Australian Government
Department of Health, Disability and Ageing

Quarterly Financial Snapshot

Aged Care Sector

Quarter 3 2025-26

1 January to 31 March 2026

Contents

Introduction

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

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 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
    - service-level financial and operations information on My Aged Care through the 'Find a Provider' tool.

This QFS covers 1 January to 31 March 2026 (Q3 2025-26), and includes an introductory summary, results for the residential care sector, and results for the Support at Home sector. The Support at Home program commenced on 1 November 2025. At the time of writing the report, claims data was not available to use, so information on utilisation is not published in this report.

The Appendix contains tips on how to read the QFS, including provider type definitions, information about 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.

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

The Australian Government is continuing to develop programs and initiatives that underpin high quality and safe aged care in Australia.

Data reference: Timeframes and acronyms used in this report

Report timeframes

- The financial results presented in this report are year-to-date (YTD) results for the nine-month period ending 31 March 2026 or quarter 3 (Q3) 2025-26.
- This is the second quarter of financial reporting post commencement of the *Aged Care Act 2024 (Cth)* on 1 November 2025. As such, terminology in this report reflects operations of residential and Support at Home providers, and references to home care have been replaced with Support at Home.
- Descriptive comparisons are provided to YTD results for the nine-month period ending 31 March 2026, and graphic comparisons are provided to YTD results for the nine-month period ending 31 March in 2023, 2024, and 2025. For readability, results are presented as being for 'Q3', for example, 'Q3 2025-26'.

Acronyms

- **prpd** (residential care) refers to 'per resident per day'. Dividing sector results by the total number of residents and days allows the data to be standardised. This is calculated by the total dollar amount divided by the care payment entitlement days (as reported by Services Australia).
- **pppd** (Support at Home) refers to 'per participant per day'. This standardised result is derived by dividing sector results by the total claim days.
- **pp** refers to 'percentage point'. This is the difference between two percentages, used to avoid confusion with a relative percentage change. For example, a 0.3 percentage point change is observed when a value moves from 2.0% to 2.3%.
- **NPBT** and **EBITDA** refer to net profit before tax and earnings before interest, taxes, depreciation, and amortisation, respectively. These indicators are monitored to understand changes in financial performance.

Reform impacts on Q3 2025-26 results

The Q3 2025-26 results show the impact on providers of the following initiatives:

- additional investment to fund the Fair Work Commission's (FWC) further decisions in the Aged Care Work Value Case, which included a wage increase on 1 October 2025 for aged care nurses and many aged care workers:
    - an increase of 2.8% to the 24/7 registered nurse (RN) supplement on 1 March 2025 to assist providers to meet the FWC's Stage 3 decisions
    - an increase to Home Care Package (HCP) subsidy rates by 0.93% and 0.10% on 1 January 2025 and 1 March 2025, respectively, to assist providers to meet the FWC's Stage 3 decisions.
- consecutive increases in the AN-ACC price, from $280.01 to $282.44 from 1 March 2025 and to $295.64 in October 2025, and adjustments to the class and base care tariff weights.
- consecutive increases to the hotelling supplement from $13.46 to $15.60 from 1 July 2025, and to $22.15 from 20 September 2025.
- measures announced in the Government's response to the Aged Care Taskforce:
    - requiring providers to permanently retain 2% per annum of Refundable Accommodation Deposits and Refundable Accommodation Contributions (capped at five years of retentions) from 1 November 2025,
    - 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; and
    - 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 with annual indexation on 1 July each year ($758,627 during Q2 2025-26).
- the release of an additional 20,000 HCPs in September 2025 (ahead of the implementation of the Support at Home program on 1 November 2025).
- grant funding to eligible Support at Home program providers operating in areas where aged care services are limited.

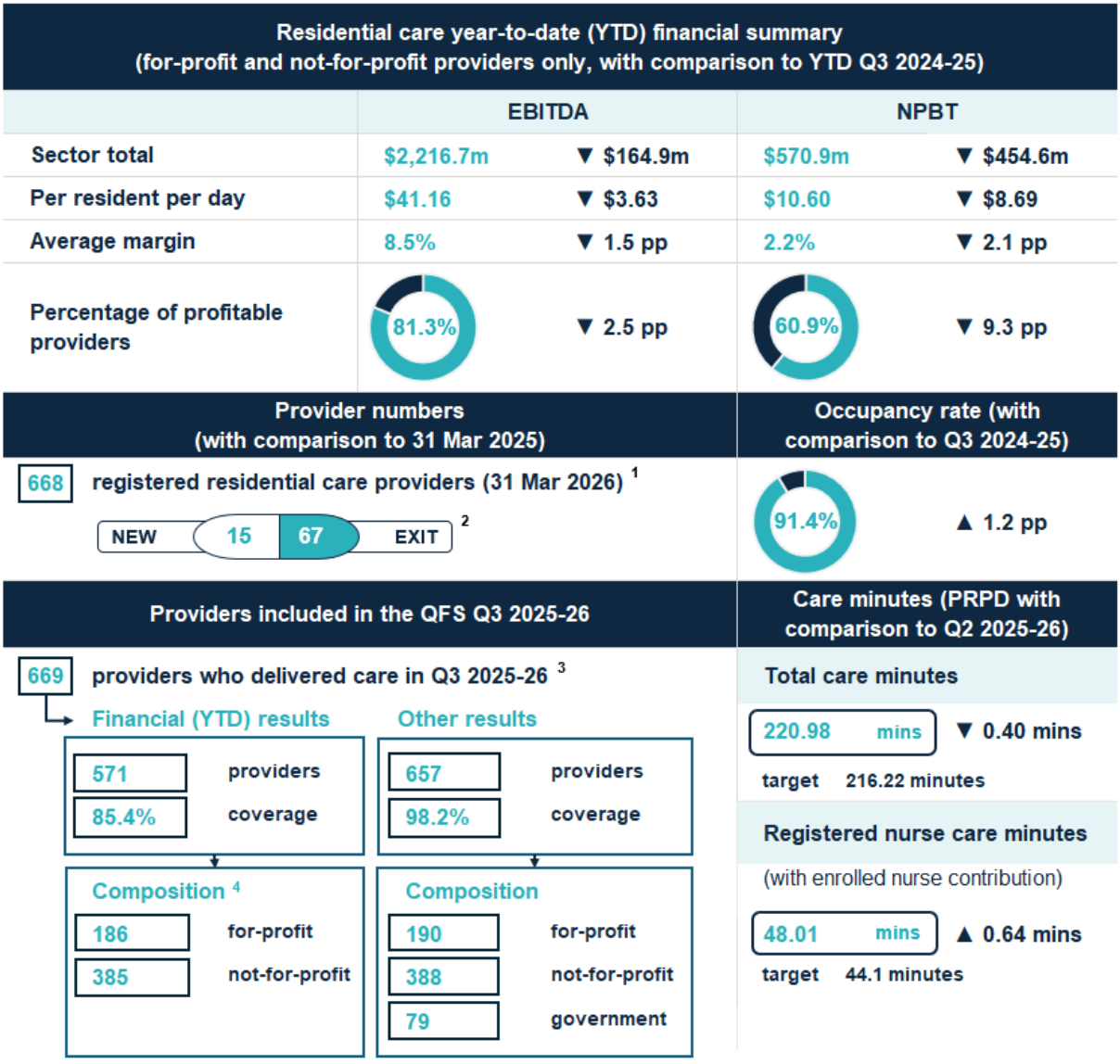
Information on aged care reform is available on the department's website.

Residential aged care

Overview of financial performance

The EBITDA margin and NPBT margin for the residential care sector decreased between Q3 2024-25 and Q3 2025-26 (Figure 1).

Figure 1: Summary of financial performance for residential aged care providers at Q3 2025-26, and comparison with Q3 2024-25



Notes:
1. Total providers who provided any care in the quarter (as below) may exceed total providers at the end of the quarter (as above) as exiting providers complete the Quarterly Financial Report (QFR).
2. The department's analysis indicates that 65 of the 67 (97%) of the provider exits are due to service transfers (from one provider to another), with the number of residents serviced continuing to increase, indicating growing capacity. These trends demonstrate that the primary driver of provider exits is market consolidation.
3. Providers are considered to have delivered care where they have submitted claims for Government subsidies for the period.
4. Government providers are not required to provide YTD financial statements in the QFR.
5. The department conducts additional data quality assessments, and providers may be excluded from the analysis for various reasons, including where: their QFR has not been submitted, there is no evidence of the provider receiving government funding, or their data contains anomalies relative to sector norms (for example, unexplained elevated costs or hourly rates).

