

## 2.3 Budgeted expenses and performance for Outcome 3

### Outcome 3: Ageing and Aged Care

Improved wellbeing for older people in Australia through targeted support, access to appropriate, high-quality care, and related information services.

### Programs contributing to Outcome 3

**Program 3.1: Access and Information**

**Program 3.2: Aged Care Services**

**Program 3.3: Aged Care Quality**

### Linked programs<sup>1</sup>

<b>Aged Care Quality and Safety Commission (ACQSC)</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>Program 1.1 – Quality Aged Care Services</li> </ul>
<b>Contribution to Outcome 3 made by linked programs</b>
As the national regulator of Commonwealth-funded aged care services, the ACQSC upholds rights, and protects and enhances the safety, health, wellbeing and quality of life of older people in Australia receiving Commonwealth-funded aged care services. They do this through effective engagement with older people, regulating aged care providers and workers, and building sector capability through education and engagement. The ACQSC provides independent and accessible resolution of complaints about aged care services (3.3).
<b>Department of the Prime Minister and Cabinet (PM&amp;C)</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>Program 1.1 – Prime Minister and Cabinet</li> </ul>
<b>Contribution to Outcome 3 made by linked programs</b>
The Office for Women is overseeing implementation of <i>Working for Women: A Strategy for Gender Equality</i> . This provides a framework for national gender equality approaches, including in relation to gender equity in paid and unpaid care, and in healthcare access and outcomes (3.1, 3.2 and 3.3).
<b>Department of Social Services (DSS)</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>Program 2.1 – Families and Communities</li> </ul>
<b>Contribution to Outcome 3 made by linked programs</b>
DSS provides employment assistance, supports and services for people with disability (3.1, 3.2 and 3.3).

<sup>1</sup> Relevant Department of Health, Disability and Ageing program linkages are shown in parenthesis at the end of each linked program.

<p><b>Department of the Treasury (Treasury)</b></p> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>Program 1.4 – Commonwealth-State Financial Relations</li> </ul>
<p><b>Contribution to Outcome 3 made by linked programs</b></p> <p>Treasury provides financial assistance through National Partnership payments to state and territory governments as part of the Federal Financial Relations Framework.<sup>2</sup></p> <p>Activities funded through the National Partnership Agreements include:</p> <ul style="list-style-type: none"> <li>the Specialist Dementia Care Program (3.2).</li> </ul>
<p><b>Department of Veterans' Affairs (DVA)</b></p> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>Program 2.4 – Veterans' Community Care and Support</li> </ul>
<p><b>Contribution to Outcome 3 made by linked programs</b></p> <p>The program's primary objective is to effectively manage community support and home care programs, including the development and review of policy and operational guidelines and procedures, and assessment of program effectiveness.</p> <p>Veteran community care and support programs include the Veterans' Home Care (VHC) Program and the Community Nursing Program.</p> <p>The objectives of the VHC and Community Nursing programs are to support clients to remain independent in their homes and improve their quality of life and health. For many of the veteran community who are ageing and increasingly requiring higher levels of service, the provision of these services helps to delay entry into residential aged care and maximises independence.</p> <p>DVA also provides subsidies and supplements for clients who are no longer able to live independently and who enter residential aged care.</p> <p>Program 2.4 also funds a range of grants programs to assist in providing support to veterans and their families including the Veteran Wellbeing Grants Program, Grants-in-Aid, and the Supporting Invictus Australia Program.</p> <p>It also includes the Veterans' and Families' Hubs grants, which provide funding for the development and implementation of Veterans' and Families' Hubs to provide services and support based on needs and opportunities (3.2).</p>
<p><b>Independent Health and Aged Care Pricing Authority (IHACPA)</b></p> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>Program 1.1 – Development of Pricing Advice and Annual Determinations</li> </ul>
<p><b>Contribution to Outcome 3 made by linked programs</b></p> <p>IHACPA provides independent advice on aged care pricing issues, including the new Australian National Aged Care Classification (AN-ACC) funding model in residential care to ensure that the model and annual funding increases are informed by the efficient cost of delivering care (3.2).</p> <p>IHACPA will also approve accommodation payments higher than the maximum amount determined by the Minister.</p>
<p><b>National Disability Insurance Agency (NDIA)</b></p> <p><b>Programs</b></p> <ul style="list-style-type: none"> <li>Program 1.1 – Reasonable and Necessary Support for Participants</li> </ul>
<p><b>Contribution to Outcome 3 made by linked programs</b></p> <p>The NDIA has a cross-billing agreement with the Department of Health, Disability and Ageing to pay some fees and charges for people in residential aged care who are National Disability Insurance Scheme (NDIS) participants. This cross-billing agreement includes payment of a participant's basic care subsidy fee and accommodation supplement and applies to all NDIS participants living in residential aged care (3.2).</p>

<sup>2</sup> For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No. 3.

