StewartBrown

Integrity + Quality + Clarity

Aged Care Financial Performance Survey Report



Nine months ended 31 March 2024

The StewartBrown March 2024 (nine months) Aged Care Financial Performance Survey incorporates detailed financial and supporting data from **1,202 Aged Care Homes (99,214 beds/places)** & **68,226 Home Care Packages** from **210 Approved Providers** across Australia

The quarterly survey is the **largest financial benchmark** in the aged care sector and provides invaluable insights into the **trends and drivers of financial performance** at the sector level and at the aged care home or program level

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1. EXECUTIVE SUMMARY

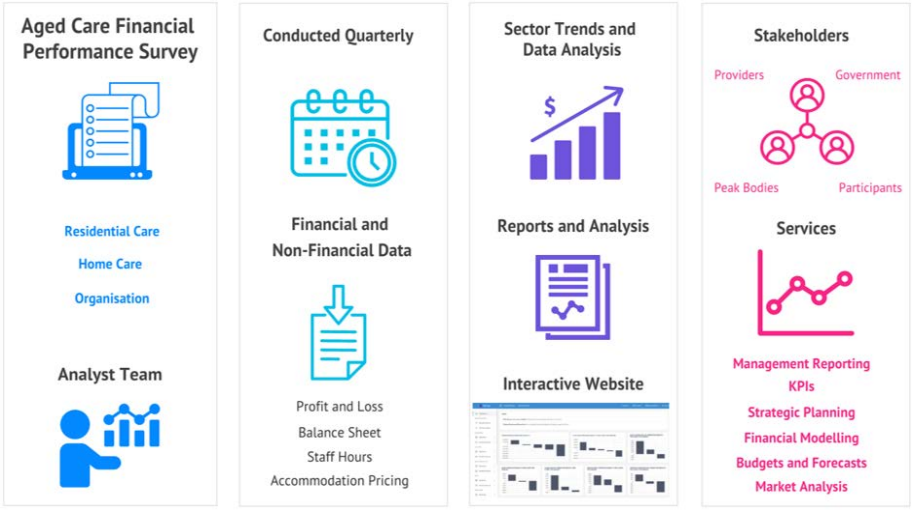
Abstract

The *Aged Care Financial Performance Survey* (Survey) Sector Report for the March 2024 nine-month period (Mar-24) provides an overview of the financial performance of the aged care sector in Australia.

Survey Overview

The Survey is derived from detailed financial and non-financial granular data submitted each quarter by Providers to benchmark their performance and Key Performance Indicators (KPIs) with comparable residential facilities and home care programs, and accordingly, the financial results are from the Provider's perspective.

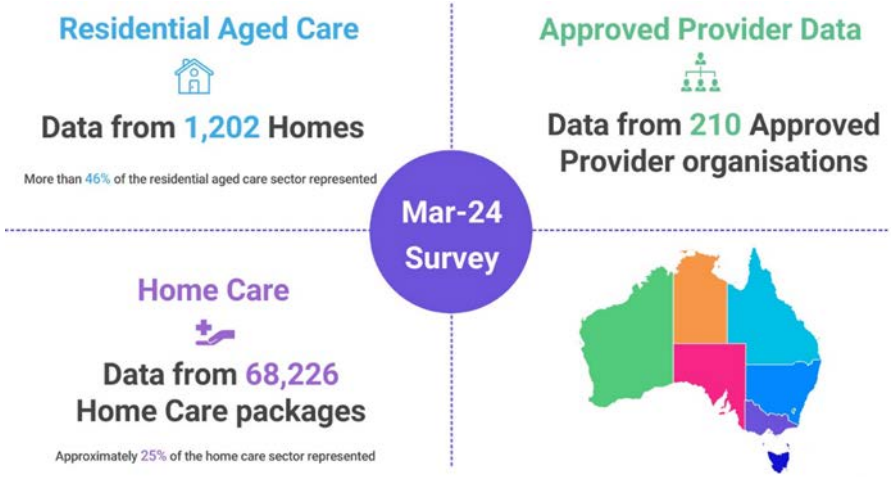
The primary objective of the Survey Report is that all financial policy and related public commentary should be evidenced based, objective and supported by accurate data. The Survey provides the results from an extensive data base.



Refer to the Glossary, which provides a graphical depiction of the Data Collection and Data Cleansing processes as well as explanations for some of the key terms and metrics used throughout this report.

Survey Metrics

The aggregated StewartBrown Survey results for the nine months ended 31 March 2024 are derived from data contributed by the following:



Commentary

There continues to be uncertainty as to timing of the Government's response to the Aged Care Taskforce Report recommendations. It is clear that the Government is seeking a level of bipartisan support for the underlying basis of the recommendations and the Federal Opposition and Cross Benches have been very active in assessing the recommendation and potential impact.

Whilst this is an important process to follow for any reform agenda, the sector has suffered financially and operationally for a number of years due to the uncertainty of regulation, compliance and funding which has significantly affected the future financial sustainability.

The funding reforms will be enshrined in the new *Aged Care Act* and related *Regulations* which is targeted to be legislated by July 2025, however It is critical that a clear and unambiguous funding direction is announced as soon as possible to allow Providers to advance their strategic direction and encourage much needed investment in the sector.

The Government has reconfirmed its positive commitment to implementing the much-needed reform agenda for the delivery of quality aged care services for elderly Australians.

The AN-ACC starting price increased from $243.10 to $253.82 from 1 December 2023 to assist with the effect of the 5.75% National Wage Case pay increase.

Mandatory direct care minutes will increase from 1 October 2024 based on a sector-wide average of 215 minutes of direct care per resident per day, including 44 minutes of direct care by registered nurses. This increase will be funded via the AN-ACC subsidy.

The persistence of significant staffing shortages remains a challenge for many aged care Providers, especially for registered nurses in aged care facilities under the mandatory minute requirements. An increased use of agency registered nurses in residential aged care facilities has resulted, however, based on StewartBrown Survey data, average registered nurses minutes are still slightly lower than the sector average target of 40 minutes.

The Fair Work Commission (FWC) decision for the Stage 3 Work Value Case was handed down on 15 March 2024. The decision specified increases in the SCHADS Award for each level, and the Aged Care Award by level and staff categories (direct care vs indirect care workers). Decisions on registered and enrolled nurses remain outstanding. Funding arrangement details and the impact for the decision on aged care Providers has not been provided by the Department at this stage.

The Aged Care Outbreak Management Supplement of $2.81 per day per occupied bed will fund approved aged care Providers from February 2024. It replaces the existing COVID-19 grants application process.

Financial Results Overview

Summary

The Survey for the nine months ending March 2024 shows an improvement in operating result for residential aged care and a further marginal improvement for the home care segment.

The average operating result for **residential aged care homes** across all geographic sectors was an **operating loss of $0.64 per bed day** (*Mar-23 $15.73 pbd loss)* for mature homes (which exclude outliers). This represents an **operating loss of $218 per bed per annum**, compared to Dec-23 YTD operating loss of $764 pbpa.

The increase in operating result is primarily due to an increase in the direct care margin as a result of the AN-ACC subsidy being greater than the cost of providing direct care services. A more thorough analysis of the change in direct care result is provided in subsequent sections of this report.

Direct care staffing levels delivered to residents continued to increase in response to the 24/7 registered nurse requirement and the mandatory direct care minutes from 1 October 2023. On average, Survey participants recorded registered nurses (RN) minutes of 38.59 per resident per day and total direct care minutes of 202.73 per resident per day for the standalone Mar-24 Quarter, compared to the 40 RN and 200 total direct care minutes targets respectively. This is an increase in RN Minutes from the Dec-23 quarter average of 37.23 RN minutes.

Staffing remains a challenge for the sector. Agency usage across all Direct Care staff categories (RN, enrolled nurses and personal care workers) has increased from the Dec-23 quarter. There is still however a 1.41 minutes per bed day gap between the Survey average and sector target requirement of an average of 40 RN minutes.

Occupancy significantly improved to 92.6% of available beds for mature homes from Mar-23 (90.0%), however a marginal decrease from 92.8% in the Dec-23 Survey. The Survey reports on beds (places) that are actually *available* to be filled by residents, rather than using approved places as the denominator, which includes off-line beds. This is due to there being a large number of places not available for use due to: insufficient staffing, refurbishment, new builds, sanctions or approved places that have been allocated, but never utilised.

The fixed costs per bed increases when occupancy declines, and this further erodes the financial performance.

The corollary is that an increase in occupancy does improve financial performance by spreading the fixed costs over a larger revenue base. Direct care staff costs are somewhat variable when increasing the minutes to meet the mandated targets, but generally are fixed to the extent that it is difficult to adjust rosters to meet the differential change of movements in AN-ACC or resident numbers.

For the Mar-24 nine month period, 50.0% of aged care homes continue to operate at a loss (64.1% at Mar-23) and 27.7% operated at an EBITDA (cash loss) (41.2% at Mar-23). Whilst the improvement is welcomed, it is purely as a result of the increased direct care (AN-ACC) margin which will decrease over time as providers meet their targeted direct care minutes which is currently fully funded.

In summary, the impact of additional funding through the AN-ACC direct care subsidy is continuing to have a positive impact on the results of residential aged care Providers. However, as Providers continue to work towards meeting their mandated direct care minutes the direct care margin will continue to deteriorate to a level that will not be able to be sustained without increases to other revenue streams.

The sector continues to make significant losses through the delivery of everyday living and accommodation services. As the AN-ACC margins continue to decrease, Providers will be required to increase revenue to supplement the losses in these services.

Financial sustainability needs to be achieved from all service areas of a residential aged care home. With limited scope for improvements, Providers have been seeking solutions through providing additional or extra services to residents to reduce the deficit from indirect care services.

The recommendations from the Aged Care Taskforce Final Report have been designed to provide additional revenue to indirect care and accommodation services, which will significantly improve the financial sustainability of residential aged care facility operations.

Home Care also continues to operate with legislative uncertainty as the sector awaits the reform of the Support at Home program. The implementation date is now scheduled to be 1 July 2025. The CHSP integration has been deferred until at least July 2027.

Further information to that already received will be needed to inform Providers' strategic planning under the new program. Consistent with residential aged care, staffing remains the most crucial concern for home care.

The current home care operating result has improved marginally to a **surplus of $3.41 per client per day** (Mar-23 $3.39 pcpd). Revenue utilisation has **decreased to 84.0% of available package funding** and unspent funds have increased to an average of $14,309 for every care recipient. *Unspent funds are now estimated to be in excess of an aggregate $3.9 billion across balances held by Providers and the Government.*

Average staffing hours in providing direct home care services has decreased slightly to be 5.13 hours per client per week (Mar-23 5.14 hours).

It is significantly below the average 9 hours per client per week provided prior to the implementation of the Consumer Directed Care model in July 2015.

Consumer contributions to home care remains low and represent less than 2.6% of the overall funding envelope. This low level was considered by the Taskforce.

Direct Care Result

Direct care subsidy & supplements for the nine months ended Mar-24 quarter averaged $268.29 pbd, which is an increase from $261.11 pbd for Dec-23 quarter. This is largely due to the new AN-ACC starting price increasing by 4.4% from 1 December 2023, so homes received a full three months of funding at this higher price in the March quarter, rather than just one month for December quarter.

The direct care subsidies & supplements includes the registered nurses supplement for homes with fewer than 60 occupied beds, which is estimated to amount to $2.20 pbd when averaged across all homes in the Survey.

Due to the increase in direct care revenue realised for a full 3 months, the direct care result increased from a surplus of $13.26 pbd for YTD Dec-23 to $15.13 pbd for YTD Mar-24. The $15.13 pbd surplus is equivalent to 5.6% margin for direct care services.

When looking at Mar-24 quarter in isolation, direct care result for Mar-24 quarter is a surplus of $15.69 pbd with $277.04 pbd direct care subsidies & supplements. Direct care services margin for the Mar-24 quarter is 5.7%. A detailed breakdown of the movement and general reasons for the increase in direct care result is shown in the following table.

Table 1: Mar-24 Quarter direct care result movement compared to Dec-23 Survey

Sector Average ($ per bed day)	Dec-23 QTR	Mar-24 QTR	Movement
Direct care revenue	**$264.87**	**$277.04**	**$12.16**
Total direct care labour costs	**$204.99**	**$209.71**	**$4.72**
*Direct care labour costs increase due to minutes increase**			*$0.91*
Direct care labour costs increase due to increase in hourly costs			*$3.82*
Other direct care expenditure	**$33.18**	**$33.66**	**$0.48**
Administration - direct care overhead allocation	$18.74	$17.98	**-$0.76**
Direct Care Result	**$7.97**	**$15.69**	**$7.72**

**Estimated based on the variance in direct care minutes between the two Surveys, and hourly costs from Mar-24 Survey*

The Mar-24 quarter reported average RN minutes lower than the targeted 40 minutes despite increased usage of agency RN, while total direct care minutes were higher than target. As noted earlier, due to the staffing shortage for registered nurses in the sector, it remains challenging for Providers to reach the average 40 RN minutes target.

Table 2: Change in direct care labour costs and hours including agency usage (QTD)

	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
Registered nurses (RN)	$36.11	$40.02	$41.98	$49.10	$53.08	$55.97
Other direct care labour costs	$117.34	$119.66	$128.29	$142.23	$151.91	$153.74
Total direct care labour costs	**$153.45**	**$159.68**	**$170.27**	**$191.33**	**$204.99**	**$209.71**
Registered nurses minutes	30.26	32.66	32.54	36.12	37.23	38.59
Other direct care minutes	154.69	157.92	158.02	160.24	165.52	164.14
Total direct care minutes	**184.94**	**190.58**	**190.56**	**196.36**	**202.74**	**202.73**
Agency RN costs	$3.76	$6.27	$5.97	$7.07	$7.85	$8.58
Other agency direct care labour costs	$11.28	$13.65	$11.84	$9.89	$9.67	$10.04
Total agency costs	**$15.04**	**$19.92**	**$17.81**	**$16.96**	**$17.52**	**$18.62**
Agency RN minutes	2.55	4.02	3.68	3.39	3.78	4.01
Other agency direct care minutes	11.20	13.10	10.38	8.28	7.73	7.76
Total agency minutes	**13.75**	**17.12**	**14.06**	**11.68**	**11.51**	**11.77**
Agency RN minutes as % of total RN minutes	*8.4%*	*12.3%*	*11.3%*	*9.4%*	*10.2%*	*10.4%*
Agency direct care staff minutes as % of total direct care labour minutes	*7.4%*	*9.0%*	*7.4%*	*5.9%*	*5.7%*	*5.8%*
Internal RN hourly rate	$70.07	$70.72	$74.88	$77.05	$81.15	**$82.21**
Agency RN hourly rate	$88.31	$93.40	$97.30	$125.17	$124.44	**$128.52**

Direct care agency staff usage has increased slightly from Dec-23, with agency RN minutes increasing to around 10.4% of total RN usage. The average agency RN hourly rate is very high at $128.52/hr, which is a financial burden to Providers who have to rely on agency staff.

