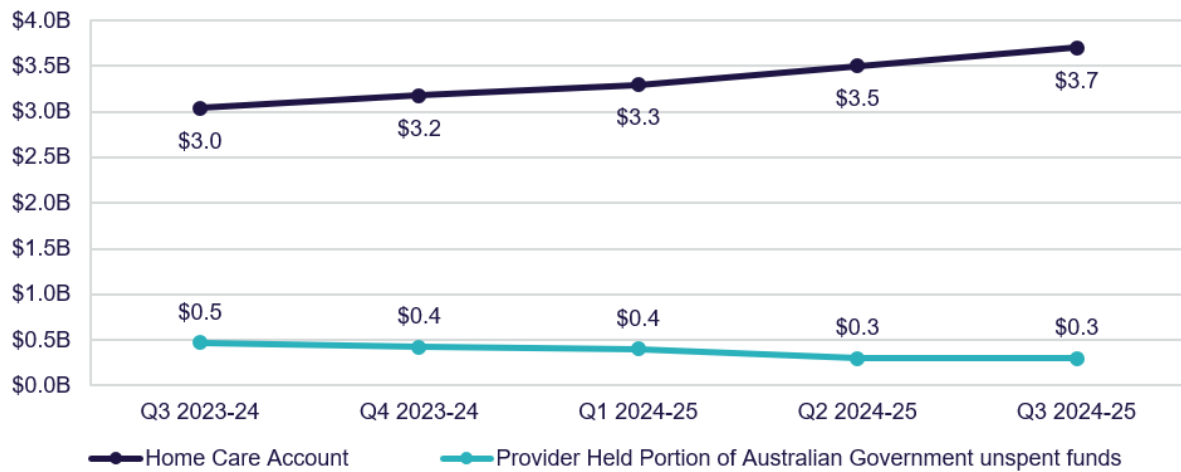
These results indicate that providers may be using margins on care management services to cross-subsidise losses in other services. The department will continue to monitor prices set by home aged care providers, including through the transition to the Support at Home Program to ensure they are reasonable and transparent.

## Unspent funds

At 31 March 2025, there was \$4.0 billion in unspent HCP funds (up \$0.5 billion from 31 March 2024) (Chart 21). This includes:

- \$3.7 billion of unspent funds in the Home Care Account (up \$0.7 billion)
- \$0.3 billion in the Provider Held Portion of unspent funds (down \$0.2 billion).

**Chart 21: Unspent funds (quarter 3 2023-24 to quarter 3 2024-25)**





# Glossary

Term	Description
<a href="#">Australian National Aged Care Classification (AN-ACC) funding model</a>	Is a casemix funding model that represents the care component of residential aged care funding. AN-ACC is designed to provide equitable care funding to approved residential aged care services, by linking subsidy to characteristics of services and residents. The Independent Health and Aged Care Pricing Authority provides annual pricing advice to the Minister for Aged Care, Disability and Seniors on the AN-ACC model. This ensures funding is based on advice on the actual cost of care.
<a href="#">Care management</a>	Is a service that home care providers must deliver to all care recipients to ensure recipients receive the appropriate level of support in a way that meets their care needs. Providers must not charge more than 20% of the Australian Government Subsidy for care management.
<a href="#">Care minutes</a>	<p>Refers to the amount of care time people in government-funded residential aged care services receive from registered nurses, enrolled nurses, personal care workers and assistants in nursing.</p> <p>From 1 October 2023, the sector-wide care minutes benchmark was an average of 200 total care minutes per resident per day, including 40 minutes of care per resident per day by a registered nurse.</p> <p>This sector-wide care minutes benchmark increased to 215 total care minutes on 1 October 2024, including 44 minutes of registered nurse time. From this time, providers can meet up to 10% of their registered nurse targets with care time provided by enrolled nurses. Approved providers of a residential care services have a responsibility to meet service-level care minutes targets for each service.</p> <p>Allied health, diversional / lifestyle / recreation / activities officer and care management staff minutes do not contribute to the care minute targets. Providers must, however, continue to deliver allied health and lifestyle services to their residents in line with requirements under Schedule 1 of the <a href="#">Quality of Care Principles 2014</a>. Care minutes data in this QFS report is consistent with the <a href="#">care minutes in residential aged care dashboard</a>.</p>
Capital adequacy ratio	<p>Measures a provider's net asset position divided by total asset position (not including intangibles). This ratio can be used as an indicator of a provider's ability to absorb unexpected losses through their net asset position (also known as an asset buffer). If a provider has a stronger (higher) capital adequacy ratio, they will be able to fund and absorb the impacts of unforeseen circumstances by using business equity.</p> <p>Intangible assets are removed as they are not considered to have value in the event of insolvency.</p>