<b>Services Australia</b>
<b>Programs</b> <ul style="list-style-type: none"><li>• Program 1.2 – Customer Service Delivery</li><li>• Program 1.3 – Technology and Transformation</li></ul>
<b>Contribution to Outcome 3 made by linked programs</b> <p>Services Australia works with the Department of Health, Disability and Ageing to:</p> <ul style="list-style-type: none"><li>– undertake income testing for home care recipients (3.2)</li><li>– make payments under the Continence Aids Payment Scheme (3.2)</li><li>– administer payments to aged care providers (3.2)</li><li>– undertake means testing of residents (3.2).</li></ul>

*Budgeted expenses for Outcome 3*

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.3.1: Budgeted expenses for Outcome 3**

**Outcome 3:** Improved wellbeing for older people in Australia through targeted support, access to appropriate, high-quality care, and related information services.

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
<b>Program 3.1: Access and Information</b>					
Administered expenses					
Ordinary annual services <sup>(a)</sup>	838,986	782,318	745,943	779,450	821,474
<b>Total for Program 3.1</b>	<b>838,986</b>	<b>782,318</b>	<b>745,943</b>	<b>779,450</b>	<b>821,474</b>
<b>Program 3.2: Aged Care Services <sup>(b) (c)</sup></b>					
Administered expenses					
Ordinary annual services <sup>(a)</sup>	4,662,077	4,989,001	5,048,559	5,355,486	5,325,448
Zero Real Interest Loans					
- appropriation	-	1,471	1,471	-	-
- expense adjustment <sup>(d)</sup>	-	(1,471)	(1,471)	-	-
Other services					
Refundable Accommodation					
Deposit Concessional Loan					
- appropriation	-	-	-	-	-
- expense adjustment <sup>(e)</sup>	-	-	-	-	-
Special appropriations					
<i>Aged Care Act 1997</i>					
- flexible care	373,008	-	-	-	-
<i>Aged Care Act 1997</i>					
- residential and home care	11,496,300	40,039	10,010	-	-
<i>Aged Care Act 2024</i>					
- Assistive Technology and Home Modification Scheme	198,124	316,016	488,188	511,613	536,287
<i>Aged Care Act 2024</i>					
- Residential Care Subsidies	17,494,045	27,445,606	29,730,175	32,089,829	34,884,209
<i>Aged Care Act 2024</i>					
- Specialist Aged Care Programs	441,594	814,873	860,204	786,611	809,977
<i>Aged Care Act 2024</i>					
- Support at Home	6,599,045	10,029,431	8,959,325	9,357,659	9,005,745
<i>National Health Act 1953</i>					
- continence aids payments	135,356	144,303	153,569	166,234	170,390
<i>Aged Care (Accommodation Payment Security) Act 2006</i>	-	-	-	-	-
<b>Total for Program 3.2</b>	<b>41,399,549</b>	<b>43,779,269</b>	<b>45,250,030</b>	<b>48,267,432</b>	<b>50,732,056</b>

**Table 2.3.1: Budgeted expenses for Outcome 3 (continued)**

	2025–26 Estimated actual \$'000	2026–27 Budget \$'000	2027–28 Forward estimate \$'000	2028–29 Forward estimate \$'000	2029–30 Forward estimate \$'000
<b>Program 3.3: Aged Care Quality <sup>(b)</sup></b>					
Administered expenses					
Ordinary annual services <sup>(a)</sup>	459,538	404,126	255,573	255,856	265,419
<b>Total for Program 3.3</b>	<b>459,538</b>	<b>404,126</b>	<b>255,573</b>	<b>255,856</b>	<b>265,419</b>
<b>Outcome 3 totals by appropriation type</b>					
Administered expenses					
Ordinary annual services <sup>(a)</sup>	5,960,601	6,176,916	6,051,546	6,390,792	6,412,341
- expense adjustment <sup>(d)</sup>	-	(1,471)	(1,471)	-	-
Other services	-	-	-	-	-
- expense adjustment <sup>(e)</sup>	-	-	-	-	-
Special appropriations	36,737,472	38,790,268	40,201,471	42,911,946	45,406,608
Departmental expenses					
Departmental appropriation <sup>(f)</sup>	775,881	457,116	160,314	130,830	137,721
Expenses not requiring appropriation in the Budget year <sup>(g)</sup>	19,655	16,740	18,508	18,462	17,504
<b>Total expenses for Outcome 3</b>	<b>43,493,609</b>	<b>45,439,569</b>	<b>46,430,368</b>	<b>49,452,030</b>	<b>51,974,174</b>
	<b>2025–26</b>	<b>2026–27</b>			
<b>Average staffing level (number)</b>	<b>2,295</b>	<b>2,241</b>			

<sup>(a)</sup> Appropriation Bill (No. 1) 2026–2027.