If Providers are to fill the gap between current RN minutes and the target 40 minutes using agency RN staff, there will be an additional $3.82 pbd agency RN costs. This is based on the Mar-24 quarter minutes and agency hourly rate.

Based on the Mar-24 quarter result, the direct care result after meeting target minutes is estimated to decrease by $1.51 pbd to a forecast result of $13.62 pbd, which is a marginal surplus. Providers may be able to save labour costs by taking advantage of restructuring other direct care staff, in particularly, agency staff.

However, it is not likely to be sufficient to allow Providers the ability to achieve a higher than average Star Rating for staffing which would require the Provider to increase their staff minutes well above their target.

While AN-ACC funding of direct care has been a focus of funding reform, it is unlikely that Providers will be able to use this funding to increase their staff minutes as losses are still being incurred in indirect care and accommodation services. Additional funding sources are required for indirect care and accommodation to ensure that AN-ACC funding is spent only on direct care.

FY24 Operating Result Forecast

Based on the YTD Mar-24 results, and looking at what is likely to occur over the next three months, projections have been made to forecast the result for the full FY24 period. It is expected that Fair Work case Stage 3 award increases will commence during FY25 and will not impact FY24.

It is assumed that labour costs will not significantly increase during the remainder of the year with the exception of increases to mandated minutes, while non-labour costs will be indexed by the annualised inflation rate of 5.4%.

FY24 is forecasted to have **$1.30 pbd deficit** in operating result, which is a slight decrease to the $0.64 pbd deficit in the Mar-24 Survey. The decrease is related to direct care result, as the increase in direct care revenue is not sufficient to cover the agency RN costs for additional RN minutes and indexation.

It is apparent from this high-level analysis that even with the significant increase in direct care funding through AN-ACC and other initiatives, the overall results on average will still be a deficit.

It is also clear that Providers will be restricted from channelling those additional funds into providing higher quality care services, including different models of residential care (small homes and dementia specific homes etc) and innovative solutions to care delivery that would come at a cost until sufficient funding is available to cover indirect care costs and the cost of providing accommodation.

Of equal importance is that this low level of profitability will not be conducive to increased investment in the sector which is crucial.

Table 3: Forecast FY24 result compared to Mar-24 Survey result.

Survey Average ($ pbd)	Operating result YTD Mar-24	Forecast result FY24
Direct care revenue	**$268.29**	**$269.90**
Direct care labour costs	$201.75	$204.45
Other care labour costs	$24.17	$24.38
Other care costs	$9.05	$9.11
Direct care administration allocation	$18.20	$18.34
Direct Care Result	**$15.13**	**$13.62**
Direct care margin	*5.6%*	*5.0%*
Indirect care revenue	**$75.43**	**$76.18**
Indirect care staff costs	$30.17	$30.42
Indirect care other costs	$34.33	$34.59
Indirect care - administration allocation	$16.54	$16.67
Indirect Care Result	**($5.62)**	**($5.50)**
Indirect care margin	*(7.4%)*	*(7.2%)*
Accommodation revenue	**$41.22**	**$42.34**
Accommodation staff costs	$3.28	$3.34
Depreciation	$21.94	$22.10
Other accommodation costs	$11.69	$11.75
Accommodation - administration allocation	$14.46	$14.57
Accommodation Result	**($10.16)**	**($9.42)**
Accommodation margin	*(24.65%)*	*(22.25%)*
Operating Result	**($0.64)**	**($1.30)**
Profit margin	***(0.24%)***	***(0.48%)***
Operating Result $ per bed per annum	**($218)**	**($442)**
Operating EBITDA $ per bed per annum	**$7,222**	**$7,053**

Care Staff Costs and Mandated Minutes Movement

During the Mar-24 quarter, total direct care staff minutes increased to 202.73 minutes per resident per day, including 38.59 minutes from registered nurses. Analysis has been performed comparing the Mar-24 quarter, Dec-23 quarter Survey results against Jun-23 QFR financial results.

It is observed that other direct care labour minutes across all homes increased in Mar-24 quarter compared to both Dec-23 and Jun-23 quarter, which is the opposite of the trend noted in the December 2023 report.

Figure 1: Other direct care labour minutes variance between periods

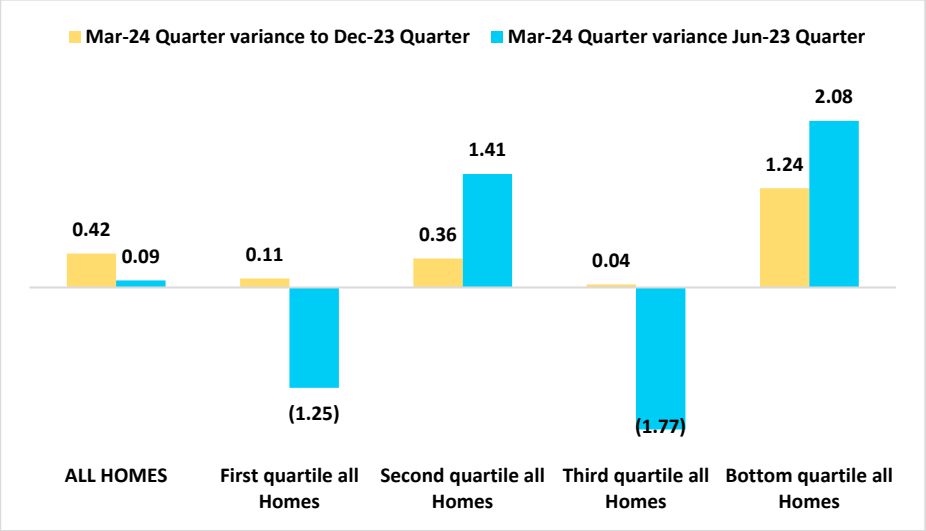
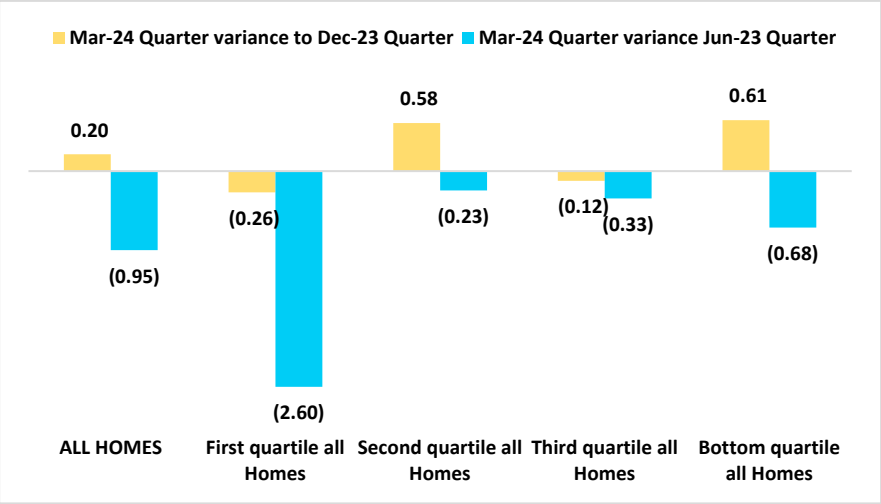


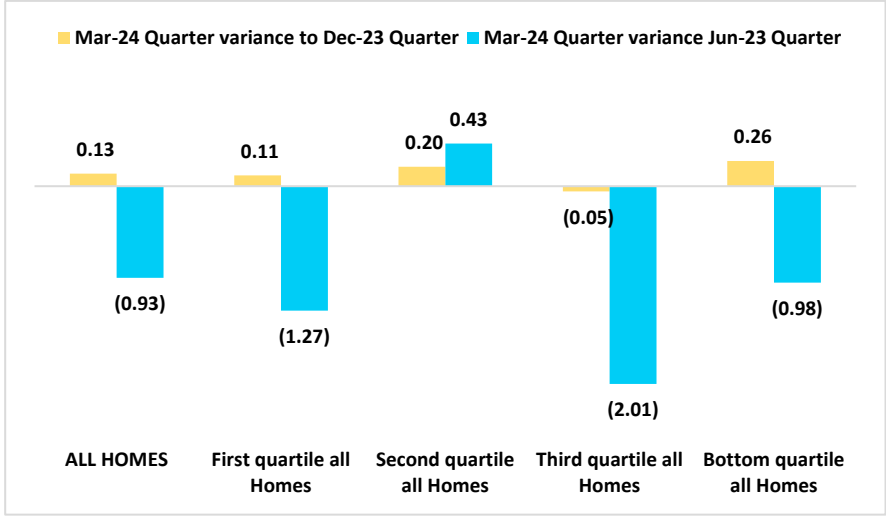
Figure 2: Care management labour minutes variance between periods



The decrease in minutes that is observed in care management staff from Jun-23 Quarter, could be due to the reallocation of some of these minutes to direct care. There has also been a decline in allied health minutes which is more likely to be a cost saving measure and/or a change in how Providers deliver care services. It is unlikely that these minutes have been reallocated to one of the direct care categories.

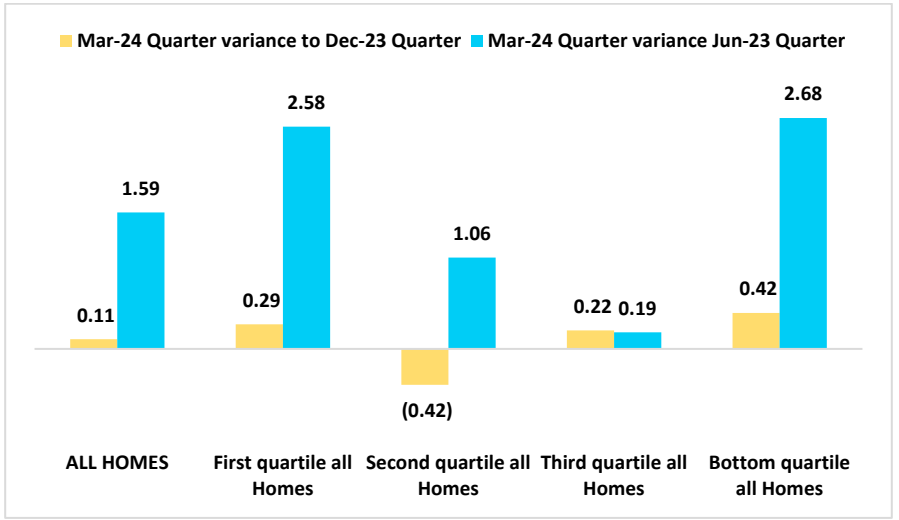
StewartBrown will be completing a specific Survey for FY24 on allied health minutes provided to residents each day and the associated cost. Communication from Providers, residents and allied health professionals given to StewartBrown over several years suggest that there is a significant concern as to whether the current funding and use of allied health is sufficient.

Figure 3: Allied health minutes variance between periods



Minutes for lifestyle/ROA staff increased compared to both Jun-23 and Dec-23 Quarter data.

Figure 4: Lifestyle minutes variance between periods



Operating Result by Quartile

Quartile analysis is based on the operating result ($ pbd) for each aged care home and then banding them into the respective quartiles. Average direct care minutes vary significantly by quartile, with first quartile homes averaging 187.10 direct care minutes per resident per day while bottom (fourth) quartile homes averaged 213.03 minutes per resident per day. The difference in average direct care minutes between first quartile average and bottom quartile average of 25.93 minutes has decreased compared to Dec-23 Survey at 28.17 minutes.

Additional analysis was conducted to estimate what the operating result for each quartile would be with target average minutes being achieved (refer *Table 4*). It is assumed that the staffing structure remains the same for this analysis.

Based on the analysis, homes in the first quartile will require an additional $14.06 pbd direct care labour costs on average to meet the average mandated minute targets. While fourth quartile might be able to save up to $12.80 pbd from restructuring staffing to bring their minutes down to the target level of 200 minutes including 40 RN minutes. Taking this into account, the difference in operating result between first quartile and fourth quartile would decrease from $91.37 pbd to $64.51 pbd refer *table 4* below.

Table 4: Operating result and adjusted operating result for target minutes

YTD Mar-24 Survey	All Homes	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Staff Minutes					
Registered nurses	37.22	34.59	35.80	37.99	41.09
Enrolled and licensed nurses	11.25	6.66	11.49	13.58	13.44
Other unlicensed nurses/personal care staff	151.31	145.64	149.87	152.37	158.35
Imputed agency direct care minutes implied	0.10	0.21	0.05	0.01	0.14
Total direct care minutes per resident day	**199.87**	**187.10**	**197.21**	**203.94**	**213.03**
Gap from target minutes					
Registered nurses	2.78	5.41	4.20	2.01	(1.09)
Other direct care labour	(2.66)	7.49	(1.41)	(5.96)	(11.94)
Additional costs					
Registered nurses	$3.95	$7.48	$5.78	$2.80	($1.67)
Other direct care labour	($2.39)	$6.58	($1.26)	($5.36)	($11.14)
Additional costs - without restructuring	**$3.95**	**$14.06**	**$5.78**	**$2.80**	**$0.00**
Operating result	**($0.64)**	**$41.26**	**$10.13**	**($11.43)**	**($50.11)**
Operating result after additional costs	**($4.59)**	**$27.20**	**$4.34**	**($14.24)**	**($50.11)**
Potential costs saving from restructuring	**$2.39**	**$0.00**	**$1.26**	**$5.36**	**$12.80**
Total additional costs	**$1.56**	**$14.06**	**$4.53**	**($2.56)**	**($12.80)**
Operating result after costs saving	**($2.20)**	**$27.20**	**$5.60**	**($8.88)**	**($37.31)**

24/7 Registered Nurse Requirement

Analysis was conducted to understand how many homes are currently meeting the 24/7 RN requirement across all shifts.

The analysis was based on the shift information provided for the below three shifts.

- morning shift (7am-3pm)
- afternoon shift (3pm-11pm)
- overnight shift (11pm-7am)

If average registered nurses for a shift is 8 hours or more, we would flag the home to meet the 24/7 RN requirements.

Where a home is located in MMM 5, 6 and 7, and with fewer than 30 operating beds, the home might be eligible for exemptions provided appropriate clinical arrangements are in place, which we assume so in the analysis.

Based on the analysis for mature homes that provided valid shift hours information (1,085 out of 1,185) the following outcomes arise.