Key insight

1. **The sector NPBT margin decreased when comparing Q3 2024-25 and Q3 2025-26, as operating expense growth outpaced revenue growth.**

   The sector recorded a YTD NPBT of $570.9 million (average NPBT margin of 2.2%) in Q3 2025-26, a decrease from Q3 2024-25 ($1.0 billion and NPBT margin of 4.3%). Sector revenue growth (9.0%) was driven by a 14.6% increase in AN-ACC funding. Meanwhile, sector operating expense growth (10.8%) was attributed to increased direct care labour costs, driven by:

   - increased wages for direct care staff, following FWC decisions
   - increased compliance with care minutes and 24/7 registered nursing requirements, and
   - the linking of care funding to care minute delivery in non-specialised homes in metropolitan areas from Q2 2025-26 onwards

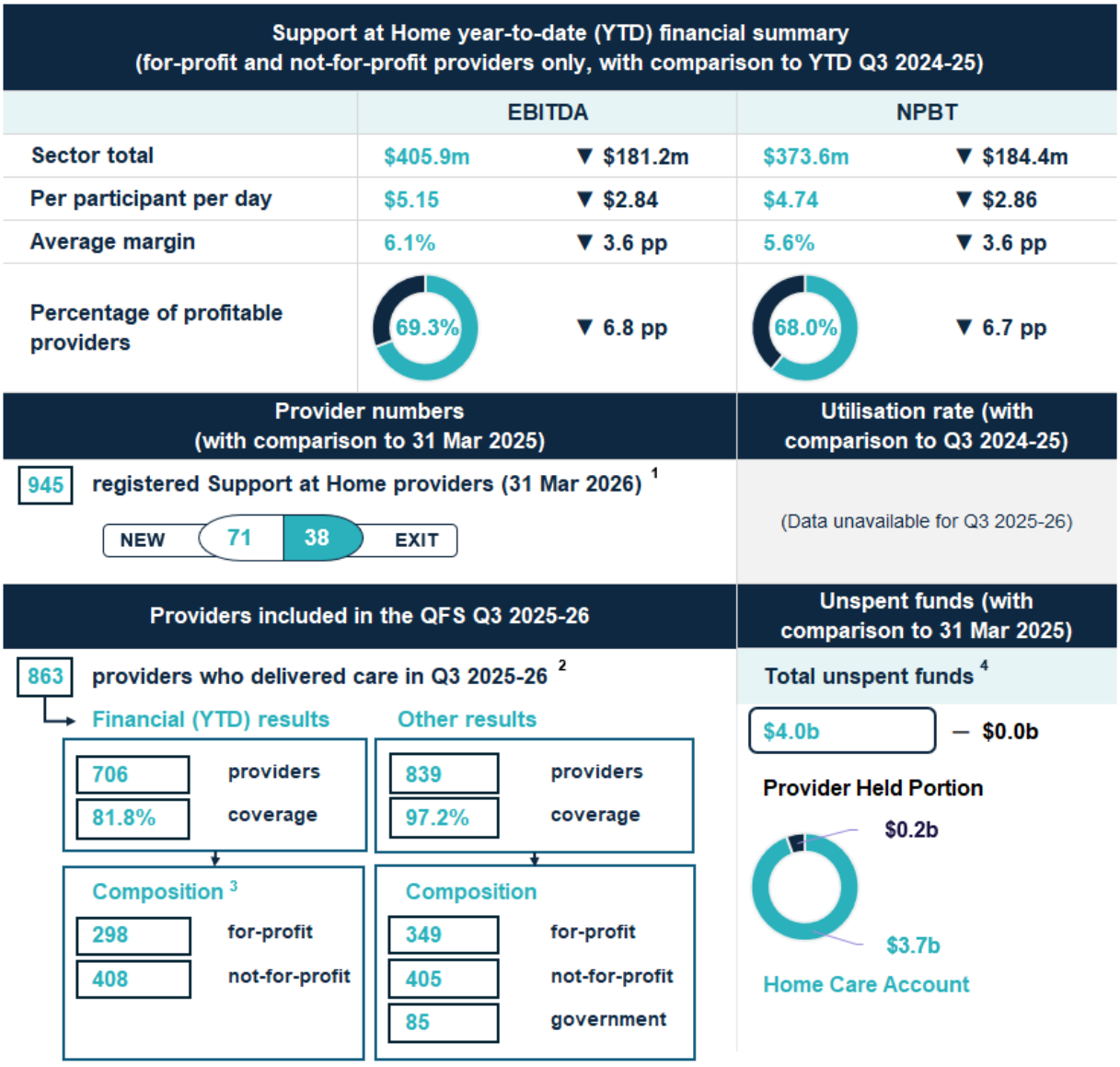
   As highlighted in the QFS Q2 2025-26 report, a small number of providers reported a significant write-off of intercompany balances in the first half of 2025-26. This resulted in large non-operating expenses being reported for those providers. When excluding the impact of these write-offs, the sector average NPBT margin would have been 2.9% in Q3 2025-26, rather than 2.2%.

Support at Home

Overview of financial performance

The financial performance of the Support at Home sector decreased between Q3 2024-25 and Q3 2025-26 (Figure 2).

Figure 2: Summary of financial performance for Support at Home providers at Q3 2025-26, and comparison with Q3 2024-25



Notes:
1. Total providers who provided any care in the quarter (as below) may exceed total providers at the end of the quarter (as above) as exiting providers complete the Quarterly Financial Report (QFR).
2. Providers are considered to have delivered care where they have submitted claims for Government subsidies for the period.
3. Government providers are not required to provide YTD financial statements in the QFR.
4. The sum of unspent funds in the Home Care Account and Provider Held Portion of unspent funds does not equal the total unspent funds due to rounding.
5. The department conducts additional data quality assessments, and providers may be excluded from the analysis for various reasons, including where: their QFR has not been submitted, there is no evidence of the provider receiving government funding, or their data contains anomalies relative to sector norms (for example, unexplained elevated costs or hourly rates).

Key insight

1. **The decrease in the sector's EBITDA and NPBT results in Q3 2025-26, when compared to Q3 2024-25, was driven by operating expense growth exceeding revenue growth.**

   In Q3 2025-26, the total sector EBITDA was $405.9 million, a decrease of $181.2 million (30.9%) from Q3 2024-25. Similarly, sector NPBT decreased by $184.4 million (33.0%) over the same time, totalling $373.6 million in Q3 2025-26. Consistent with these results, there were decreases in the EBITDA and NPBT margins, which both fell by 3.6 pp, to 6.1% and 5.6%, respectively.

   These trends were driven by the sector's expense growth (13.9%) exceeding growth in revenue (9.6%). With operating expenses representing over 99.0% of the Support at Home sector's expenses, the change in expenses was driven by an increase in labour costs between Q3 2024-25 and Q3 2025-26.

2. **Reporting in the first two quarters of the Support at Home program highlights changes in provider expenditure in line with policy changes to care and package management.**

   Under the Support at Home program, care management fees are capped at 10% of a participant's quarterly budget. This cap has been set at 10% to optimise outcomes for Support at Home participants, while ensuring every dollar spent is maximised to the delivery of care. The 10% figure is also consistent with analysis published in the department's Financial Reports on the Australian Aged Care Sector (FRAACS) which show the average cost to providers of delivering care management services has ranged between 9.0% - 11.0% of total income between 2021-22 and 2024-25.

   In addition to these changes to care management fees, package management fees have been eliminated to make pricing more transparent. Instead, all operational and administration costs are now bundled directly into the service prices under the Support at Home program.

   In line with these policy changes, and the department's expectations, provider reporting through the QFS Q2 2025-26 and Q3 2025-26 shows consecutive quarter-on-quarter decreases in care management and administrative and non-care staff expenditure. For further information, refer to the Staff costs section.

Residential aged care

Financial performance

Financial summary

The net profit position of the residential aged care sector decreased between Q3 2024-25 and Q3 2025-26 (Table 1). In Q3 2025-26:

- **revenue** grew by $34.14 prpd (up 7.6%). This was primarily driven by a $0.8 billion increase in AN-ACC funding, from $5.5 billion in Q3 2024-25 to $6.3 billion in Q3 2025-26.
- **expenses (operating and non-operating)** grew by $42.82 prpd (up 10.0%). This was driven by higher labour costs, specifically, increased wage costs and care time delivered.
- **sector EBITDA** was $2,216.7 million, with an average EBITDA margin of 8.5% (down from 10.0% in Q3 2024-25).
- **sector NPBT** was $570.9 million, with an average NPBT margin of 2.2% (down from 4.3% in Q3 2024-25).