<sup>(b)</sup> Budget estimates for this program exclude National Partnership payments to state and territory governments by Treasury as part of the Federal Financial Relations framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, please refer to Budget Paper 3 or Program 1.9 of Treasury's Portfolio Budget Statements.

<sup>(c)</sup> Ordinary annual services (Bill 1) against Program 3.2 excludes amounts appropriated in Bill 1 for Zero Real Interest Loans as this funding is not accounted for as an expense.

<sup>(d)</sup> Payments under the Zero Real Interest Loans program are a loan to aged care providers and not accounted for as an expense. The concessional loan discount is the expense, and represents the difference between an estimate of the market rate of interest and that recovered under the loan agreement over the life of the loan. This adjustment recognises the difference between the appropriation and the concessional loan discount expense.

<sup>(e)</sup> Payments under the Refundable Accommodation Deposit (RAD) loan support program are a loan to support aged care providers who face insolvency risks as a result of an outflow of refundable accommodation deposits. This adjustment recognises the difference between the appropriation and the concessional loan discount and unwinding of the concessional discount loan expense.

<sup>(f)</sup> Departmental appropriation combines 'Ordinary annual services Appropriation Bill (No. 1)' and 'Revenue from independent sources (s74)'.

<sup>(g)</sup> Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

### Performance measures for Outcome 3

Table 2.3.2 – 2.3.4 details the performance measures for each program associated with Outcome 3. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan, the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2026–27 Budget measures that have created new programs or materially changed existing programs are provided.

**Table 2.3.2: Performance measures for Program 3.1**

<b>Outcome 3: Ageing and Aged Care</b>		
Improved wellbeing for older people in Australia through targeted support, access to appropriate, high-quality care, and related information services.		
<b>Program 3.1: Access and Information</b>		
To support access and assessments through My Aged Care and navigation supports. My Aged Care provides older people and their support networks with information about aged care services. Navigation services support vulnerable people to access aged care.		
<b>Key Activity</b>	Facilitate access to aged care services through My Aged Care and navigation services.	
<b>Year</b>	<b>Performance Measure</b>	<b>Expected Performance Results</b>
Current Year 2025–26	<b>3.1A</b> – Older people and their support networks have access to information through My Aged Care.	a. The percentage of surveyed users who are satisfied with the service provided by the My Aged Care Website: ≥65%. b. The percentage of surveyed users who are satisfied with the service provided by the My Aged Care Contact Centre: >95%.  <b>Targets: Data not available<sup>3</sup></b>
<b>Year</b>	<b>Performance Measure</b>	<b>Planned Performance Results</b>
Budget Year 2026–27	<b>3.1A</b> – Older people and their support networks have access to information through My Aged Care.	a. The percentage of surveyed users who are satisfied with the service provided by the My Aged Care Website: >65%. b. The percentage of surveyed users who are satisfied with the service provided by the My Aged Care Contact Centre: >95%.
Forward Estimates 2027–30	As per 2026–27	a. As per 2026–27 b. As per 2026–27

<sup>3</sup> Data is not yet available. Results will be published in the Department of Health, Disability and Ageing 2025–26 Annual Report.

Program 3.1: Access and Information		
Key Activity	Facilitate access to aged care services: Eligibility/need assessments.	
Year	Performance Measure	Expected Performance Results
Current Year 2025–26	<b>3.1B</b> – Older people are assessed for service need.	<p>a. Home Support assessments completed within the allocated priority timeframes (Target: <math>\geq 90\%</math>):</p> <ul style="list-style-type: none"> <li>I. High priority (10 calendar days): 41.8%</li> <li>II. Medium priority (14 calendar days): 47.6%</li> <li>III. Low priority (21 calendar days): 58.6%.</li> </ul> <p>b. Comprehensive Community-based assessments completed within the allocated priority timeframes (Target: <math>\geq 90\%</math>):</p> <ul style="list-style-type: none"> <li>I. High priority (10 calendar days): 35.9%</li> <li>II. Medium priority (20 calendar days): 56.4%</li> <li>III. Low priority (40 calendar days): 59.5%.</li> </ul> <p><b>Targets a. and b. At risk</b></p> <p>Key challenges included establishing new outlets, recruiting, and training the assessment workforce, and adapting to operational changes. These pressures were further compounded by the transition to the <i>Aged Care Act 2024</i> and the commencement of Support at Home on 1 November 2025.</p> <p>c. Comprehensive Hospital-based assessments completed within the allocated priority timeframes (Target: <math>\geq 90\%</math>):</p> <ul style="list-style-type: none"> <li>I. High priority (5 calendar days): 93.4%</li> <li>II. Medium priority (10 calendar days): 99.3%</li> <li>III. Low priority (15 calendar days): 94.9%.</li> </ul> <p><b>Targets c. On track</b></p>

