



Pricing risk assessments for residential aged care

We are introducing pricing risk assessments to measure the impact of misreporting on residential aged care pricing. By sampling providers to check their Aged Care Financial Report (ACFR), we can make sure pricing reflects the underlying cost of delivering residential aged care.

What are pricing risk assessments?

Commencing Quarter 4 (April to June 2026), pricing risk assessments are a sector-wide process to measure the impact of misreporting on the data used for residential aged care pricing. This will make sure pricing decisions reflect the actual cost of delivering care.

The department will review the reporting of a sample of providers to identify misstatement. This will allow us to measure the average impact of misstatement on reporting from different market segments and ensure pricing decisions are not impacted by misreporting.

These assessments are not a compliance activity. The goal is to understand the costs of delivering residential aged care, so we can fund you accurately and sustainably.

Why is this important?

The pricing risk assessments will help:

- measure common reporting errors in the ACFR
- develop more accurate pricing and funding policy
- ensures providers are funded to meet the real cost of delivering residential aged care.

What are we checking?

We will sample residential care homes from different market segments and focus on key items in their ACFR. These key items may include:

- labour costs
- the cost of care consumables
- depreciation expenses
- any other high-priority line items.

We will publish findings on [our website](#) where possible, so that everyone can benefit.

What if I am selected?

We will contact you in advance	You will receive a notice with clear instructions about the process and a timeline to respond.
Request for information	We will provide a tailored documentation list based on your reporting processes. You will then submit all relevant records (e.g. payroll, rosters, etc.).
Collaborative review	We will work with you to understand how specific cost items have been reported in your ACFR.
Data validation activities	We will review the provided documents and reach out where additional information is needed.
Completion notice	We will notify you once the process is complete and provide any relevant feedback.

What you need to do:

Please continue to submit complete and accurate ACFR reporting using your established methods. This process does not replace the existing ACFR reporting requirements.

We encourage all providers to keep your cost documentation up to date and well organised so you are ready to respond to our requests. If selected, your participation is mandatory.

We are mindful of your time and will support you throughout the process to ensure it is as smooth and efficient as possible. By responding to our request early, we can answer your questions and ensure you are supported in this process.

For more information

Visit [our website](#) to learn more about pricing risk assessments.

If you have further questions, contact us at PricingRisk@health.gov.au