Table 5: 24/7 RN requirement analysis - Mar-24

24/7 Registered Nurses	Number of facilities	Proportion	Average hours - morning shift	Average hours - afternoon shift	Average hours - overnight shift
Exemption possibly eligible	33	3%	8.22	4.66	3.48
Meet	698	64%	26.69	15.09	10.30
Below	354	33%	7.21	3.83	2.80
Total	**1,085**	**100%**	**23.38**	**14.73**	**10.23**

33% of homes may not be meeting the 24/7 requirements, which is a reduction compared to Dec-23 average of 34%, and FY23 average of 48%.

Table 6: 24/7 RN requirement analysis - Dec-23

24/7 Registered Nurses	Number of facilities	Proportion	Average hours - morning shift	Average hours - afternoon shift	Average hours - overnight shift
Exemption possibly eligible	33	3%	8.12	4.34	3.29
Meet	679	63%	26.60	14.66	10.26
Below	374	34%	7.70	4.24	2.66
Total	**1,086**	**100%**	**23.16**	**14.45**	**9.85**

Table 7: 24/7 RN requirement analysis - FY23

24/7 Registered Nurses	Number of facilities	Proportion	Average hours - morning shift	Average hours - afternoon shift	Average hours - overnight shift
Exemption possibly eligible	36	3%	6.68	2.97	1.82
Meet	505	49%	22.60	11.67	8.15
Below	498	48%	8.72	4.72	2.95
Total	**1,039**	**100%**	**20.04**	**12.08**	**8.11**

Average overnight shift hours have the largest increase by 26% compared to FY23 average and have increased by 3.8% compared to Dec-23 average. Morning and afternoon shifts have increased by 1% and 2% compared to Dec-23 average.

Providers increased agency RN usage for the overnight shift. Analysis shows that 29% agency RN minutes were used to cover overnight shift for Mar-24 compared to Jun-23 quarter at 24%. This comes at a great cost to Providers.

Profiling the homes that don't appear to meet the 24/7 RN requirements shows that:

- 49% of MMM4 homes failed to meet 24/7 requirements, making up the highest proportion.
- MMM1 has the lowest proportion of 29%.
- WA homes have the highest proportion of not meeting 24/7 RN requirements at 40%, while the proportion is only 21% for VIC homes.
- Homes with more places have lower proportion of not meeting requirements.
- For homes with over 100 beds, only 15% did not meet the requirements, while for those with under 40 places, 49% did not meet the requirements or are exempted from the requirement.

It should be noted that the shift data used for this analysis is for direct care staff only. It is understood that for the purpose of the test for having an RN on-site and on duty can include registered nurses that may play another role in the home such as facility manager or clinical manager for example and they may not be included in the minutes data provided for our Survey. This means that the analysis is "worst case scenario" and the true picture is likely to be slightly better than the preceding figures. Although, those other positions may not be used to supplement shifts overnight or on weekends, but we do acknowledge that it may affect the overall outcome.

Indirect Care (Everyday Living)

Indirect care includes hotel services (catering/cleaning/laundry), utilities and an administration cost allocation. The major revenue components comprise the Basic Daily Fee (BDF), hotelling supplement and additional/extra services charged in some homes.

A characteristic of these services is that the BDF (calculated at 85% of the single pension) is the same for all residents irrespective of financial means and acuity. The costs of providing these services are greater than the revenue earned and currently the sector average result is a ($5.62) pbd loss.

The deficit is inclusive of the average $10.92 per resident per day hotelling supplement paid by the government (increased to $11.24 pbd from 20 March 2024)

It is worth noting that homes which provide additional or extra services (revenue for additional services being over $1 pbd for this analysis) increased from 33.1% from Mar-23 to 42.1% for Mar-24 Survey which means that many homes are now adopting additional services to help alleviate the losses being incurred in this area.

However, even with increased additional services revenue (and additional associated marginal costs) the everyday living result remains in deficit at ($5.62) pbd as noted above. Therefore, additional services on their own are not sufficient to reduce the deficit.

The Aged Care Taskforce final report recommended additional funding to cover the full cost of providing indirect care services with a mixture of consumer contributions and supplements from the Department (*Recommendation 10*).

An increasing proportion of facilities utilising internal catering services was noted in recent Surveys. 76% of facilities in the Mar-24 Survey used internal catering services only, compared to the proportion of 68% in FY21.

Table 8: Catering Trend Analysis

Catering	FY21	FY22	FY23	Mar-24
Labour costs	16.52	17.61	19.34	20.65
Consumables - food	9.40	9.19	11.58	12.66
Consumables - other	-	0.34	0.55	0.66
Contract catering	7.18	7.59	6.33	6.11
Income from sale of meals (usually a credit amoun	(0.20)	(0.21)	(0.24)	(0.24)
Total catering	**32.90**	**34.51**	**37.55**	**39.85**

Catering - Internal	FY21	FY22	FY23	Mar-24
Labour costs	20.94	22.82	23.78	24.74
Consumables - food	12.16	11.96	13.58	15.16
Consumables - other	-	0.36	0.61	0.68
Contract catering	(0.01)	0.00	(0.00)	(0.09)
Income from sale of meals (usually a credit amoun	(0.27)	(0.27)	(0.30)	(0.30)
Total catering	**$32.82**	**$34.87**	**$37.68**	**$40.20**

% of facilities using internal catering only	68%	66%	68%	76%

With an increased focus on food and nutrition in aged care homes, Providers have increased the level of internal catering services provided. This is both to increase the quality and experience relating to food, but also to achieve cost efficiencies where possible.

Accommodation

Accommodation continues to be the biggest loss-making area for an aged care home. The sector averaged a loss of ($10.16) pbd for the Mar-24 Survey.

The accommodation result improved due to the higher average Maximum Permitted Interest Rate of 8.15% for the September and December quarters. It is noted that the MPIR increased to 8.38% for March 2024 quarter and 8.34% for June 2024 quarter.

Depreciation represented $21.94 per bed day of expenditure. Whilst depreciation is a non-cash component (and excluded from EBITDA calculations) it is a critical expense that needs to be recovered given the cost associated with maintaining, refurbishing and eventual replacement of an aged care facility.

This aspect is significant because new residents often prefer newer and more contemporary aged care homes and accommodation styles and standards if given the choice. Consequently, older and less favourable facilities may experience lower occupancy rates particularly in areas of high competition.

The cost and funding for accommodation is one of the least understood components of residential aged care.

There is general confusion as to how accommodation fits into the aged care funding provided by the government. Australia has a strong and robust safety net for residents without the financial means and this will continue.

For residents with financial means, it is appropriate that they contribute to the cost of providing accommodation in a more equitable manner.

Financial Impact of RADs

There is considerable discussion on the financial impact of RADs for the residential aged care sector, both from a debt perspective and investment returns.

How much of an Ingoing RAD is used for Investment Purposes

This differs between For-Profit (FP) and Not-For-Profit (NFP) Approved Providers (excluding Government).

Refer to below *Table 9*, and the relevant ratios to be considered are: -

- Cash and financial assets (liquid cash assets) as a % of refundable loans *(range 30.2% - 35.3% in periods included in the table)*
- Cash and financial assets (liquid cash assets) as % of debt (total borrowings) *(range 27.4% - 31.0% in periods included in the table)*

Please note that organisations (included approved providers) do not quarantine liquid assets into separate identifiable deposits for each operating segment but have them grouped (consolidated) together.

Accordingly, the liquid cash assets (cash and cash equivalents plus financial assets) also include normal operating cash and investments from past retained earnings (profits) and current working capital, so whilst this is not an exact science, it does provide a good overview.

For this reason, if the percentage of liquid cash assets in an overall (aggregate sense) is (say) an average of 32.5% of refundable loans (RADs and ILU loans) or more realistically an average of 29.5% of total debt, it would be a reasonable assumption that an Approved Provider would retain a maximum of 25% of an incoming RAD (to be held as a liquid cash asset) and more likely around 20% (the balance being working capital and accumulated retained earnings not distributed).

This is the net amount of an incoming RAD that is retained over a time period.

The above averages are for the whole sector, but FP providers retain less due to having to pay company tax and shareholder distributions from the liquid cash assets (not directly from RADs) so they run their liquid cash assets at much more leaner levels, so their % is in the 10% - 15% range at best, and often , in the 5% - 10% range, whereas NFP's (being the majority) are in the 22.5% - 27.5% range (at best).

In summary, it can be considered that (say) only 20% - 25% of an incoming RAD is actually invested to provide investment revenue.

Interest Rate for RAD Investment Earnings

Once again, this differs for FP and NFP providers.

Table 9 includes investment return ratios (highlighted in blue).

The analysis is a little complex, as financial assets are a combination of listed equities, managed funds and term deposits (being the major component). This is dependent upon market fluctuations.

The ratio of net investment revenue percentage (E / A) is probably the best measure. With the increase in interest rates and ASX rising, it is reasonable that the expected average return currently is between 4.25% pa and 4.75% pa.

NFP providers have the advantage of receiving the Imputation Credit benefit on equity investments and managed funds investments (due their status, like super funds) so their current net percentage return would be in the order of 5.50% pa - 6.0% pa, whilst FP's would be in the 4.0% - 4.5% return (on less investment amounts as noted above).

Summary

Based on our analysis below and general discussions with Approved Providers we would make the following comments: -

- On average, the amount of Incoming RADs that can be directly invested average in the range of 20% - 25% of the RAD amount over the time period of the RAD holding
- The average current investment return on the net RAD amount that is invested (being 20% - 25% of the incoming RAD) is currently between 4.25% pa to 5.0% pa

Table 9: RAD Analysis

	Average FY22 *12 months*	Average Dec-22 *6 months*	Average FY23 *12 months*	Average Dec-23 *6 months*
Balance Sheet Extract ($'000)				
Assets				
Cash and cash equivalents	16,151	19,540	15,434	22,408
Financial assets	18,694	20,220	19,733	23,325
Liquid cash assets (A)	*34,845*	*39,760*	*35,167*	*45,733*
Property assets	142,845	154,496	152,873	166,417
Liabilities				
Residential Refundable loans	61,018	62,836	65,666	75,802
Retirement Living Refundable loans	47,611	48,886	50,811	53,701
Resident refundable loan s (B)	*108,629*	*111,722*	*116,477*	*129,503*
Borrowings	10,989	13,186	10,370	15,880
Unspent Home Care Package Funds	1,429	1,271	1,202	861
Unspent CHSP Grants	391	718	483	1,277
Total Borrowings (C)	*121,438*	*126,897*	*128,532*	*147,521*
Ratios				
Cash + financial assets % refundable loans (A / B)	*32.1%*	*35.6%*	*30.2%*	*35.3%*
Cash + financial assets % debt (A / C)	*28.7%*	*31.3%*	*27.4%*	*31.0%*
Investment Income and Finance Costs ($'000)				
Interest and investment revenue received (D)	695	522	1,212	870
Fair value gain on financial assets	247	12	382	113
Fair value loss on financial assets	(492)	(17)	(16)	(2)
Investment revenue (net) (E)	*450*	*517*	*1,578*	*981*
Finance costs	(584)	(522)	(894)	(539)
Net financing return (F)	(134)	(5)	684	442
Ratios				
Investment revenue received percentage (D / A)	*2.0%*	*2.6%*	*3.4%*	*3.8%*
Net investment revenue percentag e (E / A)	*1.3%*	*2.6%*	*4.5%*	*4.3%*
Net financing return percentage (F / A)	*-0.4%*	*0.0%*	*1.9%*	*1.9%*

From an approved provider perspective, there is a large differential from receiving a DAP (MPIR is 8.34% from 1 April) and based on 100% of the RAD equivalent, and the investment return from a RAD, being (say) 22.5% of the RAD amount and a return (MPIR equivalent) of 4.75% pa on average.

From a consumer perspective, this is very inequitable as it strongly favours those who have the ability to pay a RAD over those who cannot and therefore pay a DAP.

Economy of Scale

A common discussion point has been whether there is economy of scale in residential aged care sector and the following is an analysis of the YTD Mar-24 results based on how many aged care homes a Provider has.

Table 10: Analysis of operating result for target minutes by Provider size

YTD Mar-24 Survey	Single Facility	2-6 Facilities	7-20 Facilities	21+ Facilities
Direct care revenue	*$265.30*	*$268.45*	*$269.18*	*$268.13*
Direct care labour costs	$198.20	$200.64	$202.20	$202.49
Other care labour costs	$27.14	$29.38	$25.35	$20.69
Other direct care costs	$25.33	$27.78	$28.92	$26.12
Direct care expenditure	*$250.67*	*$257.79*	*$256.48*	*$249.30*
Direct care result (A)	**$14.63**	**$10.66**	**$12.70**	**$18.82**
Indirect care result (everyday living)	**($11.03)**	**($6.34)**	**($9.95)**	**($1.07)**
Accommodation result	**($9.43)**	**($13.04)**	**($10.01)**	**($9.32)**
Operating result (B)	**($5.83)**	**($8.72)**	**($7.26)**	**$8.44**
Expenditure - administration (included above)	*$41.80*	*$47.43*	*$53.62*	*$47.96*
Staff Minutes				
Registered nurses	34.93	37.21	37.75	37.25
Enrolled and licensed nurses	14.79	12.60	14.18	7.88
Other unlicensed nurses/personal care staff	149.70	154.59	150.41	151.01
Imputed agency direct care minutes	0.57	0.07	0.04	0.06
Total direct care minutes per resident day	**199.98**	**204.48**	**202.38**	**196.21**
Gap from target minutes				
Registered nurses	5.07	2.79	2.25	2.75
Other direct care labour	(5.06)	(7.27)	(4.64)	1.04
Additional costs				
Registered nurses (C)	$7.09	$3.83	$3.19	$3.96
Other direct care labour (D)	($4.37)	($6.35)	($4.12)	$0.96
Additional costs - without restructuring (C)	**$7.09**	**$3.83**	**$3.19**	**$4.92**
Operating result after additional costs (B - C)	**($12.93)**	**($12.55)**	**($10.45)**	**$3.52**
Potential costs saving from restructuring (D)	**$4.37**	**$6.35**	**$4.12**	**$0.00**
Total net additional costs (E = C - D)	**$2.72**	**($2.52)**	**($0.93)**	**$4.92**
Operating result after costs saving (B - E)	**($8.55)**	**($6.20)**	**($6.33)**	**$3.52**
Direct care result after costs saving (A - E)	**$11.91**	**$13.18**	**$13.63**	**$13.90**

It is noted based on Mar-24 Survey data that larger Providers with more than 20 homes have the highest current operating result and the marginally higher adjusted operating result compared to other groups. This is also the case for the direct care result which largely contributes to the overall financial result. Other care labour costs are the lowest for Providers with 21 or more homes.