Term	Description
EBITDA margin	Is used as an indicator of a provider's financial performance and underlying profitability before accounting for depreciation assumptions, tax obligations or financing choices. EBITDA margins focus on a provider's operating profitability and cash flow. The higher the EBITDA margin is, the lower operating expenses are in comparison to total revenue.
Fair Work Commission (FWC) decisions	The Australian Government is providing funding to support the FWC's decisions under the <a href="#">Aged Care Work Value Case</a> . The Government also provides funding to support FWC decisions relating to <a href="#">Annual Wage Reviews</a> through usual program funding arrangements. These wage increases take effect on 1 July each year. These decisions are collectively referred to as the 'FWC decisions' in this report.
<a href="#">Home Care Package subsidy</a>	The Australian Government pays a monthly subsidy amount into each care recipient's Home Care Account which Services Australia creates and holds. The subsidy includes a basic subsidy amount and any supplements. Providers are paid in arrears for care and services delivered based on a monthly claim to Services Australia made against the care recipient's Home Care Account.
<a href="#">Hotelling supplement</a>	Supports residential aged care providers meet hotelling costs for services such as catering, cleaning, and laundry. The supplement is indexed on 20 March and 20 September each year.
Total labour (staff) costs	Includes salaries for all care and non-care staff, superannuation, bonuses and incentives, allowances, termination payments, value of fringe benefits, salary sacrifice and leave entitlements. Training costs for all employment categories are included under 'Administration and non-care staff' costs. Total worked staff hours excludes leave and training hours and only includes the time spent delivering care.
Liquidity ratio	Measures the availability of cash and financial assets to cover providers' debt obligations (without raising external capital) if they were to become immediately due and payable. If the ratio result is greater than 1.0, the provider has more cash and financial assets than their debt obligations. If the ratio result is less than 1.0, the provider's debt obligations are more than their cash and financial assets.
<a href="#">Package management</a>	Is the ongoing administration and organisational activities associated with ensuring the smooth delivery of a HCP. Providers must not charge more than 15% of the Australian Government subsidy for package management.