Table 1: Q3 2025-26 and comparison with Q3 2024-25, summary of financial performance of residential for-profit and not-for-profit aged care providers

	Total	PRPD	Change from Q3 2024-25 PRPD
Revenue	$25,943.9m	$481.75	▲ $34.14
Operating expenses	$23,727.2m	$440.58	▲ $37.76
EBITDA	$2,216.7m	$41.16	▼ $3.63
Average EBITDA margin	8.5%	8.5%	▼ 1.5 pp
Non-operating expenses	$1,645.8m	$30.56	▲ $5.06
NPBT	$570.9m	$10.60	▼ $8.69
Average NPBT margin	2.2%	2.2%	▼ 2.1 pp

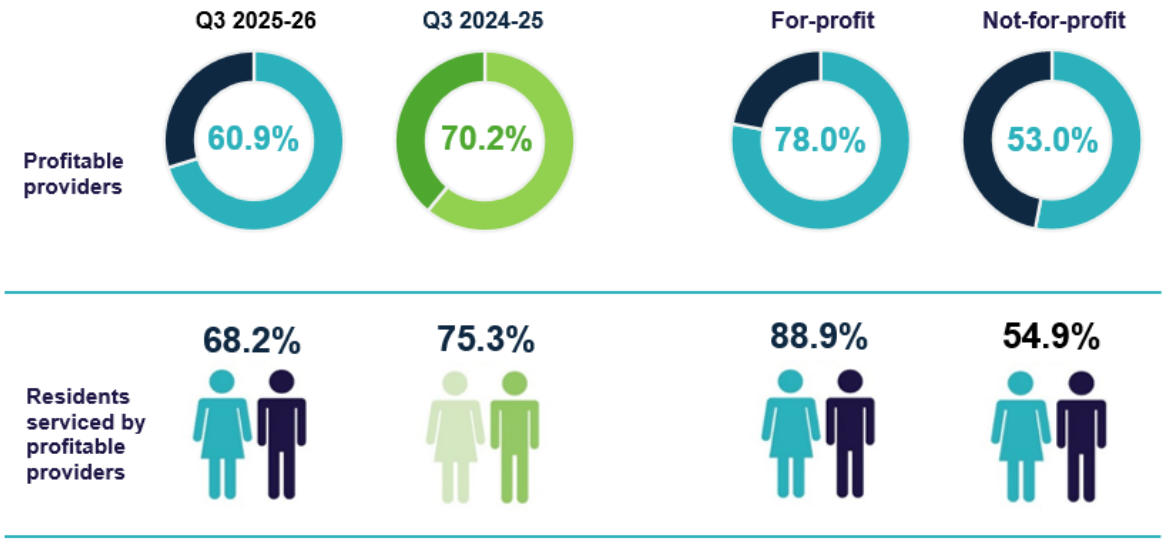
Note: The average EBITDA and NPBT margins (which indicate the EBITDA and NPBT returns on revenue) are calculated by dividing the sector EBITDA and NPBT results by the sector total revenue.

Profitable providers

At Q3 2025-26:

- 60.9% of providers were profitable (defined by NPBT) (down 9.3 pp from Q3 2024-25) (Figure 3).
- profitable providers serviced 68.2% of residents (down 7.1 pp from Q3 2024-25).

Figure 3: Percentage of profitable providers and percentage of residents serviced by profitable providers at Q3 2025-26, and comparison with Q3 2024-25



Median EBITDA and NPBT margin

In Q3 2025-26:

- the median EBITDA margin for the sector was 6.5% (down 1.7 pp from Q3 2024-25), which means an EBITDA return of $6.50 for every $100 of revenue earned (Chart 1).
- the median NPBT margin for the sector was 2.3% (down 1.7 pp from Q3 2024-25), which means a NPBT return of $2.30 for every $100 of revenue earned (Chart 2).

Chart 1: Median and quartile EBITDA margin

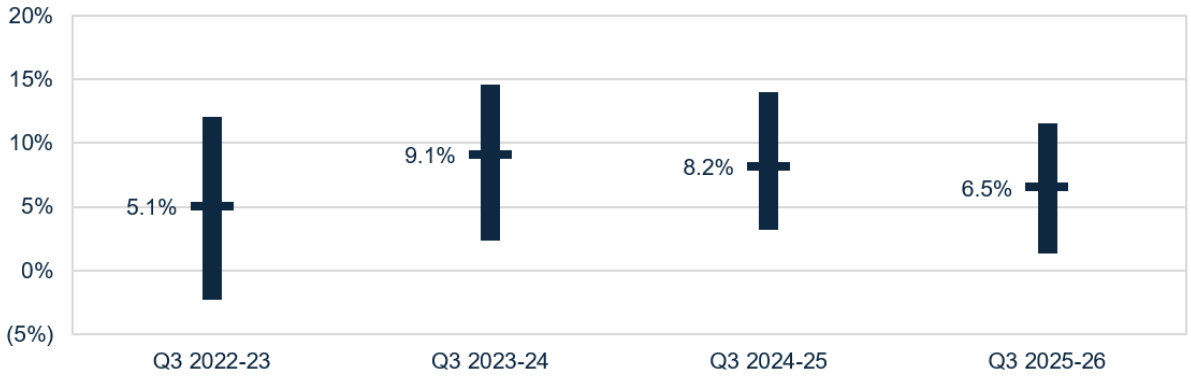
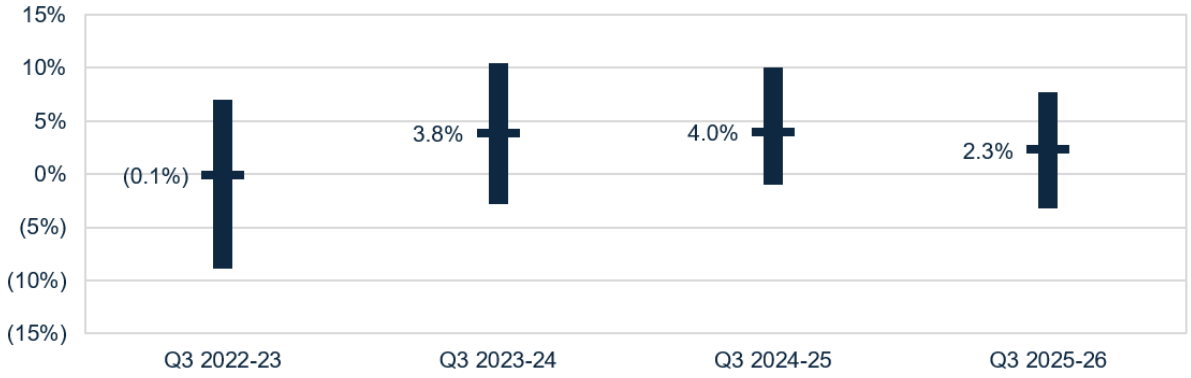


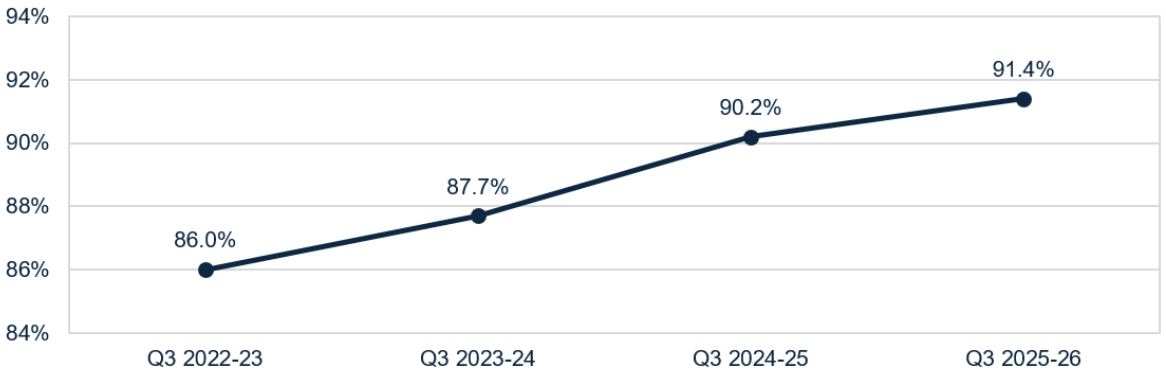
Chart 2: Median and quartile NPBT margin



Occupancy

In Q3 2025-26, the average occupancy rate was 91.4% (up 1.2 pp from Q3 2024-25) (Chart 3).

Chart 3: Average occupancy rate



Residential care occupancy rate (%) = (occupied bed days for residential care services ÷ operational bed days for residential care services) x 100, where:

- ***residential care occupied bed days*** for an approved residential care service, refers to the total number of days that operational beds for the residential care service were occupied by individuals to whom funded residential care services were delivered.
- ***residential care operational bed days*** for an approved residential care service, means the total number of days that residential care beds covered by the approval of the home were not offline beds.
- ***residential care offline beds for*** an approved residential care home, means residential care beds covered by the approval of the home that are covered by a notice under section 167 of the Aged Care Act 2024, given in accordance with section 167-70 of the Aged Care Rules 2025.