These larger Providers also have lower direct care minutes than smaller Providers, although their direct care labour costs are higher than other Providers. *This should not be interpretated as large Providers having a lower quality/standard of care as it may predominantly be due to a number of other factors.*

The analysis shows that if the larger Providers incurred the additional costs to meet their direct care minute targets, the current operating surplus of $8.44 pbd would decline to an average of $3.52 pbd which is still significantly better than the smaller Providers who continue to average an operating loss before and after meeting care minute targets.

There is an opportunity for the smaller Providers to realise some cost savings by reducing their care minutes where they currently exceed target levels. It is noted that many of these homes have unique circumstances that mean that Providers are not able to take advantage of these savings in full or at all.

Large Providers have a much higher indirect care result compared to smaller Providers based on Mar-24 Survey. Large Providers are close to breaking even providing these services. This might be due to the larger providers being more inclined to offer additional services or through greater purchasing power to lower costs of consumables or in negotiating contracts for outsourced services.

Direct Care (AN-ACC) Margin Comparison

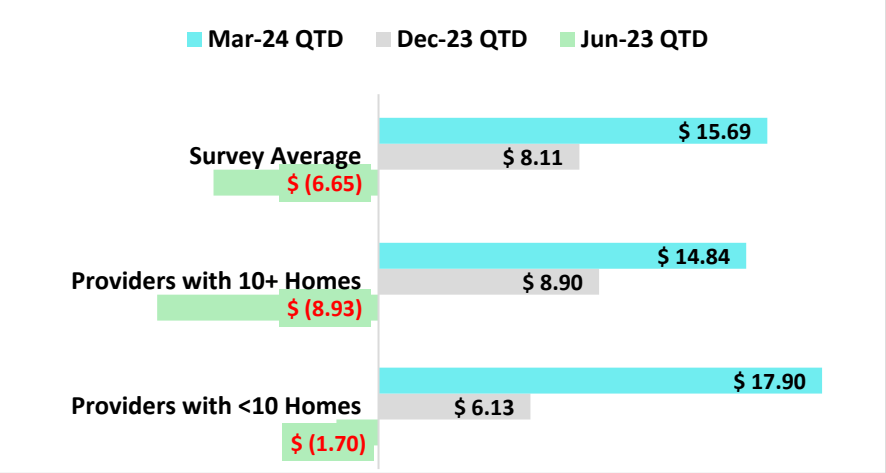
Figure 5 provides another comparison between small and large Providers and the movement in the Direct Care (AN-ACC) margin (result) between Q4 2023 (June quarter), Q2 2024 (December quarter), and Q3 2024 (March quarter) with different AN-ACC funding level and minutes requirements. The analysis is based on facilities in the Surveys at the same time.

By way of explanation, the average Direct Care result for all homes for the June 2023 quarter (Q4) was ($6.65) pbd deficit and increased to $15.69 pbd surplus for the current March 2024 (Q3) quarter.

The large Providers (in this analysis being those with 10 homes or more) had a net increase of $23.77 pbd, whilst Providers with less than 10 homes had an increase of $19.60 pbd.

Average direct care result for all homes increased by $7.58 pbd for Mar-24 quarter compared to Dec-23 quarter. Large Providers result increased by $5.94 pbd, while smaller Providers increased by $11.77 pbd.

Figure 5: Comparison of direct care result (margin) between quarters



Occupancy

Occupancy for YTD Mar-24 averaged 92.6% which is lower than 92.8% recorded at Dec-23 YTD but still high in comparison to recent Surveys. (90.9% for Mar-23 and 91.0% for FY23 Survey).

The increase in occupancy compared to FY23 is beneficial to Providers as it decreases the per bed day amount for some of the fixed costs, especially for indirect care and accommodation services.

This is not so relevant to direct care costs as they are now largely tied to mandated minutes which have to increase proportionally to any increase in resident days. Fixed costs on the other hand can be spread across a greater number of days and revenue base as occupancy rises.

Table 11: Improvement due to increase in occupancy for indirect care and accommodation services

Survey Average ($ pbd)	Mar-24	Mar-24 if occupancy remained 91%	Variance
Indirect care revenue	75.43	75.43	0.00
Indirect care expenditure	81.04	82.26	(1.22)
Indirect care result	**(5.62)**	**(6.83)**	**1.22**
Accommodation revenue	41.22	41.22	0.00
Accommodation expenditure	51.37	52.33	(0.95)
Accommodation result	**(10.16)**	**(11.11)**	**0.95**

It is estimated that the gain in occupancy improved the average operating result by **$2.17 pbd** by spreading indirect care and accommodation services costs across the higher number of occupied days.

Comparison of Survey Result to the Quarterly Financial Snapshot

With the introduction of the Quarterly Financial Report (QFR) The Department of Health and Aged Care has been able to report on the consolidated results of the Residential Aged Care and Home Care sectors in the Quarterly Financial Snapshot (QFS) released after end of each quarter.

It is noted that there is a difference in the QFR Snapshot results and the StewartBrown Survey results. To explain the differences in these results it is important to understand the different methods of analysis, data collection and data cleansing that are used.

Operating Result

The StewartBrown Survey places primary focus on the *operating result* rather than the Net Profit Before Tax (NPBT). The distinction is the exclusion of non-recurrent revenue and expenditure from NPBT to obtain the operating result. The Department Aged Care Financial Report also makes this distinction when preparing its annual report.

Non-recurrent income and expenditure are generally one off and include items such as revaluation of assets (property and financial), gain/loss on acquisition, gain/loss of disposal of assets, impairment (including impairment reveals), write-off of intangible assets, grants received, bequests/donations/fundraising, income derived from non-aged care sources.

For this reason, the operating result indicates how the respective segments (Residential/HCP/CHSP) are financially performing based on the current regular funding envelope. This allows comparison and policy to be formulated based on the normal operating environment rather than consideration of non-recurrent items that are variable and not related to normal operations.

Data Sources

The StewartBrown Survey result is sourced from granular data obtained at the individual aged care home and home care package level, where data is collected for every income and expense line item as well as a significant amount of other data. The overall residential and home care results are the aggregate of each individual aged care home and home care program. The University of Technology Sydney (UARC) use the same granular methodology in their analysis and reporting.

The Survey data input sheets collect data from over 270 data points from each residential aged care facility and over 120 data points from each home care service.

Due to receiving the detailed data at the aged care home and home care program level, it allows significant cleansing and checking process to make comparisons on a wide range of metrics to validate each data entry line (eg comparison with previous quarters, regional, resident/client mix, size of home/program).

A deidentified Survey aged care facility report that is provided to participants is included as *Appendix 2*.

The Department QFS result is sourced from the high-level Summary Profit and Loss Statement at the consolidated Approved Provider (organisation) level (not the individual facility/program level) as included in the respective QFR. As the reporting is only by the Approved Provider, this also excludes any related party or external entities that the Approved provider may have transactions with.

The QFR summary profit and loss is collected at the aggregate consolidated segment level (residential/home care/retirement/other). The respective segment results may not include all corporate costs, related party expenses and some specific expenses relating to each segment and will also include non-recurrent items such as revaluations of assets and financial assets, donations and bequests and gains/losses on sale of assets.

In this respect the QFS shows the result in terms of NPBT and not operating result. The summarised QFR template is included as *Appendix 1*.

The methodology for determining the allocation to each operating segment in the QFR varies between providers. By way of further comparison, there are only 14 data points collected in the QFR for each residential home and home care package.

COVID-19 Grants Received

The accuracy of financial reporting requires income and expenditure to be recognised in the periods they were incurred. The commitment of the Government during the COVID-19 pandemic to assist Providers with expense reimbursement through *COVID-19 Aged Care Support Program Extension GO4863* was a welcome initiative.

The sheer volume of applications for this grant funding resulted in a significant timing difference from incurring the cost and the receipt of grant funding expense reimbursement.

StewartBrown worked with Survey participants to match as best as possible the revenue to the expense relating to COVID-19. As a significant portion of Grant claims were submitted in FY23, but not received until FY24, where this revenue was not matched it would have resulted in a significant uplift in revenue in FY24.

This explains a primary reason of the difference between the QFS and StewartBrown Survey result. Whereas the StewartBrown Survey matched (accrued) the Grant receipts in FY23 (in accordance with our general advice to the sector), the QFS will be including the Grant income in the current financial year, whereas the matching expense was incurred in FY23. This means it is in effect a non-recurrent revenue item in FY24 and would distort the results to that extent.

Comparison (December 2023 six months)

	DoHAC $ pbd	StewartBrown $ pbd	
Revenue	404.64	381.18	*
NPBT (DoHAC)	8.75	-	
add/less			
Covid grants	(15.24)	-	
Impairment of bed licences	8.36	-	
Non-recurrent	(3.50)	-	**
Operating result	**(1.63)**	**(2.25)**	

** Difference primarily relates to Covid grants received relating to previous year*
*** Estimate based SB Survey for non-recurrent revenue*

The Quarterly Financial Snapshot reported a deficit of ($1.61) per bed day for the December quarter ($10.36 pbd surplus for the September quarter) and noted that the overall surplus (which includes non-recurrent items and covid grants relating to the previous year) is likely to further decline in the period to 30 June 2024 (quarters 3 and 4).

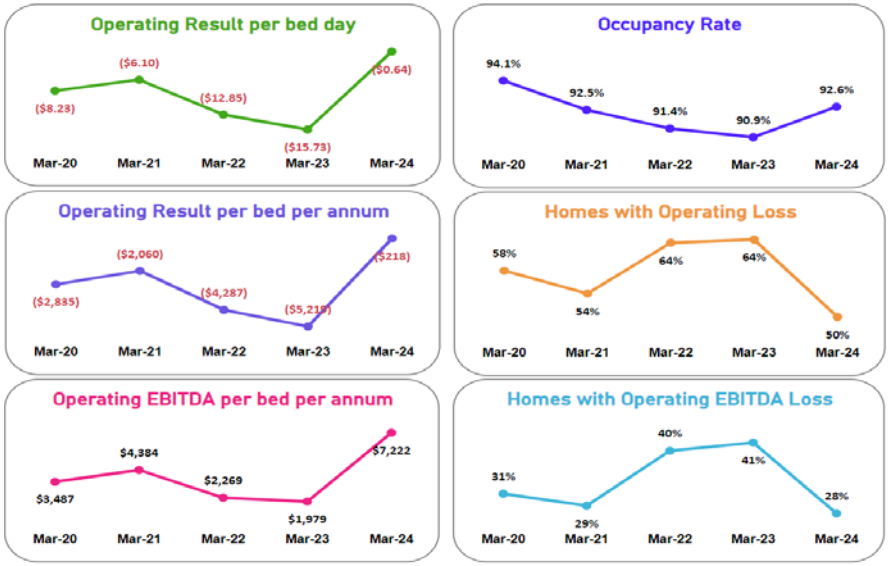
Comment

StewartBrown is very supportive of the ongoing initiatives of the Government to provide timely financial information to assist consumers and Providers and extend the overall financial transparency of the sector. This is also fulfilling the recommendations from the Royal Commission in this regard.

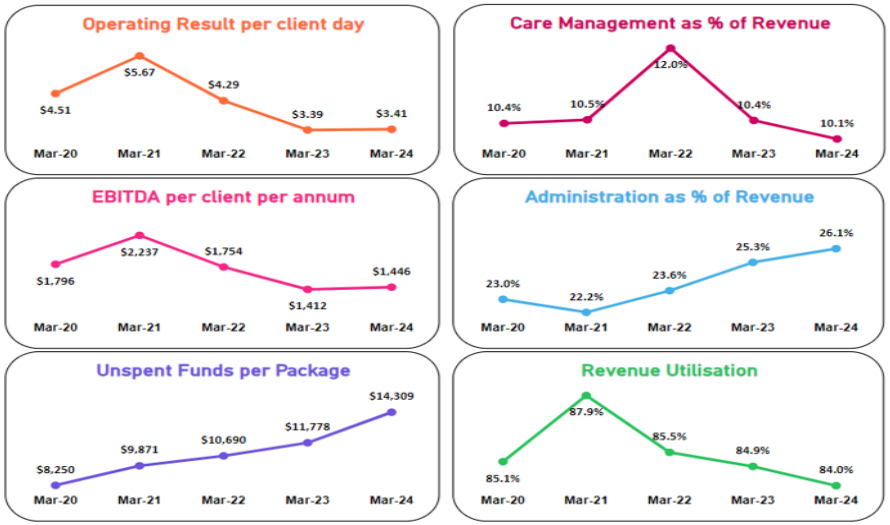
As with any financial analysis and comparison, understanding the data sources and the inherent limitations is important. The Department QFS provides a good guide as to how the sector is performing in an aggregate sense at the NPBT level. The individual residential and home care segment results are more variable due to the extent of the data provided and the methodology around making segment allocations.