Year	Performance Measure	Planned Performance Results
Budget Year 2026–27	<b>3.1B</b> – Older people are assessed for service need.	a. Home Support assessments completed within the allocated priority timeframes ( $\geq 90\%$ ): <ul style="list-style-type: none"> <li>I. High priority: 10 calendar days</li> <li>II. Medium priority: 14 calendar days</li> <li>III. Low priority: 21 calendar days.</li> </ul> b. Comprehensive Community-based assessments completed within the allocated priority timeframes ( $\geq 90\%$ ): <ul style="list-style-type: none"> <li>I. High priority: 10 calendar days</li> <li>II. Medium priority: 20 calendar days</li> <li>III. Low priority: 40 calendar days.</li> </ul> c. Comprehensive Hospital-based assessments completed within the allocated priority timeframes ( $\geq 90\%$ ): <ul style="list-style-type: none"> <li>I. High priority: 5 calendar days</li> <li>II. Medium priority: 10 calendar days</li> <li>III. Low priority: 15 calendar days.</li> </ul>
Forward Estimates 2027–30	As per 2026–27	a. As per 2026–27 b. As per 2026–27 c. As per 2026–27
Material changes to Program 3.1 resulting from 2026–27 Budget Measures: Nil		

**Table 2.3.3: Performance measures for Program 3.2**

<b>Program 3.2: Aged Care Services</b>		
To provide support at home, residential care and respite care service programs for older people who require assistance.		
<b>Key Activity</b>	Enable the delivery of residential care and home care services that support older people.	
<b>Year</b>	<b>Performance Measure</b>	<b>Expected Performance Results</b>
Current Year 2025–26	<b>3.2A</b> – Older people are treated with respect and dignity in receiving aged care services.	Increase the average Residents' Experience Survey (RES) Score for residential aged care homes by at least one percentage point from 2024–25.  <b>Target: Achieved</b> (83.6%)
<b>Year</b>	<b>Performance Measure</b>	<b>Planned Performance Results</b>
Budget Year 2026–27	<b>3.2A</b> – Older people are treated with respect and dignity in receiving aged care services.	Maintain or increase the average RES Score for residential aged care homes from the previous year's result.
Forward Estimates 2027–30	As per 2026–27	As per 2026–27

Program 3.2: Aged Care Services		
Key Activity	Enable the delivery of residential care and home care services that support older people.	
Year	Performance Measure	Expected Performance Results
Current Year 2025–26	<b>3.2B</b> – Older people receive residential care services that contributes to their quality of life.	<p>a. Maintain or increase percentage of care recipients who completed the Quality of Life-Aged Care Consumers instrument (QOL-ACC) and who report 'good' or 'excellent' quality of life in residential care (QIs) in comparison to 2024–25 baseline.</p> <p><b>Target: On track</b></p> <p>b. Maintain a sector-wide average of 215 minutes per resident per day, including 44 minutes of direct care by a registered nurse (RN) per day.</p> <p><b>Target: On track</b></p> <p>c. All non-exempt residential aged care facilities of approved providers have at least one RN on-site and on duty 24 hours a day, 7 days a week.</p> <p><b>Target: At risk</b></p> <p>The average percentage of reported hours an RN was on-site and on duty is 98.0% for the first half of 2025–26.</p>
Year	Performance Measure	Planned Performance Results
Budget Year 2026–27	<b>3.2B</b> – Older people receive residential care services that contributes to their quality of life.	<p>a. Maintain or increase percentage of care recipients who completed the QOL-ACC and who report 'good' or 'excellent' quality of life in residential care (QIs) in comparison to 2024–25 baseline.</p> <p>b. Maintain a sector-wide average of 215 minutes per resident per day, including 44 minutes of direct care by a RN per day.</p> <p>c. All residential aged care facilities of approved providers have at least one RN on-site and on duty 24 hours a day, 7 days a week.</p>
Forward Estimates 2027–30	As per 2026–27	<p>a. As per 2026–27</p> <p>b. As per 2026–27</p> <p>c. As per 2026–27</p>