Notes:

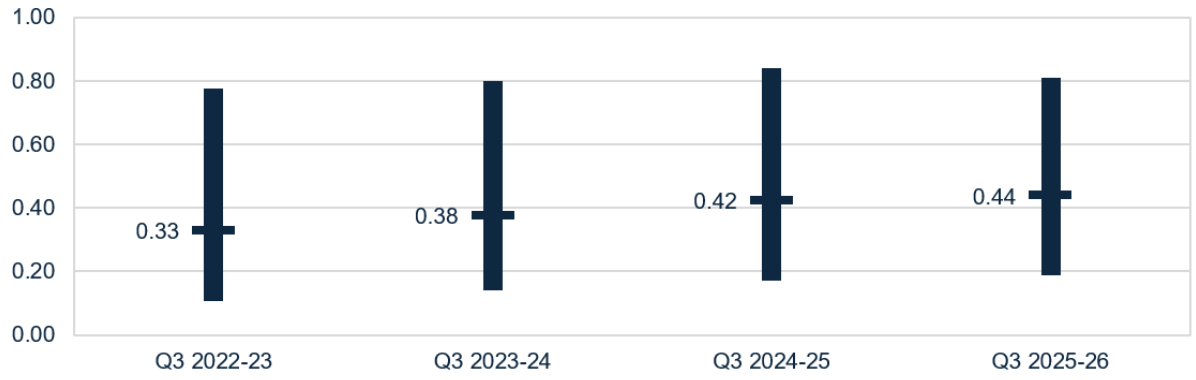
1. The occupancy rate is for mainstream (permanent and respite) residential aged care services only. It excludes places or beds used to deliver other Commonwealth-funded aged care services, including the National Aboriginal and Torres Strait Islander Flexible Aged Care Program, the Transition Care Program, and Multi-Purpose Services, and excludes beds used to deliver non-aged care or non-Commonwealth funded services, including private residential care, NDIS services, or health services.

2. Residential care offline beds includes beds offline due to: a lack of capacity to deliver care due to workforce or operational issues; redevelopment, refurbishment, or extension of whole or part of the building or site in which the residential care service is delivered; the opening of new residential care home in stages, or the pending permanent closure of whole or part of the residential care home in which a residential care service is delivered.

Liquidity

In Q3 2025-26, the median liquidity ratio for the sector was 0.44 (Chart 4), meaning providers had cash and financial assets available equivalent to slightly less than half of their short-term liabilities. The liquidity position has steadily improved since Q3 2022-23, with a further improvement in Q3 2025-26, even after allowing for the recalculation of liquid assets to include trade receivables (the ratio would have been 0.42 under the previous calculation).

Chart 4: Median and quartile liquidity ratio

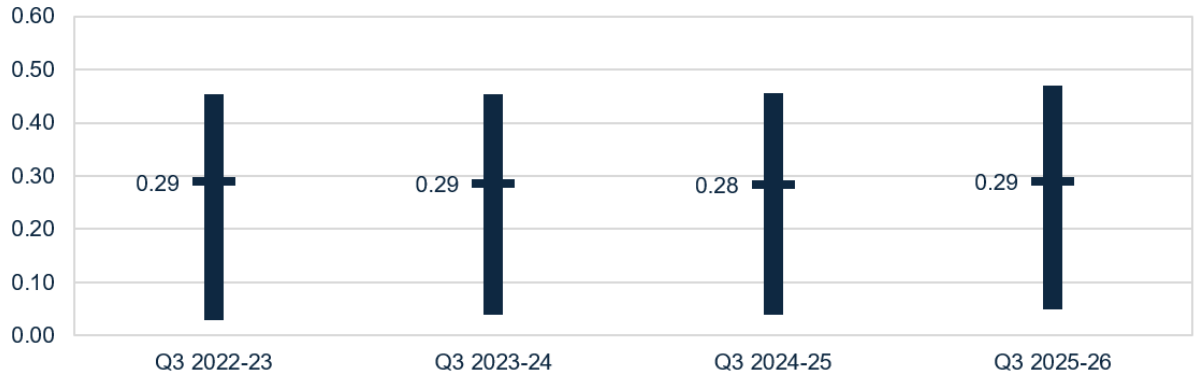


Note: From Q1 2025-26, the liquidity formula includes trade receivables as liquid assets. This is aligned with the Aged Care Quality and Safety Commission's Financial and Prudential Standards.

Capital adequacy

In Q3 2025-26, the median capital adequacy ratio for the sector was 0.29 (up 0.01 from Q3 2024-25) (Chart 5), meaning for every $100 of assets owned, $29 was funded through equity and $71 through debt or other liabilities.

Chart 5: Median and quartile capital adequacy ratio



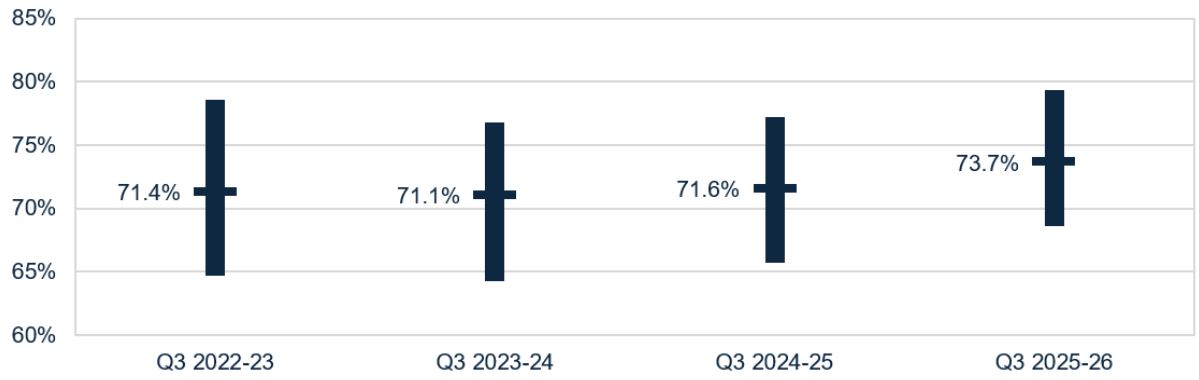
Capital adequacy ratio = (net assets - intangible assets) ÷ (total assets - intangible assets)

Note: Intangible assets are removed from the calculation as they are not considered to have value in the event of insolvency. This more realistically reflects the available capital to absorb unforeseen circumstances.

Wages to revenue

In Q3 2025-26, wages as a proportion of revenue for the sector was a median of 73.7% (up 2.1 pp from Q3 2024-25) (Chart 6).

Chart 6: Median and quartile wages to revenue percentage



Average care minutes

- In Q3 2025-26, the sector average target for total care minutes was 216.22 minutes prpd, and 44.10 minutes prpd for registered nurse care time, including up to 10% of enrolled nurse time.
- The sector delivered above the care minute targets with residents receiving an average of 220.98 total care minutes prpd (down 0.40 minutes prpd from Q2 2025-26) (Table 2).
    - This includes 48.01 minutes delivered by a registered nurse (up 0.64 minutes prpd from Q2 2025-26). This includes enrolled nurse time, which can contribute up to 10.0% of the registered nurse care minutes target.
- 70.3% of homes met their service-level total care minutes targets, down 3.9 pp from Q2 2025-26.
- 81.4% of homes met their service-level registered nurse targets (with enrolled nurse contribution), down 0.2 pp from Q2 2025-26.
- 63.6% of homes met both their service-level total care and registered nurse care minute targets (with enrolled nurse contribution), down 1.6 pp from Q2 2025-26.

Table 2: Q3 2025-26 and comparison with Q2 2025-26, average care minutes met prpd (sector and by provider type) [1]

	Sector	Change from Q2 2025-26	For-profit	Not-for-profit	LST government
Registered nurses	45.03	▲0.69	42.91	44.79	77.36
Registered nurses (with enrolled nurse contribution)	48.01	▲0.64	46.20	47.51	81.58
Enrolled nurses	11.88	▼0.44	8.71	10.30	84.36
Personal care workers & assistants in nursing	164.07	▼0.65	166.42	166.48	85.53
Total [2]	**220.98**	**▼0.40**	**218.04**	**221.56**	**247.25**

Notes:

1. Average care minutes prpd is calculated by dividing total care minutes delivered by occupied bed days (not claim days).

2. The total sector care minutes result does not equal the sum of care minutes by role due to rounding. Minor discrepancies may also exist between the results above and those published in the *Care minutes in residential aged care dashboard* due to timing of data extraction.

Staff cost and time

Total median staff cost and time

Median staff costs and time increased from Q3 2024-25 to Q3 2025-26 (Table 3).

- Total costs were $268.23 prpd (up $25.38 or 10.5% from Q3 2024-25)
- Total time was 239.23 minutes prpd (up 4.53 minutes or 1.9% from Q3 2024-25).