Mar-24 Results Snapshot (Year-to-date)

Residential Aged Care



Home Care



Mar-24 Financial Performance Analysis (Year-to-date)

Residential Aged Care Results

Revenue	• Average direct care revenue (AN-ACC, supplements and other recurrent direct care income) was $268.29 pbd, an increase of 27.0% from Mar-23 ($211.23 pbd) . (Due to the introduction of AN-ACC funding model from Oct-22 and increase in AN-ACC on 1 July 2023 and 1 December 2023 respectively to fund 15% FWC decision, and 5.75% National Wage Case pay increases). • Indirect care (everyday living) revenue *including hotelling supplement* was $75.43 pbd an increase of 8.9% from Mar-23 ($69.39 pbd) • Accommodation revenue was $41.22 pbd, an increase of 14.5% from Mar-23 ($36.00 pbd) *(mainly due to MPIR lift to average 8.29% for new DAPs)*
Expenses	• Direct care labour costs (RN/EN/PCA) averaged $201.75 pbd an increase of 29.6% from Mar-23 ($155.69 pbd) • Other direct care labour costs (Care Management/Allied Health/Lifestyle) averaged $24.17 pbd, a decrease of 6.1% from Mar-23 ($25.73 pbd). *This may be due to the review of care management to reallocate the direct care components based on qualification.* • Other direct care costs averaged $9.05 pbd, an increase from Mar-23 ($6.99 pbd) • Indirect care (everyday living) costs were $81.04 pbd an increase of 5.4% (Mar-23 $76.89 pbd) • Catering expenditure averaged $39.85 pbd an increase of 6.5% (Mar-23 $37.42 pbd) • Administration costs averaged $49.20 pbd an increase of 4.5% (Mar-23 $47.06 pbd) *(due to increase quality, reporting and compliance requirements)* • Accommodation expenditure averaged $51.37 pbd (depreciation $21.94 pbd) compared to Mar-23 $49.64 pbd
Operating Result	• Direct care result for Mar-24 increased by $9.73 pbd to a surplus of $15.13 pbd (including administration) from Mar-23 $5.41 pbd surplus, due to the increase in AN-ACC care funding • *As most providers are paying higher than award rate, the increase in direct care labour costs is lower than the increase in care funding. $3.95 pbd additional agency costs on average will be needed to reach target RN minutes due to staff shortages. Direct care result margin is less than 4.2% for Mar-24 after the additional costs. Direct care result margin is forecasted to be 5.0% for FY24 which is acceptable. However, it includes benefits from transitional period in Sep-23 quarter* • Indirect care result improved to a deficit of ($5.62 pbd) (including administration) (Mar-23 deficit $7.50 pbd). • Accommodation result (including administration) was a deficit of ($10.16 pbd) (Mar-23 deficit $13.63 pbd) • Operating result was a deficit of ($0.64 pbd) (Mar-23 operating deficit $15.73 pbd) • Operating EBITDA averaged $7,222 pbpa (Mar-23 EBITDA $1,979 pbpa)
Additional Trends	• Direct care minutes (RN/EN/PCA) was **199.87 minutes per resident per day** (Mar-23 169.56 minutes). Total care minutes for Mar-24 quarter was **215.14 minutes per resident per day.** • Occupancy for mature homes increased to 92.1% (Mar-23 90.0%) *(occupancy based on actual available beds)* • Supported resident ratio decreased to 45.9% (Mar-23 46.2%) • Average full RAD received for YTD Mar-24 was $494,823 (YTD Mar-23 $469,679) • Proportion of full RADs received for non-supported residents was 33.6%, full DAPs was 41.6% and Combinations (RAD/DAP) was 24.7%

Home Care Package (HCP) Results

Revenue	• Revenue was $76.57 per client per day an increase from Mar-23 ($68.84 pcpd) • Care management revenue as a proportion of total revenue was 20.4% (Mar-23 18.7%) • Package management revenue as a proportion of total revenue was 14.6% (Mar-23 11.2%) • Revenue utilisation **decreased by 0.9 to 84.0%** of funding received (Mar-23 84.9%)
Expenses	• Direct service costs increased by $4.55 pcpd to be 58.6% of total revenue (Mar-23 58.6%) • Care management cost as % of revenue has decreased to 10.1% of revenue (Mar-23 10.4% of revenue) • Administration and support costs represent 26.1% of revenue (Mar-23 25.3%)
Unspent Funds	• The amount of unspent funds per client (care recipient) has continued to rise and now averages **$14,309 per client** (Mar-23 $11,778 per client) • In aggregate across the sector, this represents **in excess of $3.9 billion** of funds that have not been utilised.
Operating Result	• Operating results have increased by $0.02 per client per day to $3.41 pcpd (Mar-23 $3.39 pcpd) • The profitability margin has declined from 4.9% for Mar-23 to 4.5% for YTD Mar-24. • Profitability decline is being driven by the increase in administration costs
Other Trends	• Average staff hours per week was **5.13 hours** (Mar-23 5.14 hours)

2. AGED CARE TASKFORCE ANALYSIS

Background

The Aged Care Taskforce (Taskforce) final report was released on 11 March 2024 (Final report of the Aged Care Taskforce (health.gov.au)).

The Taskforce Report contained 23 separate Recommendations in relation to the below terms of reference:

- Funding and contribution approaches to support innovation in the delivery of care
- A fair and equitable approach to assessing the means of older people accessing residential and in-home aged care, including the scope of income and assets included in the assessment of means
- Issues and trade-offs for including and excluding different service types in the new in-home aged care program (the service list)
- Consumer contributions for in-home aged care, and reforms that support a future transition to a single in-home aged care system
- Reforms to arrangements for pricing and funding hotel and accommodation costs in residential aged care, including the phasing out of refundable accommodation deposits.

Financial Sustainability

It needs to be noted that the primary reason for the Taskforce being established was a recognition that the residential aged care sector, netted out across all streams of activity, was haemorrhaging due to successive and sustained operating deficits.

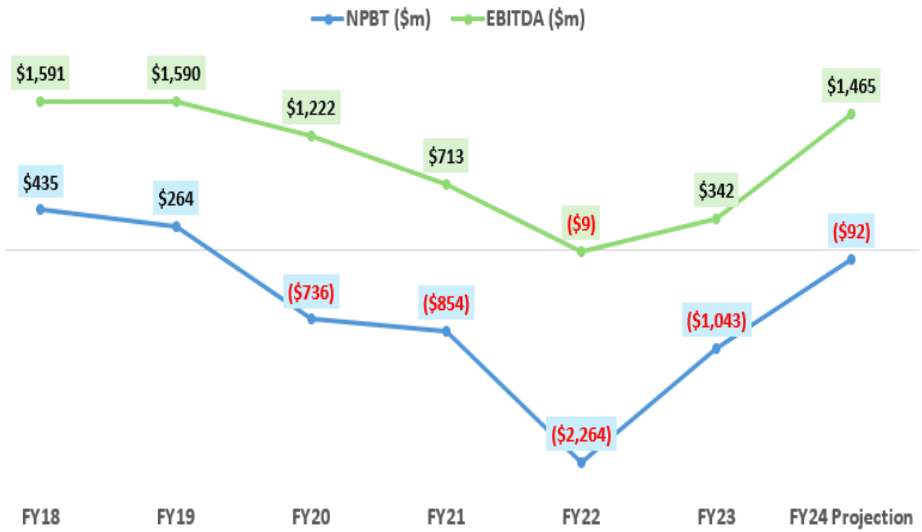
Figure 6 shows that Net Profit Before Tax (NPBT) has had aggregate deficits since FY20 and our forecast estimate for FY24 ($92 million loss) is likely to be worse based on the March 2024 (nine months) results. This represents an aggregate deficit over 5 years well in excess of $5 billion.

There is always unsupported commentary that some Providers are reaping in large profits, but this is both incorrect and fanciful for the simple reason that 76.4% of funding is from taxpayer subsidy and all Providers operate under the same funding model.

It is relatively easy to monitor financial performance at the Approved Provider level as the financial statements are audited, and analysis can be based on the funding model and the related expenditure (70% relates to staffing and is based on EBA's or awards).

The Quarterly Financial Reports and Aged Care Financial Report (all having to be attested by a Director on behalf of the Governing Body) provide further confirmation as to the accuracy of this assessment.

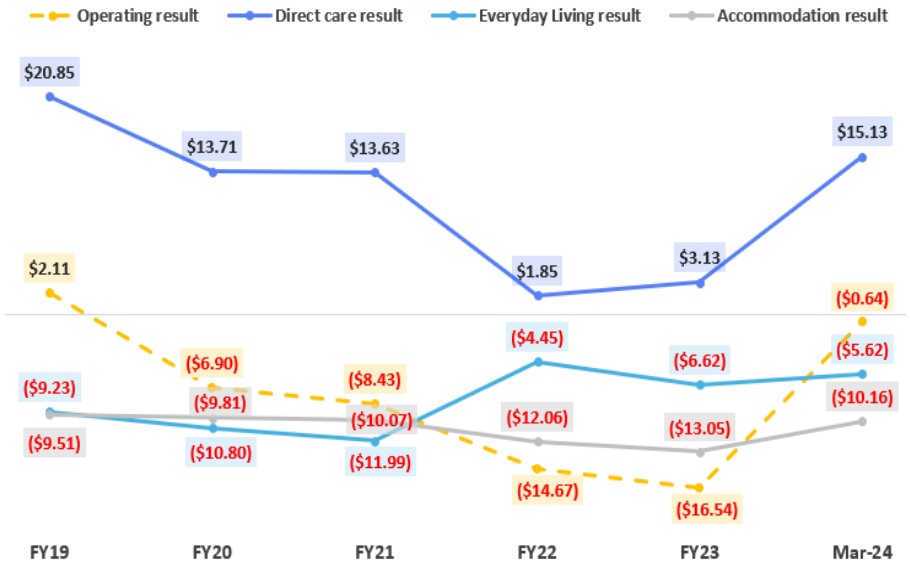
Figure 6: Aggregate residential aged care sector operating results ($ million)



Analysis of How the Operating Deficits is Comprised

The revenues (and expenses) for residential aged care come from separate activity streams, being Care, Daily Living and Accommodation. *Figure 7* charts each of these revenue streams and the respective margins/deficits (expressed in $ per occupied bed day). It is best to consider each one separately.

Figure 7: Operating result and margins by revenue stream FY19 - Mar-24 ($ pbd)



The Direct care result (dark blue graph line) shows that there has been a positive margin in each year (AN-ACC/ACFI subsidy being greater than the costs of providing direct care services). The former ACFI funding did not match the indexation required from FY20 to FY23 which eroded the margin in those years.

The AN-ACC subsidy has in part repaid the indexation gap from those years as well as providing full funding for the mandated direct care minutes whilst providers had not reached the target levels.

The everyday living margin (light blue graph line) and accommodation margin (grey graph line) have been in deficit in each year, as has been the case since the introduction of ACFI in 2008.

This is where the Taskforce focus was aimed, being what mechanisms are required to improve these margins which will then significantly improve the financial sustainability of the sector.

Direct Care (AN-ACC and Means-Tested Care Fees)

It is very clear that the transition to the AN-ACC funding model from the former ACFI (and prior to that, RCS) has been positive in many respects. However, the introduction of the mandated direct care hours within the AN-ACC funding has caused complexities and led to it being somewhat of a hybrid funding model. As well, like all new funding models, it will continue to develop and modify as differing care requirements are factored in.

Means-tested Care Fees (MTCF) are essentially designed to keep the fiscal cap under control. The MTCF does not increase the funding envelope and is a direct offset within AN-ACC (as it was with ACFI). Changes to the MTCF arrangements will provide no financial benefit for the sector.

The reality is that 45% of residents are either fully or partially supported, and the MTCF only represents 3.3% of the total direct care (AN-ACC) funding. In quantum they MTCF represents approximately $700 million of the total AN-ACC direct care funding.

In summary, the MTCF, together with the annual and lifetime caps, is not a major impost to the majority of residents who are not financially supported.

It should further be noted that the Royal Commission recommended the removal of the MTCF, and this was supported in principle by the Taskforce.

It is equally important to be cognisant of the significant role of the Independent Health and Aged Care Pricing Authority (IHACPA). For the first time, there is an independent Pricing Authority which will cost on a factual basis the inputs required to provide the necessary care service delivery, including innovative services, and provide a transparent subsidy pricing recommendation to the government. This should ensure that the AN-ACC subsidy is always of a sufficient level.

User Pays

There has been some commentary as to the Taskforce recommending a further shift to “user pay”. In our opinion this is a simplistic and incorrect view. The fundamental thrust of the Taskforce recommendations is that consumers co-contribute to their daily living and accommodation services, being personal requirements that most have paid for all their adult lives - with others receiving publicly funded income and accommodation support.

As noted above, direct care (being the majority of the cost of providing care) is predominantly taxpayer funded (96.7% taxpayer subsidy) and likely to remain so under the current and proposed arrangements. There is no alteration to this and IHACPA's role is to ensure the funding is adequate.

Currently the taxpayer provides a "hotelling supplement" of around $11 per day to all residents, totally irrespective of their financial means. In real terms, the cost of providing everyday (hotel and utilities) services is around $5.50 per day greater than the revenue (ie Providers subsidise this deficit). Is it fair and equitable for the taxpayer to fund residents with financial means (55%+ of residents) for these everyday living services (being the $11 per day) and the Provider to fund the deficit? This does not happen in the general community, where a consumer with means pays for the cost of a service or product they purchase from their own sources, and do not receive a taxpayer subsidy to offset part of that cost. All residents pay a Basic Daily Fee (BDF) (not means tested) being calculated as being 85% of the single pension.

The Taskforce recommendations in this regard are quite clear - if the resident does not have the financial means (supported) the taxpayer covers the cost of receiving the everyday living services in excess of the BDF (around $19 per day). If the resident is not supported, the resident pays the additional amount ($19 per day) on top of the BDF. Unambiguously, this means that the non-supported resident is simply paying for the actual cost of receiving the daily living services (catering/cleaning/laundry/utilities). All residents are receiving the same daily living services irrespective of their financial means.

It is important to note that the distinction between supported and non-supported is made based on their respective means test, but once that distinction is made, all non-supported residents pay the same amount (ie it is not an escalating amount where persons with higher means pay more). It is similarly important to not confuse this with "additional services" which are separate to the normal everyday living services, and these are subject to agreement between the resident and the provider where strict opt-out clauses exist and the additional services are under scrutiny by both the ACQASC and ACCC to ensure that the additional services charged are actually delivered, and that they are, in fact, additional to the normal everyday living services. The Taskforce held strong views in this regard.

Accommodation

The fundamental question in relation to accommodation is whether it is equitable and reasonable for the taxpayer to subsidise residents with financial means? It should be front of mind that a resident is moving from their current place of accommodation (be it the family home, rental, affordable housing) to a new place of accommodation in an aged care home. It is not a short-term stay (other than for respite) and they will not require two separate accommodation settings.

As with everyday living, financially supported residents such as those who have been in public or supported accommodation or have been receiving rental assistance will continue to receive a taxpayer subsidy to pay for their accommodation, and in this regard the Taskforce recommended increasing the accommodation subsidy to more closely equate to a Daily Accommodation Payment (DAP) to prevent Providers choosing residents with means to pay a RAD over those without such means.

It is the relationship between Refundable Accommodation Deposits (RADs) and DAPs that is currently inequitable for consumers. If the accommodation price is (say) $550,000 and the resident (or family) has the means to pay a RAD the "real cost" of aged care home accommodation is the revenue opportunity cost foregone and is far lower than the cost of paying a DAP.

Table 12 provides a clearer example. The RAD retention is based on the accommodation price (national average is $497,000) which would represent $14,910 pa. The national mean house price is $957,000 (regional areas $620,000) so the retention amount is actually only 1.56% of the median house price ($14,910 divided by $957,000). It should be noted that the average length of tenure in an aged care home is just over 3 years and closer to 18 months for recent admissions, so the accumulated retention is still not significant compared to house prices.

In summary, the Taskforce recommendation for a RAD retention makes the differential between paying a DAP or a RAD more equitable in addition to providing increased revenue for Providers from RAD paying residents.

