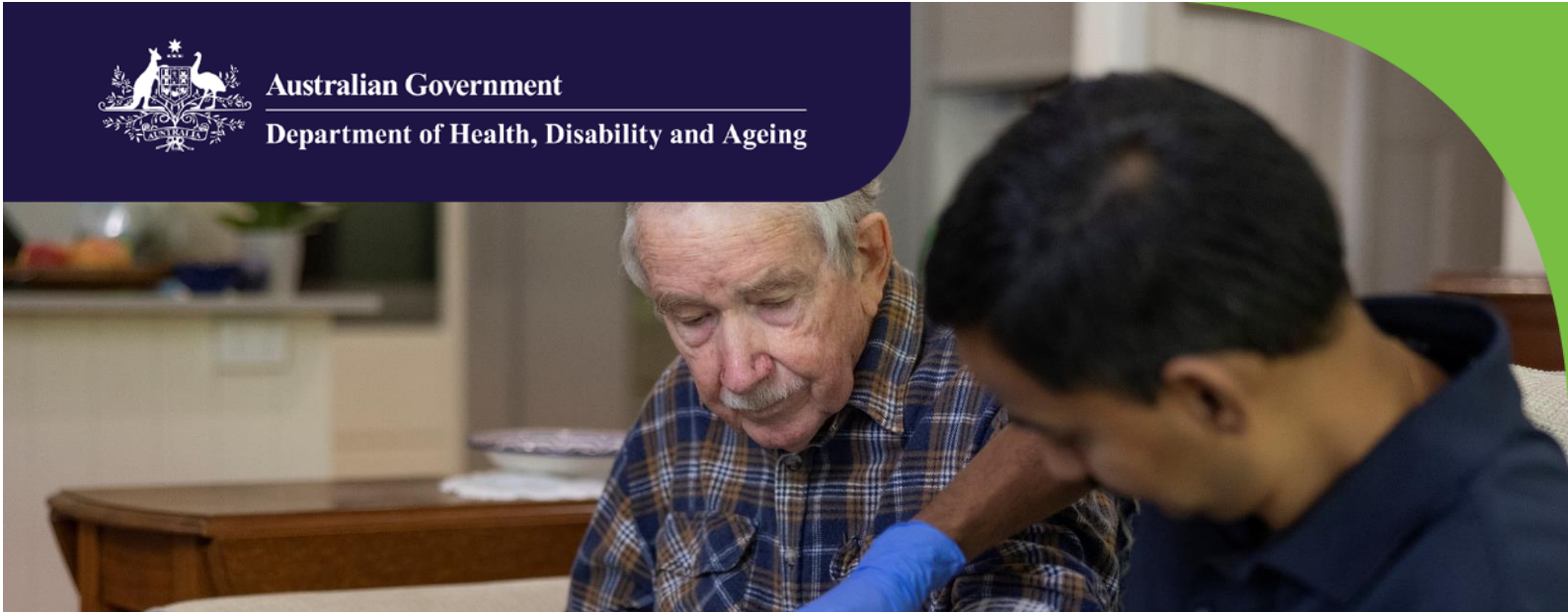




Places to people: embedding choice in residential aged care

Since 1 November 2025, residential aged care places are allocated directly to older people.

What has changed?

- people who need residential care have more choice to enter care with an approved residential aged care provider that best meets their needs
- providers have an incentive to provide high quality and more innovative models of care
- providers have the flexibility to offer more services in different locations

Frequently Asked Questions

What happens to my allocated places on 1 November 2025?

All residential care places allocated from the former Aged Care Approvals Rounds (ACAR), or through the bed-ready process cease to exist from 1 November 2025.

Approved provider's total number of beds are managed by the Aged Care Quality and Safety Commission (the Commission). Under the Act, the Commission oversees changes to the approval of an residential care home, including the total number of beds.

For more information, visit [Registration Model | Aged Care Quality and Safety Commission](#)

How do I manage offline beds at my aged care home?

The *Aged Care Rules 2025* (see sections 167-5-70) require residential aged care providers to notify the Commission when beds in a residential care home are offline and not available for use for a period of 3 months or longer. Providers are required to keep an accurate record of the total bed numbers at each of their residential care homes. This will be managed in the Government Provider Management System (GPMS)

If you need to take beds offline at your residential care home, you can ask the department's Local Network office in your state to complete the request in GPMS on your behalf. Refer to the [provider tip sheet](#) for step-by-step guidance to manage your offline beds.

he My Aged Care Service and Support Portal will be enhanced early in 2026 to allow providers to self-manage their offline beds. Further information about this functionality will be provided in advance.

How does the allocation of a place differ from an approval for residential care services?