Personal care workers and assistants in nursing (the largest component) saw a 11.9% ($17.34) increase in costs and 1.8% (2.97 minutes) increase in minutes.

This growth, along with that in registered nurse costs and time, was expected with the increase in the mandatory care minutes responsibility from Q2 2024-25.

Table 3: Q3 2025-26 and comparison with Q3 2024-25, median staff cost and time prpd [1]

	Cost PRPD	Change from Q3 2024-25	Minutes PRPD	Change from Q3 2024-25
Registered nurses	$68.15	▲ $6.39	45.20	▲ 1.77
Enrolled nurses	$11.44	▲ $0.72	10.03	▼ 0.62
Personal care workers & assistants in nursing	$163.21	▲ $17.34	163.82	▲ 2.97
Allied health staff	$6.01	▲ $0.54	4.15	▲ 0.19
Diversional, lifestyle, recreation or activities officers	$7.37	▲ $1.11	8.62	▲ 0.89
Care management staff	$6.34	▲ $0.24	3.71	▲ 0.04
Total median [2]	**$268.23**	**▲ $25.38**	**239.23**	**▲ 4.53**

Notes:

1. Direct labour costs include all on-costs for engaging staff (such as superannuation, leave, allowances), while hourly rates presented in this QFS 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 totals calculated in the individual QFR submissions and is not the sum of the medians in the sub-categories listed above. Local, state and territory government providers are included in this data.

Agency staff cost and time

In Q3 2025-26, agency staff costs and hours decreased at the sector level and for all staff roles, when compared to Q3 2024-25.

- Agency staff costs represented 5.6% of total direct care labour costs (down 1.9 pp from Q3 2024-25).
- Agency staff hours represented 4.5% of total direct care labour hours (down 1.1 pp from Q3 2024-25).

Agency staff costs and hours decreased for all staff roles.

Table 4: Q3 2025-26 and comparison with Q3 2024-25, agency staff costs and hours as a percentage of direct care costs and hours

	Agency costs as % of total	Change from Q3 2024-25	Agency hours as % of total	Change from Q3 2024-25
Registered nurses	6.8%	▼ 2.9 pp	5.4%	▼ 1.7 pp
Enrolled nurses	4.7%	▼ 0.8 pp	3.7%	▼ 0.5 pp
Personal care workers & assistants in nursing	3.4%	▼ 1.4 pp	2.9%	▼ 1.1 pp
Total direct care	**5.6%**	**▼ 1.9 pp**	**4.5%**	**▼ 1.1 pp**

Allied health median staff cost and time

The median total cost and time for allied health services prpd were $6.01 and 4.15 minutes (Table 3), respectively.

The highest median allied health cost and time prpd was for physiotherapists:

- median cost was $3.67 prpd (up $0.21 or 6.1% from Q3 2024-25) (Table 5).
- median minutes was 2.64 minutes prpd (up 0.01 or 0.4% from Q3 2024-25).

Table 5: Q3 2025-26 and comparison with Q3 2024-25, median allied health cost and time prpd

	Cost PRPD	Change from Q3 2024-25	Minutes PRPD	Change from Q3 2024-25
Physiotherapist	$3.67	▲ $0.21	2.64	▲ 0.01
Podiatrist	$0.39	▲ $0.05	0.23	▲ 0.02
Dietetic care	$0.30	▲ $0.02	0.17	▲ 0.02
Speech pathologist	$0.21	▲ $0.03	0.09	▲ 0.02

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 and territory government providers are included in this data.

Hourly rates

In Q3 2025-26, median sector hourly rates increased for all direct care staff compared to Q3 2024-25. The sector median of the average hourly rate was:

- $53.58 for registered nurses (up $2.34 or 4.6% from Q3 2024-25) (Chart 7)
- $40.36 for enrolled nurses (up $2.56 or 6.8% from Q3 2024-25) (Chart 8)
- $35.27 for personal care staff (up $2.41 or 7.3% from Q3 2024-25) (Chart 9).

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

Note for all charts that data collection for highest and lowest median hourly rates commenced in Q4 2022-23. As such, these figures are not available for Q3 2022-23.

Chart 7: Highest, average, and lowest hourly rates (medians) paid to registered nurses

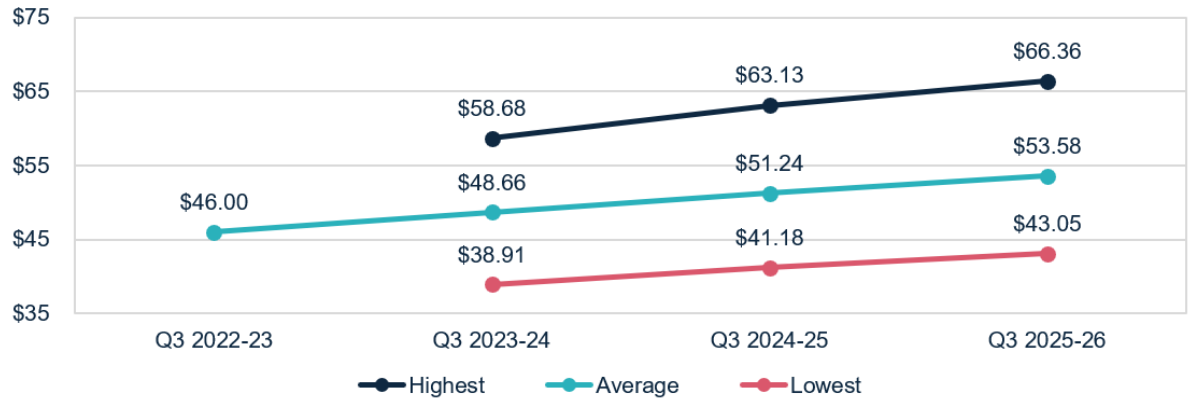


Chart 8: Highest, average, and lowest hourly rates (medians) paid to enrolled nurses

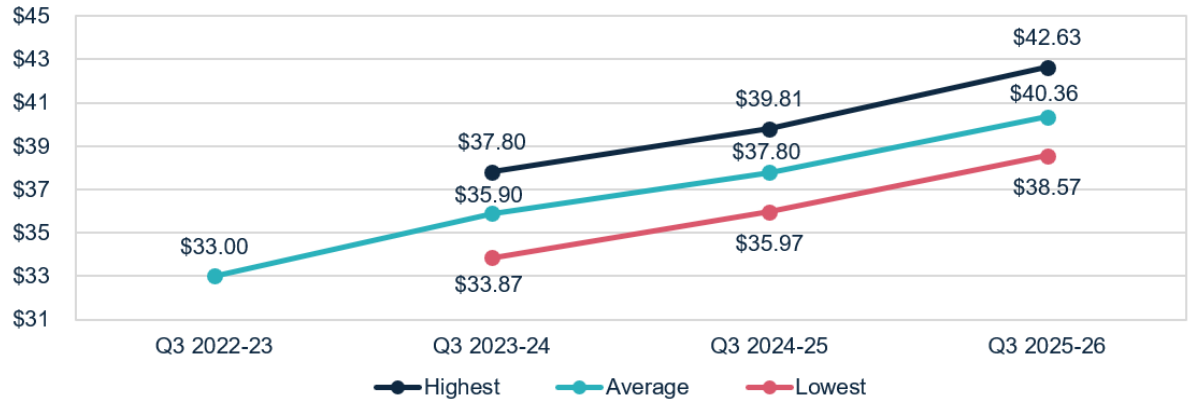
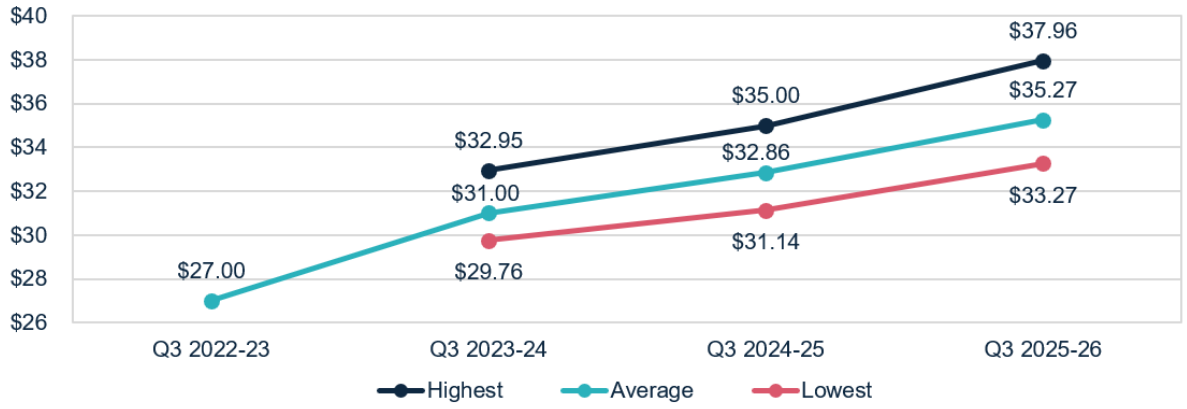