Additional Contribution by the Resident

Table 12 provides a summary of the effect of the Taskforce recommendations in relation to increased consumer contributions:

- Direct Care (AN-ACC) - *no change*. The taxpayer subsidy pays for in excess of 96% of the cost (and 100% for supported residents)
- Everyday Living: *no change* to the BDF (all residents). Supported residents - *no change* (taxpayer subsidy increased to $19 per day to cover the actual cost). Non-supported resident - *additional* $19 per day to cover the actual cost (and no taxpayer subsidy to offset this)
- Accommodation: Supported residents - *no change*; DAP paying resident - *no change*; RAD paying resident - *additional* $30 per day (based on accommodation price of $550,000)

Table 12: Comparison of resident costs

	Current		Proposed		
	Supported	Non-Supported	Supported	Non-Supported	
Direct Care					
AN-ACC (taxpayer subsidy)	100%	96%	100%	96%	
Means-Tested Care Fee	0%	4%	0%	4%	
(no change to current funding)					
Everyday Living *($ per day)*					
Basic Daily Fee	$ 61	$ 61	$ 61	$ 61	
Supplement (taxpayer subsidy)	$ 11	$ 11	$ 19	$ -	
Supplement (resident)	$ -	$ -	$ -	$ 19	
(increases revenue to $80 per day)					
Accommodation *($ per day)*					
Supplement (taxpayer subsidy)	$ 67	$ -	$ 67	$ -	*
Daily Accommmodation Payment (DAP)	$ -	$ 126	$ -	$ 126	**
Refundable Accommodation Deposit (RAD)	$ -	$ 57	$ -	$ 57	***
RAD 2% additional retention	$ -	$ -	$ -	$ 30	****

** Accommodation supplement to be reviewed (Taskforce recommendation #14)*
*** Accommodation price $550k x 8.36% / 365 days*
**** Accommodation price $550k x 4.75% term deposit rate x 79% (after tax rate) / 365 days (opportunity cost)*
***** Accommodation price $550k x 3% / 365 days*

In relation to equity between a RAD and a DAP, under the proposed changes, a DAP represents $126 per day (no change to the current situation) and a RAD represents $87 per day ($57 + $30) which brings it to be more in line with a DAP but still an advantage if the resident chooses to pay a RAD.

Levy or Increased Taxation

In practice, IHACPA will recommend the subsidy required to ensure that direct care delivery is up to the required quality the community expects. AN-ACC is primarily funded by the taxpayer, so all increases in the AN-ACC subsidy (such as to improve care delivery or, as occurred recently, due to the mandated minutes and FWC award increases) is funded by the taxpayer. The Government of the day will be required to include the AN-ACC subsidy in the budgetary measures and will determine how the overall budget allocation is funded. It is essentially part of the normal budget process and not requiring a specific levy.

If a contrary argument is that a levy is required for the non-direct care components (everyday living and accommodation) this comes to the direct question of whether the taxpayer should fund the daily living and accommodation services that most persons pay all their adult lives and have the means to pay when in an aged care setting. Financially vulnerable residents are (and should) continue to be supported by a taxpayer subsidy, and at a level that is sufficient to maintain equality of services provided to the residents with means.

Similar to everyday living, the accommodation cost for non-supported residents is means tested to the extent of determining if a resident requires financial support or not. If they are assessed as not being supported, there is no differential to what they pay (ie no escalation of costs based on a person's wealth). There is, of course, choice of where to receive the accommodation and the quality of such accommodation. This can dictate the associated accommodation cost, but this is the same as with all housing decisions that people with means make.

It is the opinion of StewartBrown, the involvement of IHACPA for direct care funding has led to observable improvements in the direct care results. In addition to maintaining sufficient funding for direct care service, structural funding reforms for other services in residential aged care segment are required. In the interim period, however, to avoid closure of homes and reduced service delivery, especially in regional locations (MMM2 to MMM5 in particular) additional block funding may be required in the short/medium term.

Detailed Modelling of Taskforce Recommendations

Included in *section 4* is detailed modelling on the financial impact of the Taskforce recommendations.

3. FINANCIAL RESULTS - KEY METRICS

Residential Aged Care

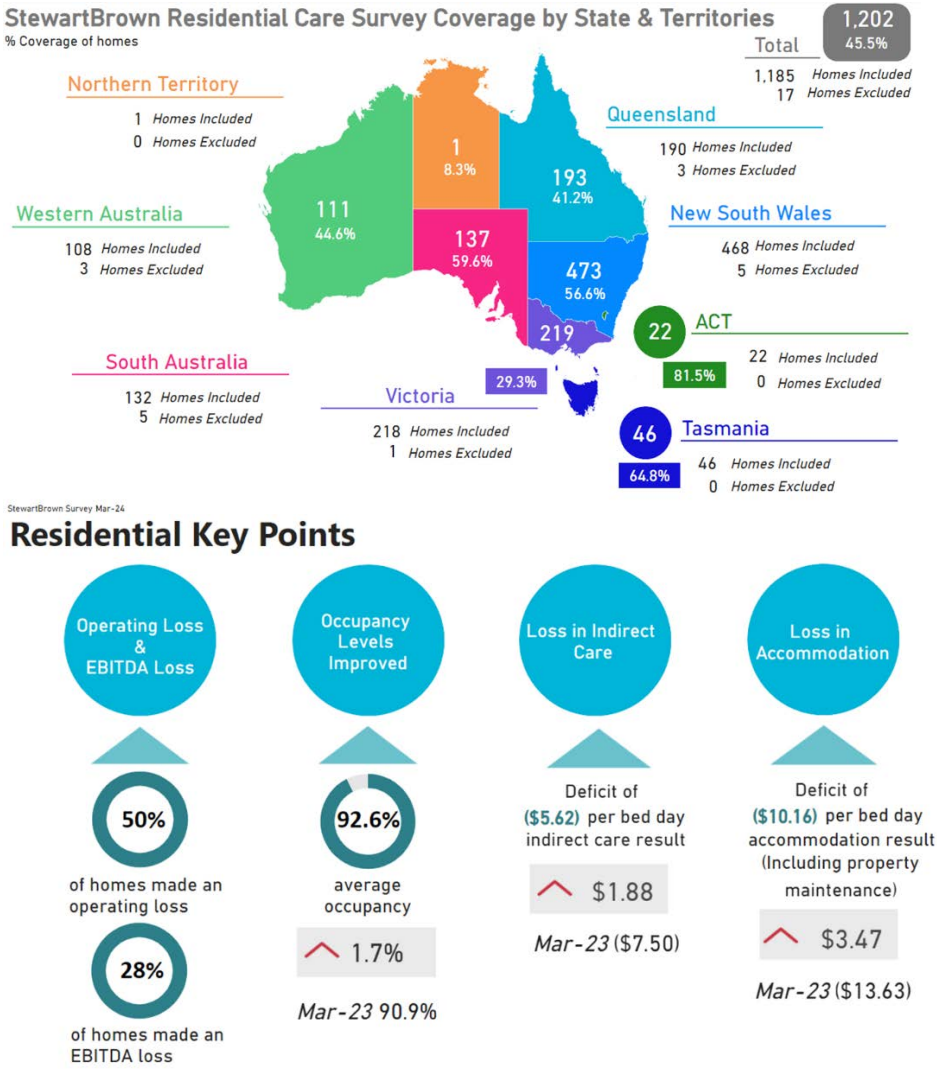


Table 13: Summary Income & Expenditure Comparison ($ per bed day)

	Survey Mar-24 *1,185 Homes*	Mar-23 *1,110 Homes*	Survey FY23 *1,197 Homes*
DIRECT CARE			
Revenue	$268.29	$211.23	$213.19
Expenditure			
Direct care labour costs	201.75	155.69	159.86
Other direct care labour costs	24.17	25.73	25.37
Other direct care costs	9.05	6.99	7.57
Administration	18.20	17.41	17.25
	$253.16	*$205.82*	*$210.05*
DIRECT CARE RESULT (A)	**$15.13**	**$5.41**	**$3.13**
INDIRECT CARE			
Revenue	$75.43	$69.39	$70.53
Expenditure			
Catering	39.85	37.42	37.55
Cleaning	10.59	10.27	10.47
Laundry	4.73	4.59	4.60
Other hotel services expense	0.09	0.09	0.12
Payroll tax	0.11	0.06	0.09
Overhead allocation (workcover & education)	0.95	0.92	0.91
Utilities	8.18	7.71	7.73
Administration	16.54	15.82	15.67
	$81.04	*$76.89*	*$77.15*
INDIRECT CARE RESULT (B)	**($5.62)**	**($7.50)**	**($6.62)**
CARE RESULT (C) *(A + B)*	**$9.52**	**($2.09)**	**($3.49)**
ACCOMMODATION			
Revenue			
Residents	16.71	14.58	15.01
Government	22.72	21.42	21.40
	$41.22	$36.00	$36.41
Expenditure			
Depreciation	21.94	21.69	21.03
Property maintenance	12.83	12.13	12.44
Property rental	0.71	0.67	0.94
Other	1.44	1.31	1.37
Administration	14.46	13.83	13.70
	$51.37	*$49.64*	*$49.46*
ACCOMMODATION RESULT (D)	**($10.16)**	**($13.63)**	**($13.05)**
OPERATING RESULT ($ per bed day) *(C + D)*	**($0.64)**	**($15.73)**	**($16.54)**
OPERATING RESULT ($ per bed per annum)	**($218)**	**($5,219)**	**($5,491)**
EBITDA ($ per bed per annum)	**$7,222**	**$1,979**	**$1,489**

Figure 8: Residential Operating Result Snapshot ($ per bed day)

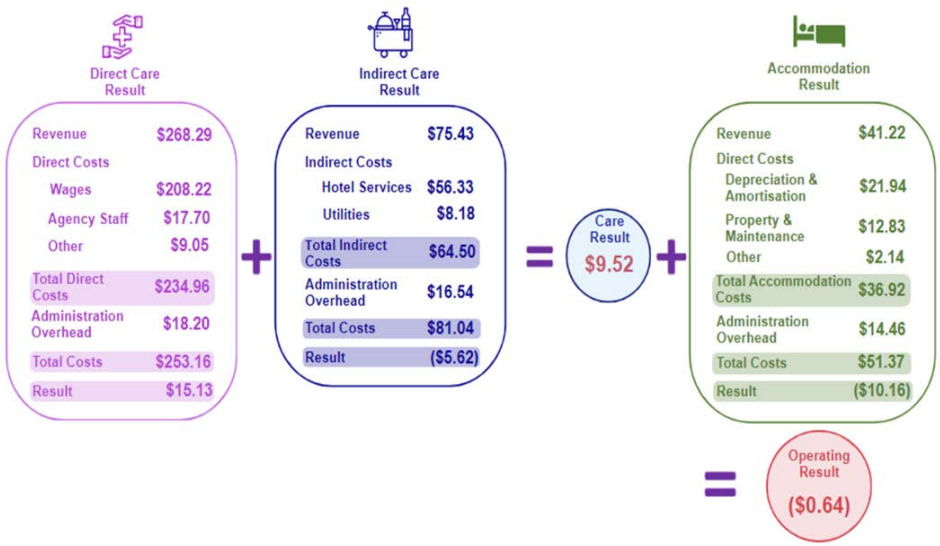
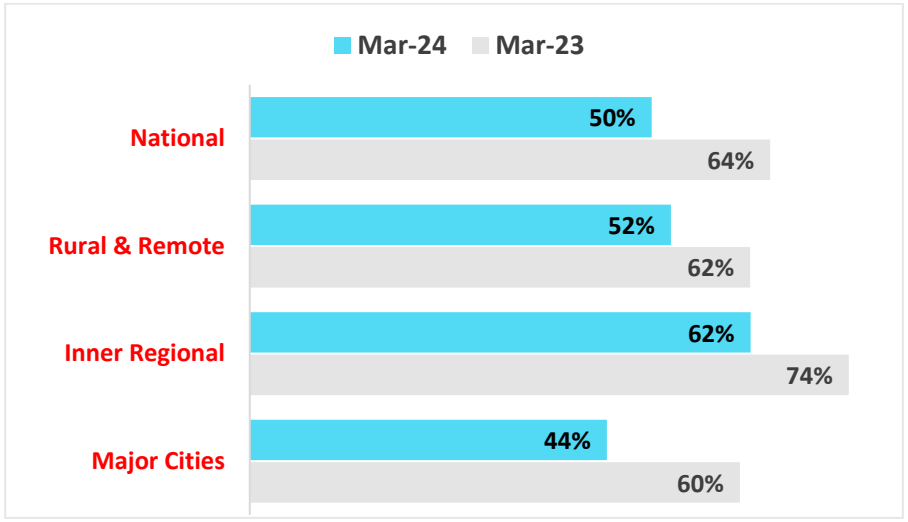


Table 14: Summary KPI Results Comparison

Summary KPI Results	Mar-24 *1,185 Homes*	Mar-23 *1,110 Homes*		Difference *(YoY)*	FY23 *1,197 Homes*
Operating Result ($pbd)	($0.64)	($15.73)	↑	$15.08	($16.54)
Operating Result ($pbpa)	($218)	($5,219)	↑	$5,001	($5,491)
EBITDAR ($pbpa)	$7,222	$1,979	↑	$5,242	$1,489
Average Occupancy *(all homes)*	*92.1%*	*90.0%*	↑	2.0%	*90.1%*
Average Occupancy *(mature homes)*	*92.6%*	*90.9%*	↑	1.7%	*91.0%*
Average direct care revenue ($pbd)	$268.29	$211.23	↑	$57.06	$213.19
Total direct care minutes per resident per day	199.87	188.36	↑	11.51	189.62
Direct care expenditure % of direct care revenue	*94.4%*	*97.4%*	↓	(3.1%)	*98.5%*
Supported Ratio %	*45.9%*	*46.2%*	↓	(0.3%)	*46.0%*
Average Full RAD/Bond held	$460,350	$438,395	↑	$21,955	$451,422
Average Full RAD taken during period	$494,823	$469,679	↑	$25,144	$472,803

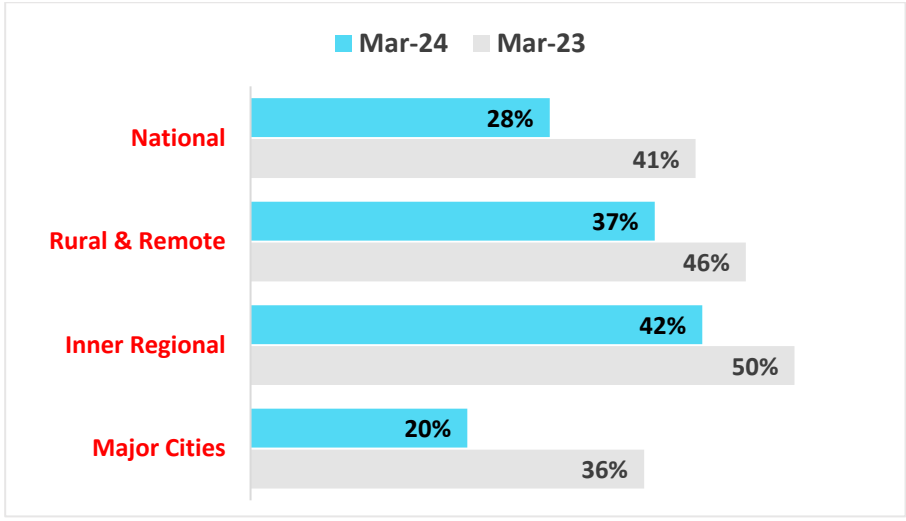
Number of Aged Care Homes making an Operating Loss