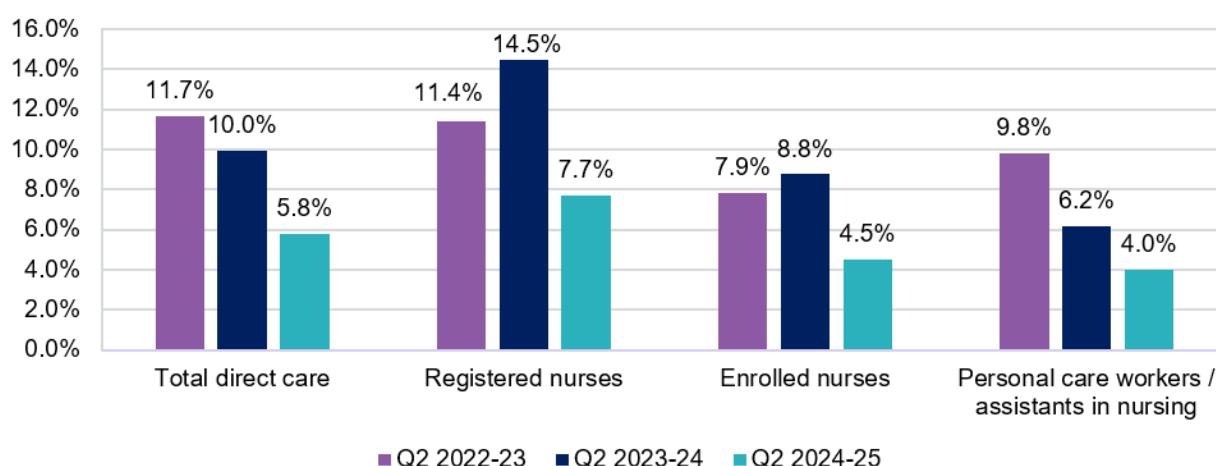
Term	Description
Refundable Accommodation Deposit (RAD) and Daily Accommodation Payment (DAP)	<p>A RAD is the lump-sum payment for a room (or part of a room) in an aged care service. Providers earn a return on RADs by investing the funds, either by making capital improvements on their facilities or by investing in approved financial products.</p> <p>A DAP is an ongoing, non-refundable rental-style payment, paid instead of a RAD. The DAP is calculated by multiplying the RAD of a room by the Maximum Permissible Interest Rate (set by the Government) and divided by 365.</p>
<a href="#">Support at Home Program</a>	The Support at Home program will replace the HCP Program and the Short-Term Restorative Care Programme from 1 November 2025. The Commonwealth Home Support Programme will transition to the program no earlier than 1 July 2027. More information on the program can be found in the <a href="#">Support at Home program handbook</a> .
<a href="#">Unspent funds</a>	Since 1 September 2021, unspent Government subsidy for HCPs has accrued in a Home Care Account set up for care recipients by Services Australia. These funds are available for providers to use for care and services provided to the care recipient. Some providers also have access to the Provider Held Portion of unspent funds accrued prior to 1 September 2021. These funds can be used towards a care recipient's care and services.

# Appendix A

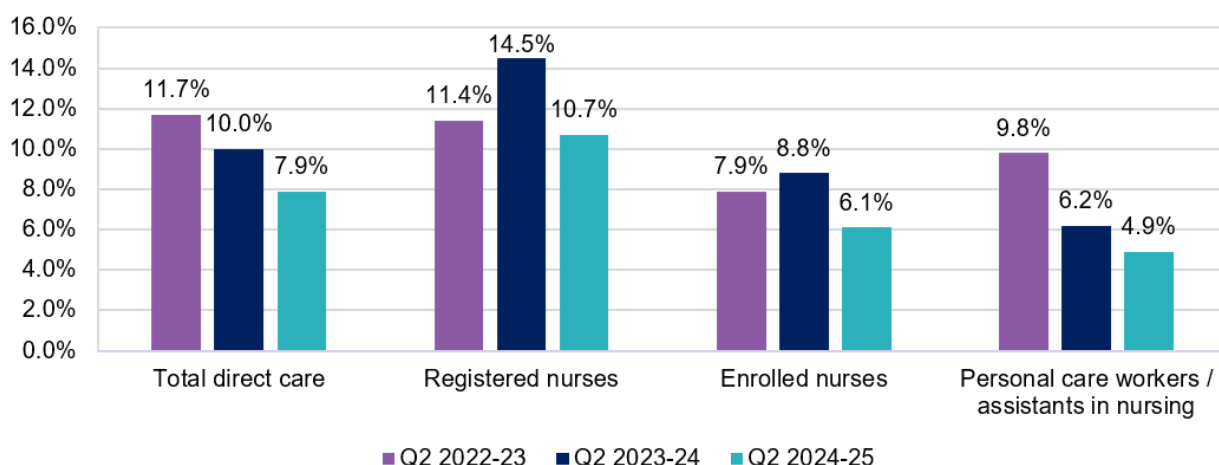
## Correction to previously published agency results

The QFS presents results for agency costs and hours as a proportion of the total labour costs and hours for the residential aged care sector. In the quarter 2 2024-25 QFS, a chart was presented showing the trend in agency staff costs as a proportion of the total direct care labour cost in quarter 2 over three consecutive years. This chart included an error, and both the published version and revised version have been included below. The error does not impact the trend reported, which shows a considerable reduction in use of agency staff across all worker types over time. This trend has continued in quarter 3 2024-25, as outlined in the [Agency median staff cost and time](#) section.