Chart 9: Highest, average, and lowest hourly rates (medians) paid to personal care workers and assistants in nursing

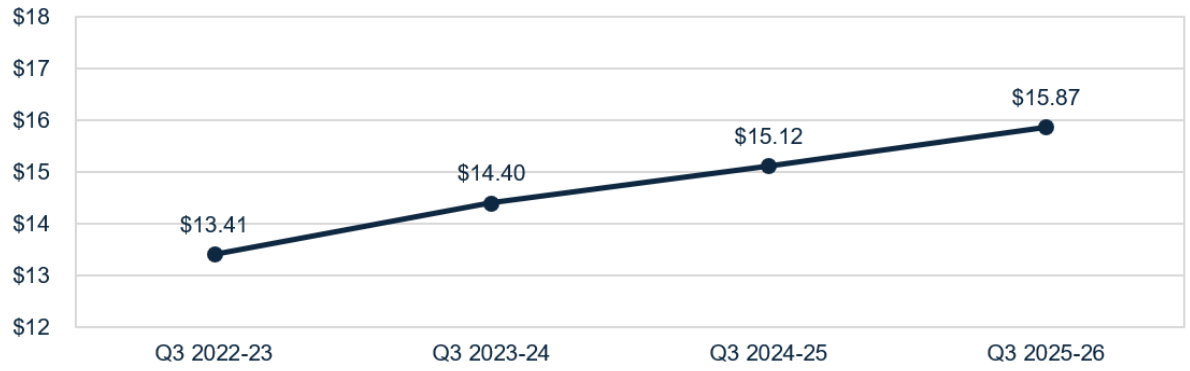


Food and nutrition

In Q3 2025-26, at a sector level:

- the median total cost of food and ingredients was $15.87 prpd (up $0.75 or 5.0% from Q3 2024-25) (Chart 10).
- the 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 83.5% (up 0.2 pp from Q3 2024-25).

Chart 10: Median food and ingredients cost prpd



Support at Home

Financial performance

Financial summary

The EBITDA and NPBT position of the Support at Home sector decreased between Q3 2024-25 and Q3 2025-26 (Table 6). In Q3 2025-26:

- **revenue** grew by $1.79 pppd (up 2.2%).
- **expenses (operating and non-operating)** grew by $4.65 pppd (up 6.2%). This was driven by an increase in labour costs.
- **sector EBITDA** was $405.9 million, with an average EBITDA margin of 6.1% (down 3.6 pp from Q3 2024-25).
- **sector NPBT** was $373.6 million, with an average NPBT margin of 5.6% (down 3.6 pp from Q3 2024-25).

Table 6: Q3 2025-26 and comparison with Q3 2024-25, summary of financial performance of Support at Home for-profit and not-for-profit aged care providers

	Total	PPPD	Change from Q3 2024-25 PPPD
Revenue	$6,653.5m	$84.48	▲ $1.79
Operating expenses	$6,247.6m	$79.32	▲ $4.64
EBITDA	$405.9m	$5.15	▼ $2.84
Average EBITDA margin	6.1%	6.1%	▼ 3.6 pp
Non-operating expenses	$32.3m	$0.41	▲ $0.01
NPBT	$373.6m	$4.74	▼ $2.86
Average NPBT margin	5.6%	5.6%	▼ 3.6 pp

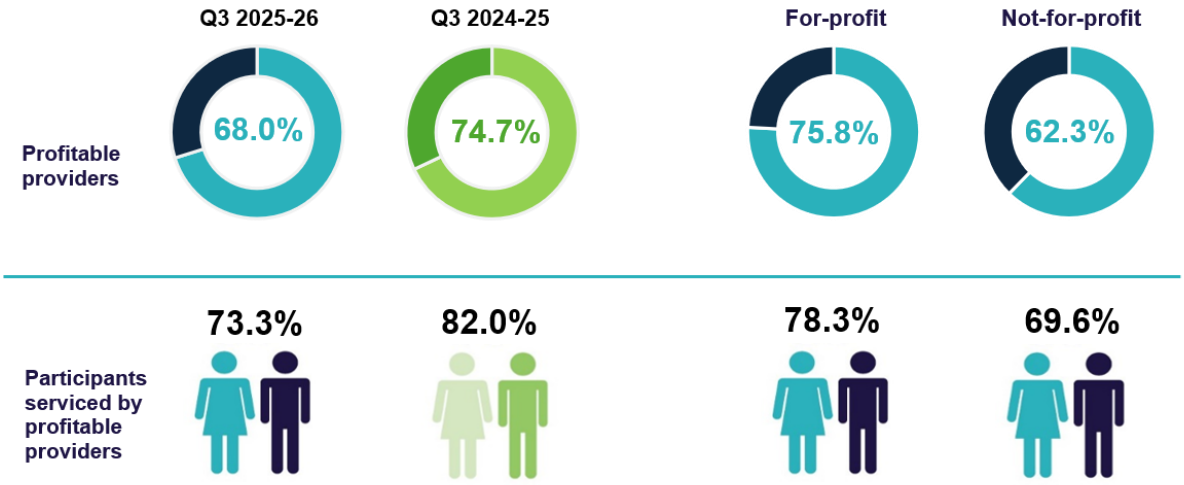
Note: The average EBITDA and NPBT margins (which indicate the EBITDA and NPBT returns on revenue) are calculated by dividing the sector EBITDA and NPBT results by the sector total revenue.

Profitable providers

At Q3 2025-26:

- 68.0% of providers were profitable (defined by NPBT) (Figure 4). This was a decrease of 6.7 pp from Q3 2024-25.
- profitable providers serviced 73.3% of Support at Home participants. This was a decrease of 8.7 pp from Q3 2024-25.

Figure 4: Percentage of profitable providers and percentage of Support at Home participants serviced by profitable providers at Q3 2025-26, and comparison with Q3 2024-25



Median EBITDA and NPBT margin

In Q3 2025-26:

- the median EBITDA margin for the sector was 5.0% (down 1.7 pp from Q3 2024-25, which means an EBITDA return of $5.00 for every $100 of revenue earned (Chart 11).
- the median NPBT margin for the sector was 4.6% (down 1.6 pp from Q3 2024-25), which means a NPBT return of $4.60 for every $100 of revenue earned (Chart 12).

Chart 11: Median and quartile EBITDA margin

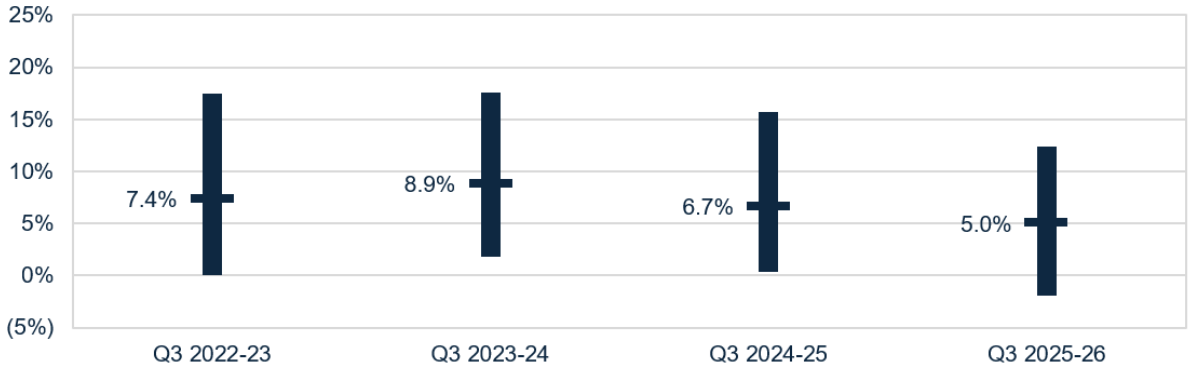
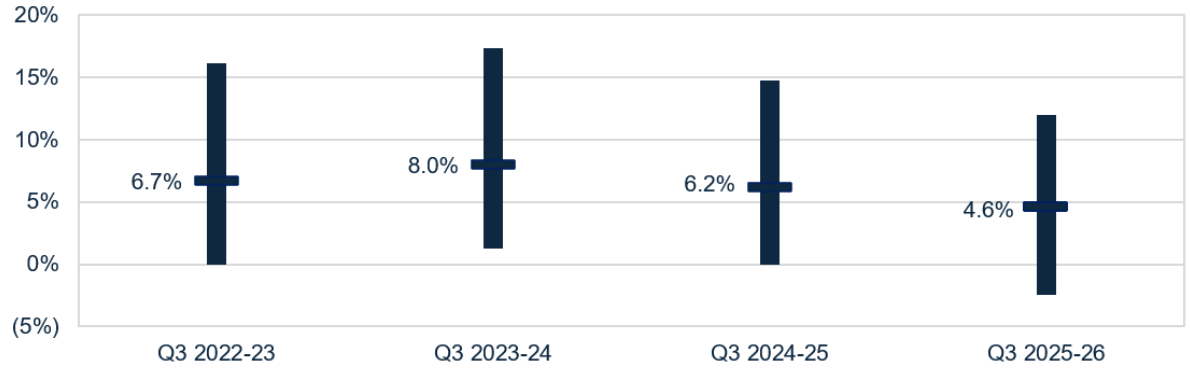