Program 3.2: Aged Care Services		
Key Activity	Enable the delivery of residential care and home care services that support older people.	
Year	Performance Measure	Expected Performance Results
Current Year 2025–26	<b>3.2C</b> – Older people who are Aboriginal or Torres Strait Islander, or who live in rural and remote areas, access Commonwealth funded aged care services at rates comparable with the broader Australian population.	a. i. Older people aged 50-64 years, who are self-identified as Aboriginal and Torres Strait Islanders are accessing aged care services at rates comparable with their representation in Australian population estimates: Target: 2.7% ii. Older people aged 65 years and over, who are self-identified as Aboriginal and Torres Strait Islanders are accessing aged care services at rates comparable with their representation in Australian population estimates: Target: 1.3% b. Older people in rural and remote areas are accessing aged care services at rates comparable with their representation in Australian population estimates: Target: 10.6% <b>Targets: Data not available<sup>4</sup></b>
Year	Performance Measure	Planned Performance Results
Budget Year 2026–27	<b>3.2C</b> – Older people who are Aboriginal or Torres Strait Islander, or who live in rural and remote areas, access Commonwealth funded aged care services at rates comparable with the broader Australian population.	a. i. Older people aged 50-64 years, who are self-identified as Aboriginal and Torres Strait Islanders are accessing aged care services at rates comparable with their representation in Australian population estimates: Target 2.7% ii. Older people aged 65 years and over, who are self-identified as Aboriginal and Torres Strait Islanders are accessing aged care services at rates comparable with their representation in Australian population estimates: Target 1.3% b. Older people in rural and remote areas are accessing aged care services at rates comparable with their representation in Australian population estimates: Target 10.6%

<sup>4</sup> Data is not yet available. Results will be published in the Department of Health, Disability and Ageing 2025–26 Annual Report.

Forward Estimates 2027–30 <sup>5</sup>	As per 2026–27	a. i. As per 2026–27 ii. As per 2026–27 b. As per 2026–27
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Program 3.2: Aged Care Services		
Key Activity	Enable the delivery of residential care and home care services that support older people.	
Year	Performance Measure	Expected Performance Results
Current Year 2025–26	<b>3.2D</b> – Older people receive home care services that support them. a. Number of allocated Support at Home places (short-term and ongoing). b. Number of clients that accessed Commonwealth Home Support Program services.	a. 380,000 b. 860,000  <b>Target: On track</b>
Year	Performance Measure <sup>6</sup>	Planned Performance Results
Budget Year 2026–27	<b>3.2D</b> – Older people receive home care services that support them. a. Number of allocated Support at Home places (short-term and ongoing). b. Number of clients that accessed Commonwealth Home Support Program services.	a. 420,000 b. 860,000
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 3.2 resulting from 2026–27 Budget Measures: Nil		

<sup>5</sup> The department is reviewing its targets for 2027–30 to reflect updated population estimates.

<sup>6</sup> The department is reviewing its performance measures for 2026–27. A new measure and target for performance measure a. is being developed based on program baseline data and will be published in the department's Corporate Plan 2026–27. A new measure and target for performance measure b. will be developed following its transition to the Support at Home program (which will occur no earlier than 1 July 2027).

**Table 2.3.4: Performance measures for Program 3.3**

<b>Program 3.3: Aged Care Quality</b>		
To build and retain an aged care workforce to be available to meet the needs and rights of older people.		
<b>Key Activity</b>	Deliver programs that support the growth of the aged care workforce.	
<b>Year</b>	<b>Performance Measure</b>	<b>Expected Performance Results</b>
Current Year 2025–26	<b>3.3A</b> – Aged care workforce is available and appropriately skilled.	Progressive decrease towards 25% or less for staff turnover in the aged care sector.  <b>Target: Data not available<sup>7</sup></b>
<b>Year</b>	<b>Performance Measure<sup>8</sup></b>	<b>Planned Performance Results</b>
Budget Year 2026–27	<b>3.3A</b> – Aged care workforce is available and appropriately skilled.	Progressive decrease towards 25% or less for staff turnover in the aged care sector.
Forward Estimates 2027–30	As per 2026–27	As per 2026–27
Material changes to Program 3.3 resulting from 2026–27 Budget Measures: Nil		

<sup>7</sup> Data is not yet available. Results will be published in the Department of Health, Disability and Ageing 2025–26 Annual Report.

<sup>8</sup> The department is reviewing its performance measures for 2026–27. New performance measures and targets will be published in the department's Corporate Plan 2026–27.