Figure 9: Aged care homes making an operating loss by remoteness



Number of Aged Care Homes making an EBITDA loss

Figure 10: Aged care homes making an EBITDA (cash) loss by remoteness



Results by Geographic Location

Table 15: Summary KPI Results by geographic location

Major Cities	Inner Regional	Rural & Remote
743 Aged Care Homes	311 Aged Care Homes	131 Aged Care Homes
$1,373 Operating Result $ per bed per annum	($4,152) Operating Result $ per bed per annum	($1,479) Operating Result $ per bed per annum
$8,964 Operating EBITDA per bed per annum	$2,734 Operating EBITDA per bed per annum	$6,376 Operating EBITDA per bed per annum
$267.12 Average Direct Care Revenue per bed day	$265.66 Average Direct Care Revenue per bed day	$286.23 Average Direct Care Revenue per bed day
93.6% Direct care expenditure as % of direct care revenue	97.1% Direct care expenditure as % of direct care revenue	92.9% Direct care expenditure as % of direct care revenue
51.1% Catering costs as % of indirect care revenue	56.0% Catering costs as % of indirect care revenue	58.2% Catering costs as % of indirect care revenue
200.81 Direct care minutes per resident per day	197.23 Direct care minutes per resident per day	200.08 Direct care minutes per resident per day
45.7% Supported resident ratio	45.1% Supported resident ratio	50.4% Supported resident ratio
93.1% Average occupancy	92.1% Average occupancy	90.3% Average occupancy
$498,165 Average full accommodation deposit held	$377,221 Average full accommodation deposit held	$346,925 Average full accommodation deposit held
$539,574 Average full RAD taken during the period	$406,371 Average full RAD taken during the period	$382,431 Average full RAD taken during the period

Direct Care Staffing Minutes (per resident per day)

Table 16: Direct Care staffing metrics

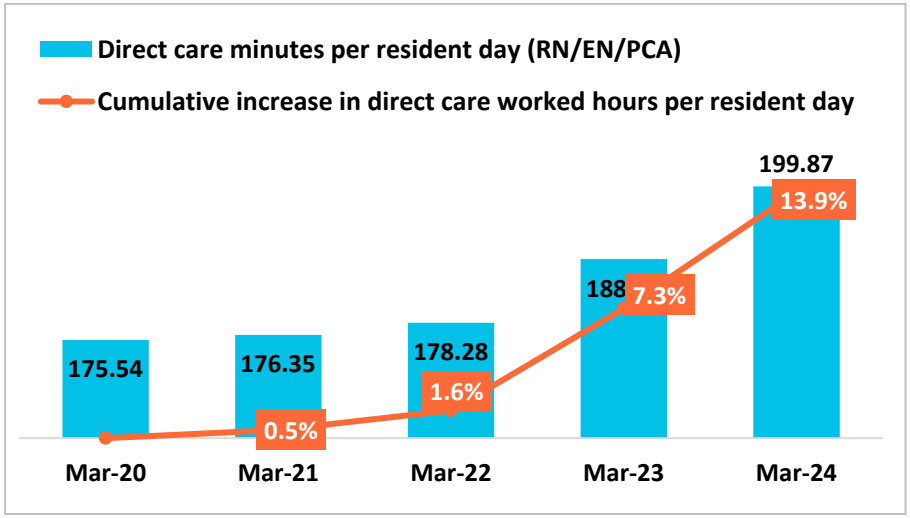
	Survey Average			Survey Average
Staffing Category	***Mar-24***	***Mar-23***		***FY23***
Registered nurses	37.22	31.36	↑	31.89
Enrolled & licensed nurses	11.25	12.45	↓	12.30
Other unlicensed nurses & personal care staff	151.31	144.49	↑	145.39
Imputed agency direct care minutes implied	0.10	0.07	↑	0.05
Total Direct Care Minutes	**199.87**	**188.36**	↑	**189.62**
Care management	4.00	5.65	↓	5.55
Allied health	4.61	5.81	↓	5.60
Diversional/Lifestyle/Activities	6.59	7.43	↓	6.80
Imputed agency other care minutes implied	0.06	0.22	↓	0.08
Total Care Minutes	**215.14**	**207.47**	↑	**207.65**

Table 17: Agency direct care staffing metrics

	Survey Average			Survey Average
Staffing Category	***Mar-24***	***Mar-23***		***FY23***
Agency - Registered nurses	3.69	3.08	↑	3.17
Agency - Enrolled & licensed nurses	0.59	0.90	↓	0.81
Agency - Other unlicensed nurses & personal care staff	7.28	11.15	↓	10.60
Imputed agency direct care minutes implied	0.10	0.07	↑	0.05
Total Direct Care Agency Minutes	**11.66**	**15.20**	↓	**14.62**

** Imputed agency is decreasing as actual agency is now included with direct staffing costs*

Figure 11: Direct Care staff (RN/EN/PCA) trend (minutes per resident per day)



Indirect Care (Everyday Living)

Table 18: Indirect Care (everyday living) revenue and expenses ($ pbd)

	Mar-24	Mar-23	YoY	FY23
	1,185 Homes	*1,110 Homes*	*Movement*	*1,197 Homes*
Hotelling supplement - government	$10.94	$9.99	↑	$9.98
Basic daily fee - resident	$60.45	$56.42	↑	$57.16
Other resident income	$4.03	$2.98	↑	$3.38
Indirect care revenue	**$75.43**	**$69.39**	↑	**$70.53**
Hotel services	$56.33	$53.36	↑	$53.75
Utilities	$8.18	$7.71	↑	$7.73
Indirect care expenses	**$64.50**	**$61.07**	↑	**$61.48**
Administration overhead	$16.54	$15.82	↑	$15.67
Indirect Care Result	**($5.62)**	**($7.50)**	↑	**($6.62)**

Table 19: Everyday Living Additional Services analysis ($ per bed day)

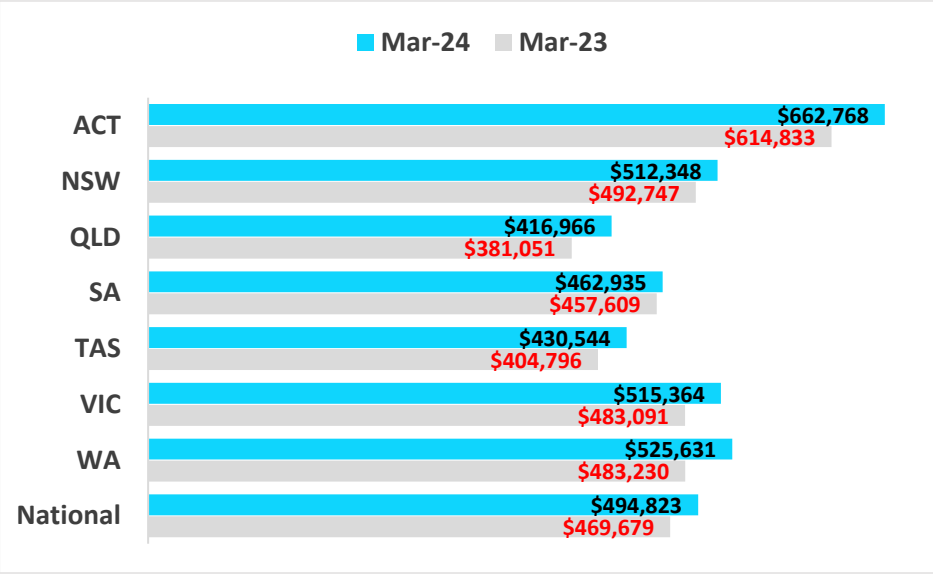
No. homes	*(1,185 Homes)*	*(1,197 Homes)*	*(38 Homes)*	*(32 Homes)*	*(347 Homes)*	*(276 Homes)*	*(800 Homes)*	*(889 Homes)*
	All Homes		Homes with additional services revenue exceeding $20 pbd		Homes with additional services revenue less than $20 pbd		Homes with no additional services revenue	
Indirect Care	Mar-24	FY23	Mar-24	FY23	Mar-24	FY23	Mar-24	FY23
Revenue								
Basic daily fee - resident	$60.45	$57.16	$60.72	$60.27	$60.33	$57.37	$60.56	$56.78
Hotelling supplement – government	$10.94	$9.98	$10.94	$10.00	$10.98	$9.99	$10.87	$9.98
Additional services and extra or optional service fees	$4.03	$3.38	$29.09	$28.94	$7.68	$7.91	-$0.01	$0.00
Indirect care revenue	**$75.43**	**$70.53**	**$100.75**	**$99.21**	**$79.00**	**$75.26**	**$71.42**	**$66.76**
Indirect care expenditure								
Total catering	$39.85	$37.55	$44.03	$39.16	$39.71	$36.72	$40.87	$37.65
Total cleaning	$10.59	$10.47	$10.47	$9.36	$10.52	$10.10	$10.76	$10.47
Total laundry	$4.73	$4.60	$5.05	$5.01	$4.90	$4.61	$4.72	$4.46
Total other hotel services	$1.15	$1.12	$2.22	$1.73	$1.25	$1.18	$1.03	$1.07
Expenditure - utilities	$8.18	$7.73	$8.87	$7.88	$7.87	$7.36	$8.43	$7.94
Administration - indirect care overhead allocation	$16.54	$15.67	$17.08	$14.80	$16.61	$15.31	$16.58	$16.04
Indirect care expenditure	**$81.04**	**$77.15**	**$87.72**	**$77.95**	**$80.85**	**$75.28**	**$82.38**	**$77.63**
INDIRECT CARE RESULT	(5.62)	(6.62)	13.03	21.26	(1.85)	(0.02)	(10.96)	(10.86)

Accommodation Analysis

Table 20: Accommodation revenue and expenses ($ pbd)

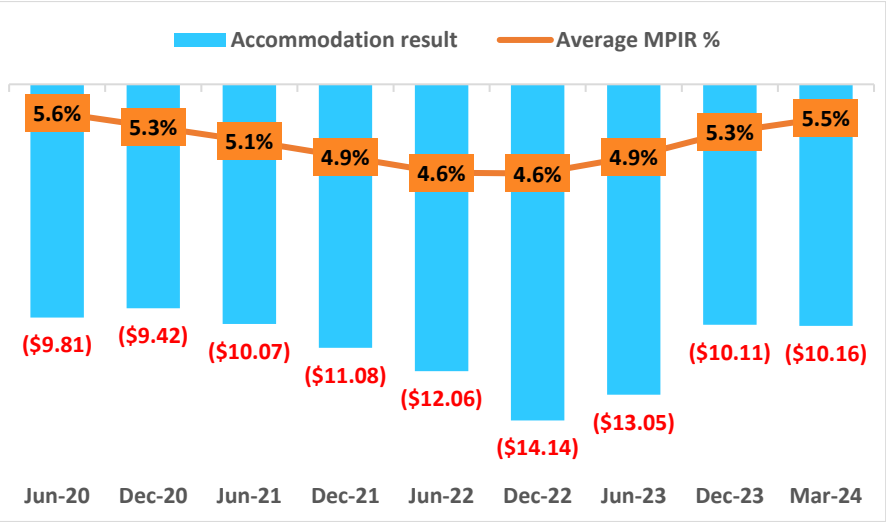
	Mar-24	Mar-23	YoY	FY23
	1,185 Homes	*1,110 Homes*	*Movement*	*1,197 Homes*
Accommodation revenue	**$41.22**	**$36.00**	↑	**$36.41**
Accommodation expenses				
Depreciation	$21.94	$21.69	↑	$21.03
Refurbishment	$0.26	$0.26	↓	$0.24
Property maintenance	$12.80	$12.10	↑	$12.40
Property rental	$0.71	$0.67	↑	$0.94
Other accommodation costs	$1.20	$1.07	↑	$1.16
Administration overhead	$14.46	$13.83	↑	$13.70
Accommodation expenses	**$51.37**	**$49.64**	↑	**$49.46**
Accommodation Result ($ per bed day)	**($10.16)**	**($13.63)**	↑	**($13.05)**
Accommodation Result ($ per bed pa)	**($3,445)**	**($4,524)**	↑	**($4,331)**
Depreciation charge ($ per bed pa)	**$7,439**	**$7,198**	↑	**$6,980**

Figure 12: Average Full RAD received by State & Territory



Accommodation Pricing

Figure 13: Effect of MPIR % on Accommodation result ($ pbd)

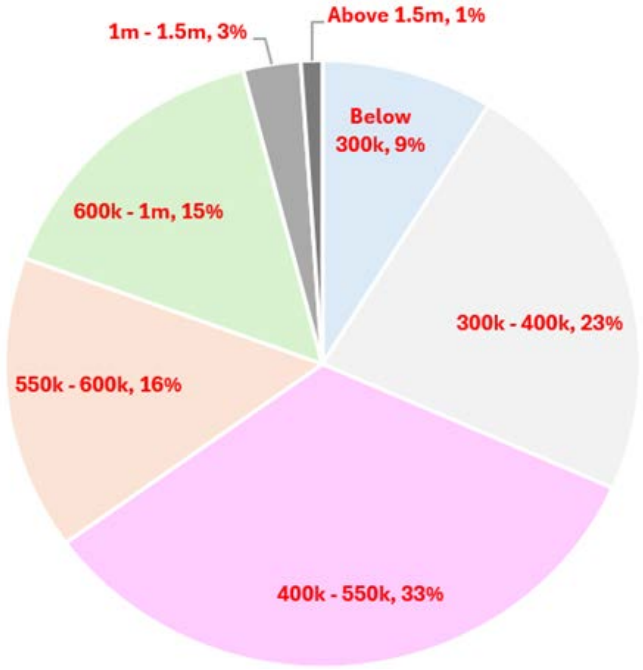


Accommodation Pricing by Home

Table 21: Accommodation pricing stratification by home

Accommodation Price Range	Number of Room Groups in Price Range	% of Total
Below $300k	863	8.8%
$300k - $400k	2,259	22.9%
$400k - $550k	3,278	33.3%
$550k - $600k	1,546	15.7%
$600k - $1m	1,508	15.3%
$1m - $1.5m	288	2.9%
Above $1.5m	108	1.1%
Total	**9,850**	**100.0%**

Figure 14: Accommodation pricing stratification ($ per home)



Occupancy

Figure 15: Residential Occupancy by region (mature homes)