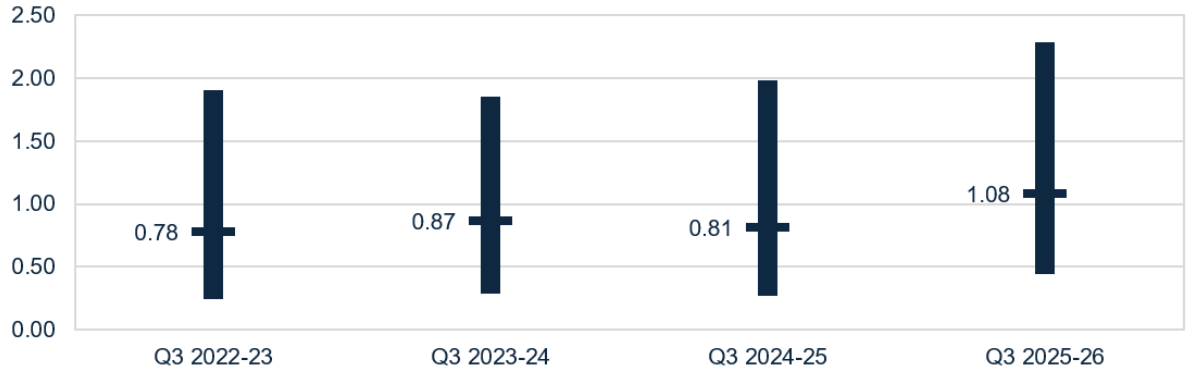
Chart 12: Median and quartile NPBT margin



Liquidity

In Q3 2025-26, the median sector liquidity ratio was 1.08 (Chart 13). This means for every $100 of debt obligations, providers had $108 in liquid assets. While the liquidity position of the sector has remained consistent since Q3 2022-23, there was an improvement following the recalculation of liquid assets in Q3 2025-26.

Chart 13: Median and quartile liquidity ratio

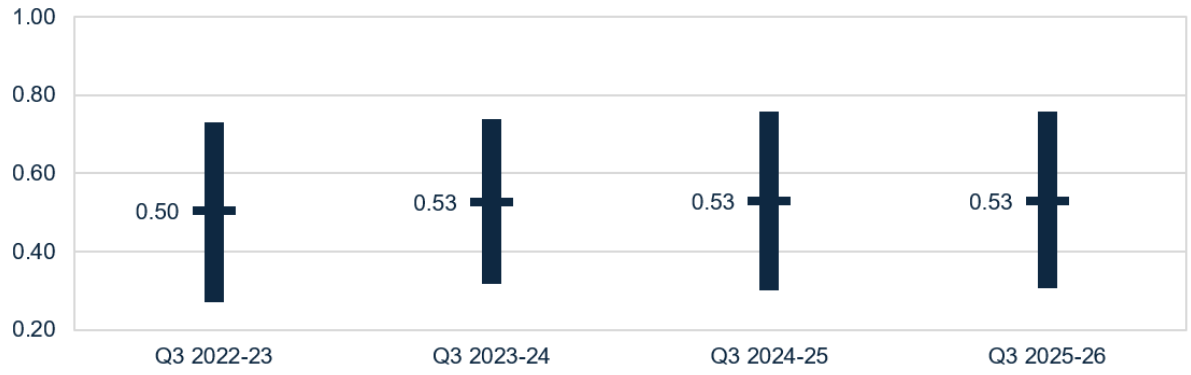


Note: From Q1 2025-26, the liquidity formula includes trade receivables as liquid assets. This is aligned to the Aged Care Quality and Safety Commission's Financial and Prudential Standards.

Capital adequacy

In Q3 2025-26, the sector median capital adequacy ratio was 0.53 (Chart 14), consistent with the Q3 2024-25 position. This means for every $100 of assets owned, $53 was funded through equity and $47 through debt or other liabilities.

Chart 14: Median and quartile capital adequacy ratio

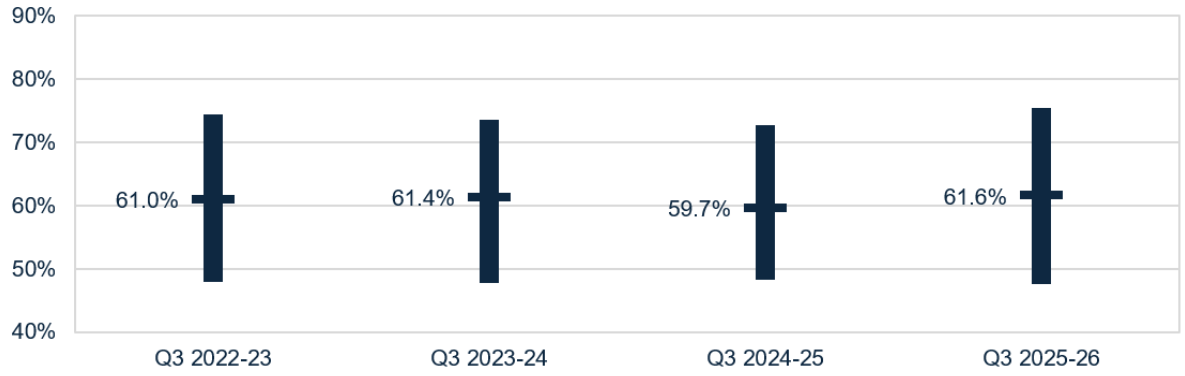


Capital adequacy ratio = (net assets - intangible assets) ÷ (total assets - intangible assets)

Wages to revenue

In Q3 2025-26, wages as a proportion of revenue for the sector was a median of 61.6% (Chart 15), an increase of 1.9 pp from Q3 2024-25. Wages include salaries and employment benefits, agency and subcontractor costs, and management fees. Wages do not include staff training and development.

Chart 15: Median and quartile wages to revenue percentage



Staff cost

In Q3 2025-26, the total median staff costs increased slightly to $56.11 pppd (up $0.90 or 1.6% from Q3 2024-25) (Table 7).

Table 7: Q3 2025-26 and comparison with Q3 2024-25, median staff cost [1]

	Cost PPPD	Change from Q3 2024-25 PPPD
Registered nurses [2]	$1.42	▲ $0.32
Personal care staff	$22.38	▼ $4.42
Allied health staff	$4.97	▲ $0.79
Other direct care staff	$4.43	▲ $4.12
Care management staff	$7.16	▼ $0.42
Administrative & non-care staff	$6.75	▼ $0.31
Total median [3]	**$56.11**	**▲ $0.90**

Notes:

1. Staff travel, or work done on administration tasks during care staff paid hours, is included in the results of Chart 15, which shows the median wages to revenue percentage. All provider types are included in this data, including local, state and territory government providers.

2. Data for enrolled nurses has not been included as 66.6% of Support at Home providers did not report expenditure in this category.

3. Total median staff cost is derived from the totals calculated in the individual QFR submissions and is not the sum of the medians in the sub-categories listed above.

Hourly rates

In Q3 2025-26, the sector median of the average hourly rates increased for all direct care staff in comparison to Q3 2024-25:

- $55.00 for registered nurses (up $3.03 or 5.8% from Q3 2024-25) (Chart 16)
- $41.89 for enrolled nurses (up $2.69 or 6.9% from Q3 2024-25) (Chart 17)
- $36.18 for personal care staff (up $1.18 or 3.4% from Q3 2024-25) (Chart 18).

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

Note for all charts that data collection for highest and lowest median hourly rates commenced in Q4 2022-23. As such, these figures are not available for Q3 2022-23.