### Agency staff costs as a proportion of the total direct care labour cost (quarter 2 2022-23, quarter 2 2023-24 and quarter 2 2024-25) (as published)



### Agency staff costs as a proportion of the total direct care labour cost (quarter 2 2022-23, quarter 2 2023-24 and quarter 2 2024-25) (revised)



# Appendix B

## How to read the QFS

### Comparison data

Comparison with the prior four quarters is presented in most **charts** to understand changes or trends in performance over time. The exception is *Chart 20: 31 March 2024 and 31 March 2025, median care and package management percentage per HCP level*, which compares to the corresponding quarter from the previous financial year.

Comparison with the corresponding quarter from the previous financial year results are reported at the sector-level in most **tables** to understand the change in performance, excluding seasonality. The exception is all data presented in relation to the average care minutes delivered by residential aged care providers (sector and by provider type), which compares to the immediate prior quarter.

Benchmarking calculations: Throughout the document, this grey box gives guidance on calculations, to support aged care service providers to benchmark their performance against sector-level results.

Quartile charts show the median, and the upper quartile (50<sup>th</sup> to the 75<sup>th</sup> percentile) and lower quartile (25<sup>th</sup> to the 50<sup>th</sup> percentile). This highlights the spread of reported results.

### Insights

#### Insights

Throughout the document, these boxes are used to highlight key findings in relation to the data presented, including the trend in the data over time.

### Provider type definitions

Percentage of services is calculated using the proportion of claim days from a provider.

Provider type	Definition
Sector	Consolidated view of the provider types shown in the chart, figure or table.
For-profit	Providers that are either a Private Incorporated Body or a Publicly Listed Company.
Not-for-profit	Providers that are either charitable, community based or religious organisations.
Local, state or territory government	Providers owned by a local, state or territory government. This acronym is used in tables and charts. These providers are included in labour cost and hours, Home Care Account balance, unspent funds, and food and nutrition data only.

## Data sources and method

The QFS primarily draws on data collected from aged care providers through the QFR. The QFS quarter 3 2024-25 publishes data collected from 98.5% of residential aged care providers and 98.9% of HCP providers.

### Collection and analysis notes:

- QFR data published in this QFS report was extracted from the department's Ageing and Aged Care Data Warehouse (CASPER) on 11 June 2025.
- QFR data is unaudited but must be authorised by a director of a provider's board, a member of the governing body, or one of the provider's Key Personnel (for government providers). The department undertakes data validation processes, and providers may be invited to re-submit data if anomalies are identified.
- The QFS presents the financial summary, wages to revenue percentage, EBITDA margin and percentage of profitable providers in YTD format. This ensures information is presented the way it has been collected, and consistent with standard accounting practices. Care minutes, labour costs and food and nutrition are reported as quarter-specific results only.
- Provider entry and exit data is extracted from the GPMS. Some providers may be counted in both residential and home care for entry and exit data.
- Occupancy has been calculated by dividing the total number of occupied bed days by the total number of available bed days, for the reporting period. Approved providers of residential aged care have been included where available bed days and occupied bed days were greater than zero for the reporting period.
- The QFS draws on data collected through [My Aged Care](#) and other departmental sources. Sector-level results published in the QFS may differ from information on the My Aged Care website. The QFS presents median results at the provider-level, while My Aged Care website presents median results at a service-level.

## Previous snapshots and feedback

Previous [QFS publications](#) are available on the department's website. The QFS will evolve over time, and the department is committed to working with the sector to inform future publications. Feedback is welcome and should be directed to [QFS.FRAACS@health.gov.au](mailto:QFS.FRAACS@health.gov.au).

## Let's change aged care together

We invite Australians to continue to have their say about the aged care reforms.



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



Phone **1800 318 209** (Aged care reform free-call phone line)

For translating and interpreting services, call **131 450** and ask for **1800 318 209**.

To use the National Relay Service, visit [nrschat.nrscall.gov.au/nrs](https://nrschat.nrscall.gov.au/nrs) to choose your preferred access point on their website, or call the NRS Helpdesk on **1800 555 660**.