Residential care places were previously allocated to providers through the ACAR. Places are now allocated directly to older people, giving them more choice and control over which provider delivers their services.

Providers will no longer be restricted by the number of places they have been allocated and will be able to respond to increased demand more easily.

Are there any changes for older people living in residential care before 1 November 2025?

Older people living in residential care before 1 November 2025 are not affected by these changes. They are allocated a place automatically in their existing home to ensure continuity of care.

Are there any changes for older people with an approval for residential care on 1 November 2025?

Older people who have been assessed and approved for residential care prior to 1 November 2025 are being automatically allocated a place on 1 November 2025 and can enter care when they choose to.

How will places be allocated in the My Aged Care portal?

New features have been introduced in the My Aged Care portal to assign places to older people who have been assessed and approved for residential care services. Those allocated a place receive a priority category visible in the portals for reporting purposes.

What is a priority category?

Under the Act, there is **no** prioritisation process for a person to receive a residential care place and priority categories are assigned for reporting purposes only.

Since 1 November 2025, the allocation of a place happens immediately after the person is approved for residential care.

A priority category helps decide how urgently someone needs residential aged care and is determined during their aged care assessment. There are 3 priority categories:

Residential Care Priority Categories

Category	Description
1	The person: • has a high urgency rating; or • resides in a rural or remote area classified as MM 5, MM 6 or MMM 7; or • is Aboriginal or Torres Strait Islander, homeless, or is entering residential care due to emergency circumstances.
2	The person does not meet the criteria for Priority Category 1 and has a medium urgency rating .
3	The person does not meet the criteria for Priority Category 1 and has a low urgency rating .

Does the priority category affect whether that person gets allocated a place?

A priority category will not impact a person's ability to be allocated a place. All older people assessed and approved for residential care will be allocated a place immediately. The place will not expire.

Does the allocation of a place affect the subsidies paid to me as a provider?

There are no changes to the way providers receive subsidies. We have made changes to Services Australia's systems to align with the new place allocation process and continue to operate without disruption.

How will older people know they have received a place?

When approved for residential aged care, an older person will receive a Notice of Approval letter with their approval for residential care and an allocated place.

As a provider, I am in the process of a refurbishment, purchase, or development of an existing or new residential aged care home. How do I get approval for beds?

Under the Act, all approvals for new or variations to existing residential care services are managed by the Aged Care Quality and Safety Commission.

You can find more information on the [Commission's website](#).

With the removal of residential place allocations to providers and extra service status, are there any impact for providers charging Extra Service Fees?

New Higher Everyday Living Fee (HELFF) arrangements have commenced under the Act. This impacts providers offering residents extra services. No new Extra Service Fee or Additional Service Fee arrangements can be entered from 1 November 2025.

Existing Extra Service Fee and Additional Service Fee arrangements can continue until 31 October 2026 for people who agreed to these fees prior to 1 November 2025. Providers can increase fees in line with existing contracts. This does not require approval by the Independent Health and Aged Care Pricing Authority (IHACPA).

Providers should not unreasonably refuse a resident request to exit an Extra Service Fee or Additional Service Fee arrangement. Providers should discuss the changes to the service fee arrangements with affected residents prior to 1 November 2026.

The current Rules regarding the accommodation supplement that apply to residents receiving extra services will continue to apply while extra service agreements remain in place. For more information on the new HELFF arrangements and the transition from existing fee arrangements, read the [Higher Everyday Living fee Factsheet](#)

As a provider, do I still need to meet the aged care planning region ratio?

The aged care planning region ratio was discontinued on 1 November 2025. For information on residential aged care responsibilities, visit [Responsibilities for residential aged care providers](#).

As a provider, do I still need to meet the 40% concessional resident ratio?

Additional supplements to providers who deliver care to higher levels of supported residents are continuing. The Higher Accommodation Supplement rate for providers with a supported resident ratio above 40% remains in place. Services Australia will continue to monitor and adjust payment rates for the Higher Accommodation Supplement based on the monthly claims data and information on the means assessment of each person in care.

The government has committed to an Accommodation Pricing Review, which is due to report to the Australian Parliament by 1 July 2026. The review will consider the rate and design of the

Accommodation Supplement, including the current incentive structure (whether a provider has at least 40% supported residents) to encourage providers to accept low means residents.

Stay up to date.

Visit our webpage for more information and updates on [Places to people – Embedding choice in residential aged care](#)

Improving Australia's aged care system

The Australian Government has delivered major changes to improve aged care.



Visit **health.gov.au/aged-care-reforms**



Phone **1800 200 422** (My Aged Care's 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 to choose your preferred access point on their website, or call the NRS Helpdesk on 1800 555 660.