Chart 16: Highest, average, and lowest hourly rates (medians) paid to registered nurses

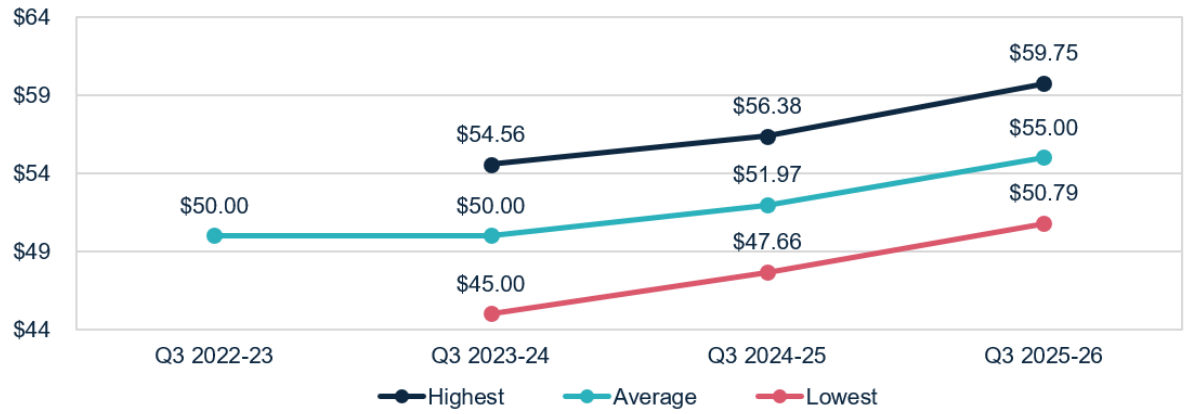


Chart 17: Highest, average, and lowest hourly rates (medians) paid to enrolled nurses

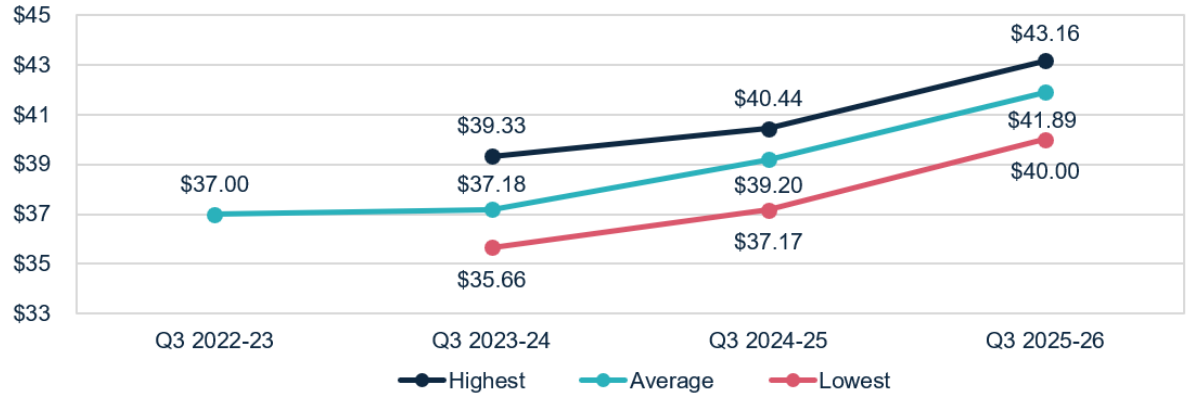
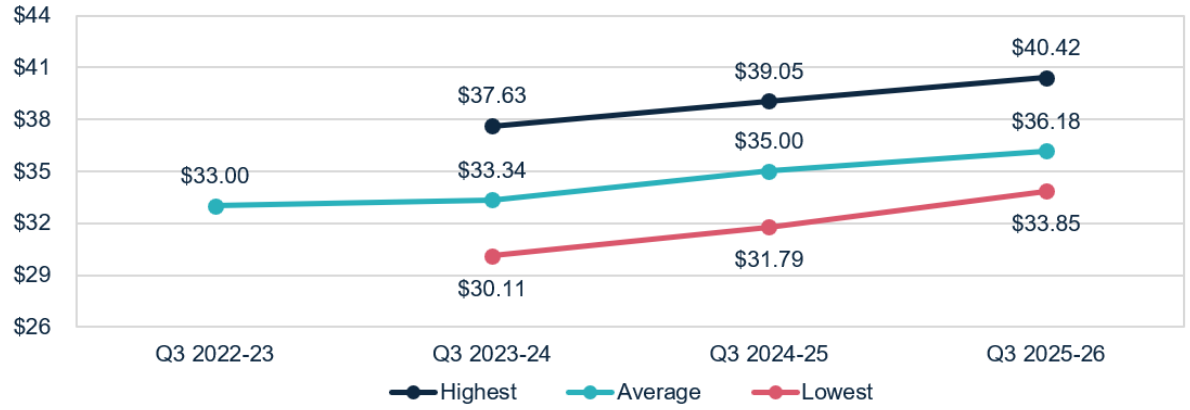


Chart 18: Highest, average, and lowest hourly rates (medians) paid to personal care staff



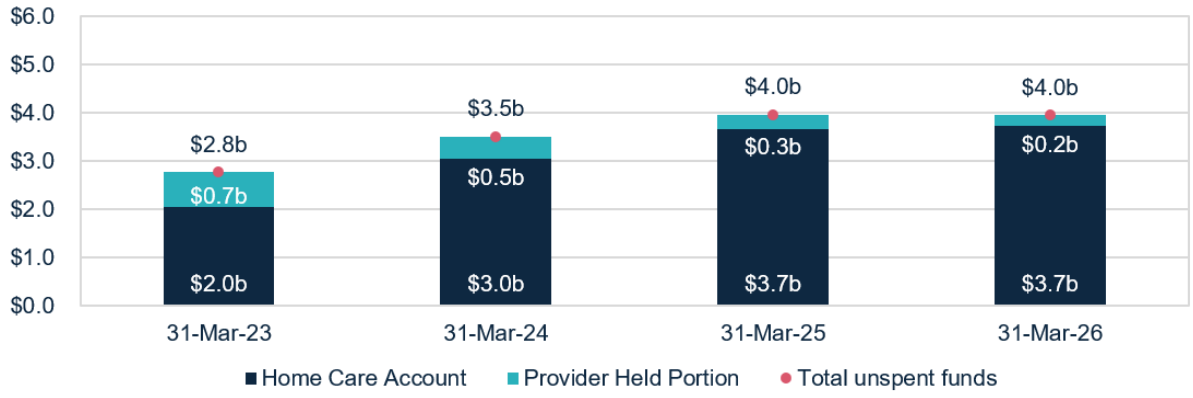
Unspent funds

At 31 March 2026, there was $4.0 billion in unspent HCP funds, consistent with 31 March 2025 (Chart 19). This includes: [1]

- $3.7 billion of unspent funds in the Home Care Account (consistent with 31 March 2025)
- $0.2 billion in the Provider Held Portion of unspent funds (down $0.1 billion).

A participant's Home Care Package unspent funds balance was retained in the transition to the Support at Home Program on 1 November 2025, and can be used to fund assistive technology, home modifications, and/or pay approved services once their quarterly budget has been fully exhausted.

Chart 19: Unspent funds



[1] Note: The sum of unspent funds in the Home Care Account and Provider Held Portion of unspent funds does not equal the total unspent funds due to rounding.

Glossary

Term	Description
Australian National Aged Care Classification (AN-ACC) funding model	Is a case mix 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 homes, by linking subsidy to characteristics of homes 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.
Care minutes	Refers to the amount of care time people in government-funded residential aged care homes receive from registered nurses, enrolled nurses, personal care workers and assistants in nursing.
Capital adequacy ratio	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). Intangible assets are removed as they are not considered to have value in the event of insolvency.
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 Aged Care Work Value Case. The Government also provides funding to support FWC decisions relating to Annual Wage Reviews through usual program funding arrangements. These decisions are collectively referred to as 'FWC decisions' in this report.
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.
Support at Home program	The Support at Home program replaced the Home Care Packages Program and the Short-Term Restorative Care Programme on 1 November 2025.

Appendix

How to read the QFS

Comparison data

Charts include a comparison with the same quarter across four financial years to highlight trends in performance over time. Results and comparisons are reported at the sector-level to understand the change in performance, excluding seasonality.
The exception is 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.

Data notes: Throughout the document, this grey box gives guidance on calculations, data notes and caveats, to support aged care providers to interpret the results and benchmark their performance against sector-level results.

Quartile charts show the median, upper quartile (the 75th percentile) and lower quartile (the 25th 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 and territory (LST) government	Providers owned by a local, state and territory government. This acronym is used in tables and charts. These providers do not report YTD financial data in the QFR.

Data sources and method

- The QFS primarily draws on data collected from aged care providers through the QFR. The QFR data published in this QFS report was extracted from the department's Ageing and Aged Care Data Warehouse (CASPER).
- 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 department conducts additional data quality assessments, and providers may be excluded from the analysis for various reasons, including where:
    - there is no evidence of the provider receiving government funding, or
    - their data contains anomalies relative to sector norms (for example, unexplained elevated costs or hourly rates).
- 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 Government Provider Management System. Some providers may be counted in residential and Support at Home for entry and exit data.
- 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 the 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.