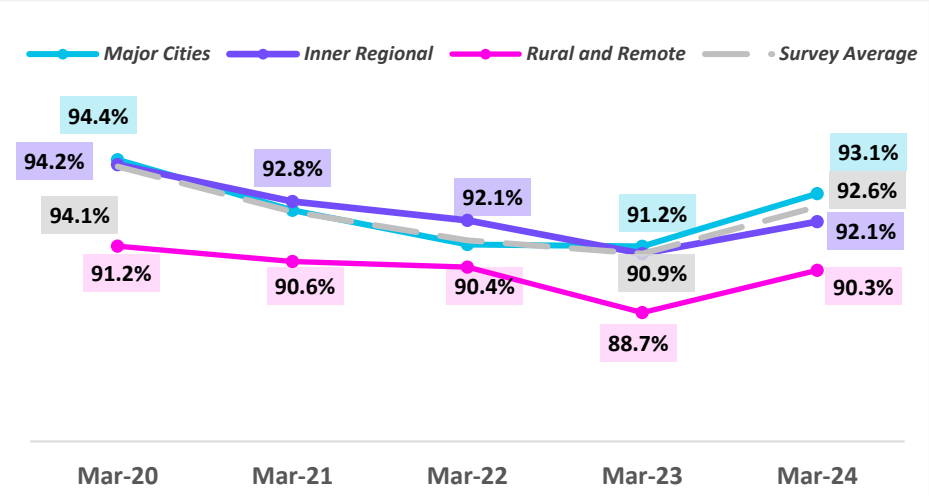
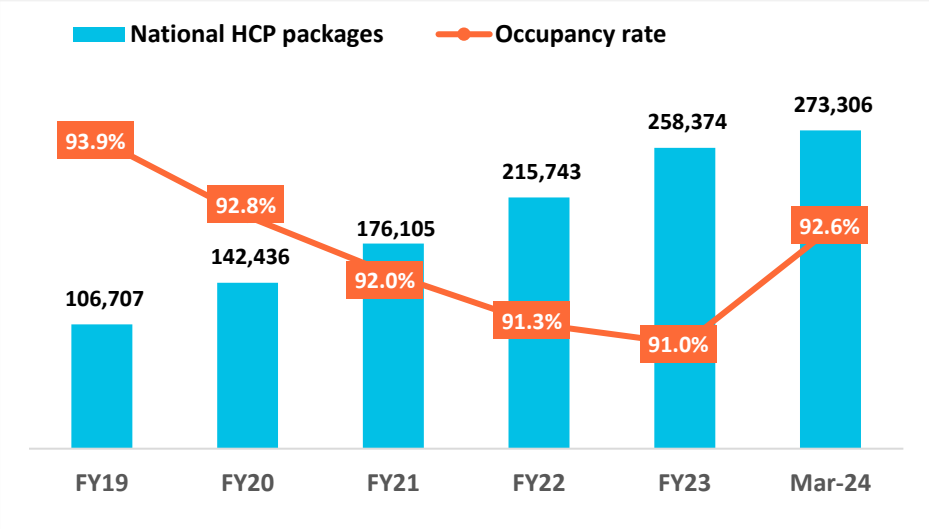


Figure 16: Residential Occupancy comparison to Home Care Packages



Administration Costs

Table 22: Administration costs ($ pbd)

	Mar-24 1,185 Homes	Mar-23 1,110 Homes	YoY Movement	FY23 1,197 Homes
Administration (corporate) recharges	$31.89	$28.73	↑	$27.33
Labour costs - administration (facility)	$8.32	$9.37	↓	$9.95
Other administration costs	$6.86	$7.04	↓	$7.34
Workers compensation	$0.20	$0.22	↓	$0.23
Payroll tax - administration staff	$0.03	$0.02	↑	$0.03
Fringe Benefits Tax	$0.00	$0.01	↓	$0.01
Quality & education - labour costs	$0.05	$0.07	↓	$0.07
Quality and education - other	$0.02	$0.02	↓	$0.03
Insurances	$1.82	$1.57	↑	$1.64
Total Administration Costs	**$49.20**	**$47.06**	↑	**$46.62**

Figure 17: Administration costs trend ($ pbd)

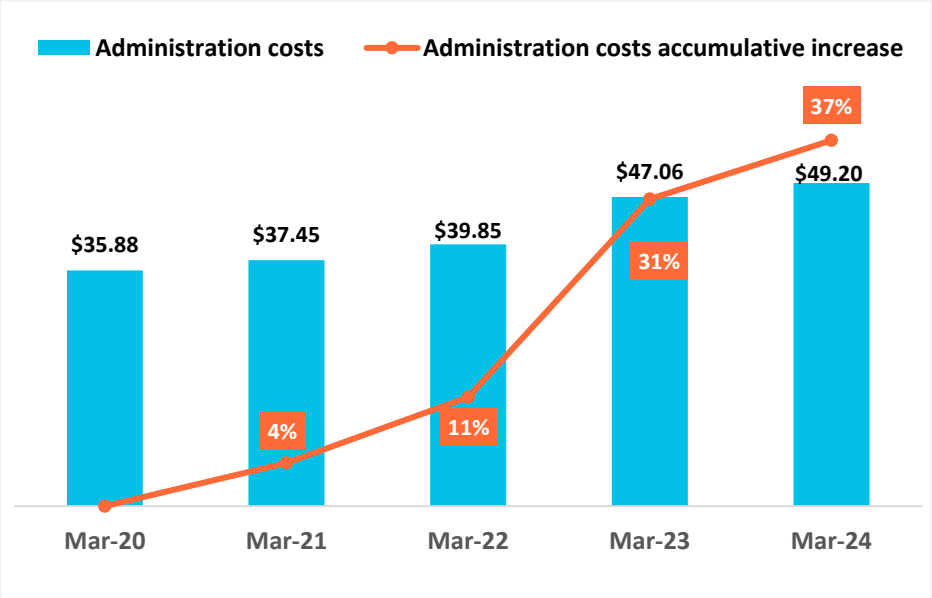
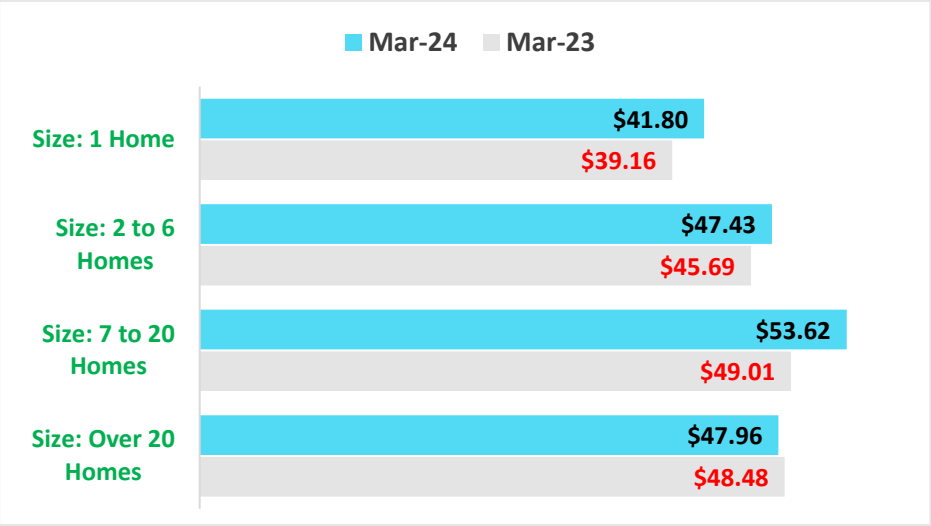


Figure 18: Administration costs by Provider Size ($ pbd)



Modified Monash Model (MMM) Analysis

Figure 19: Operating result by MMM classification ($ per bed day)

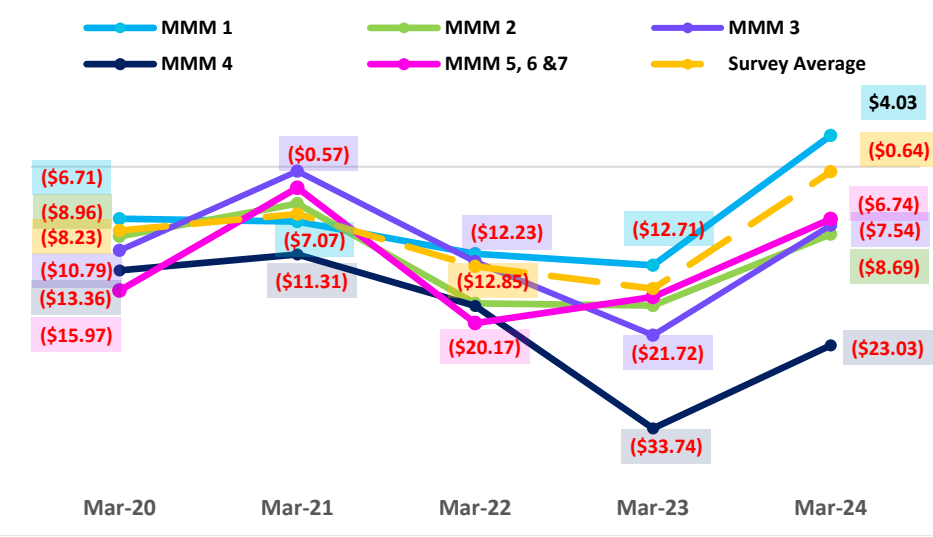


Figure 20: Operating EBITDA result by MMM classification ($ per bed per annum)

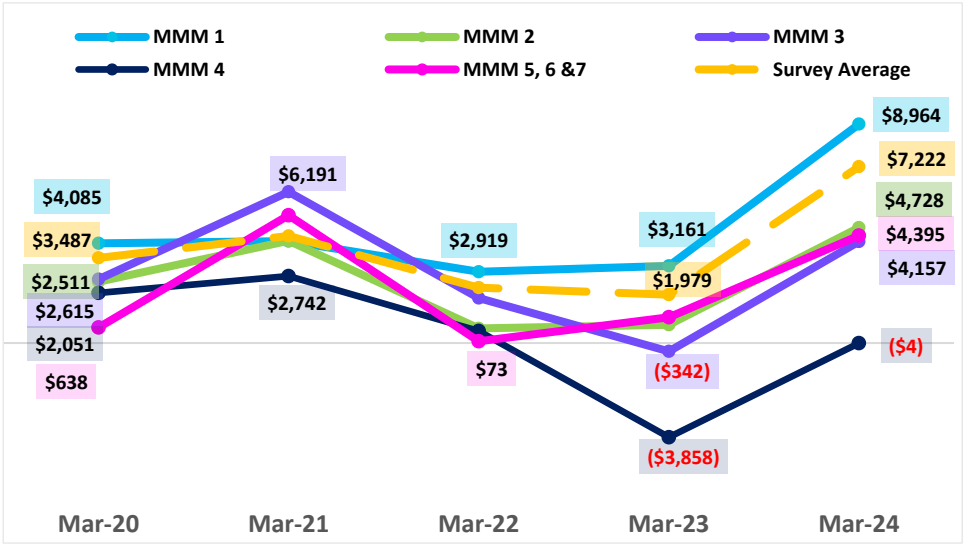


Figure 21: Occupancy percentage by MMM classification

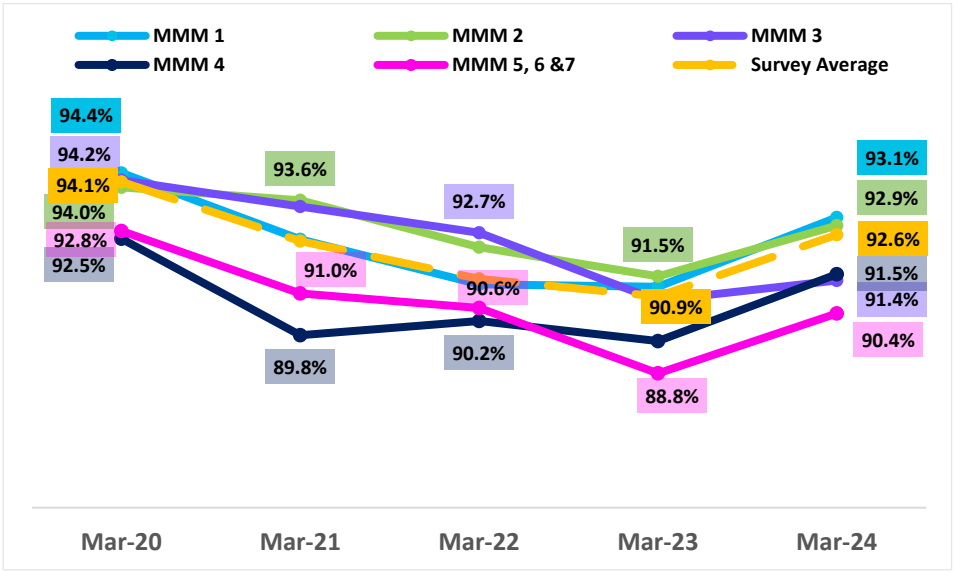


Figure 22: Percentage of homes making operating loss by MMM classification

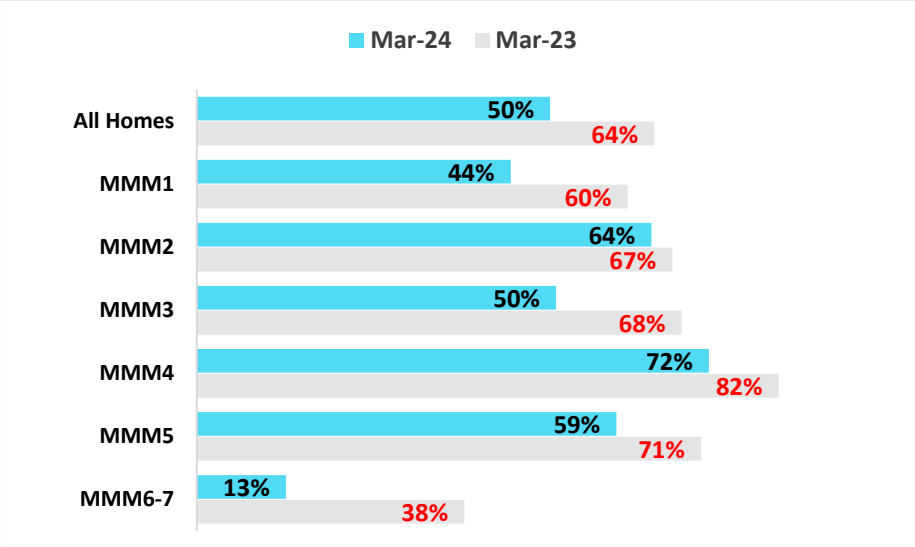


Figure 23: % of homes making operating EBITDA loss by MMM classification

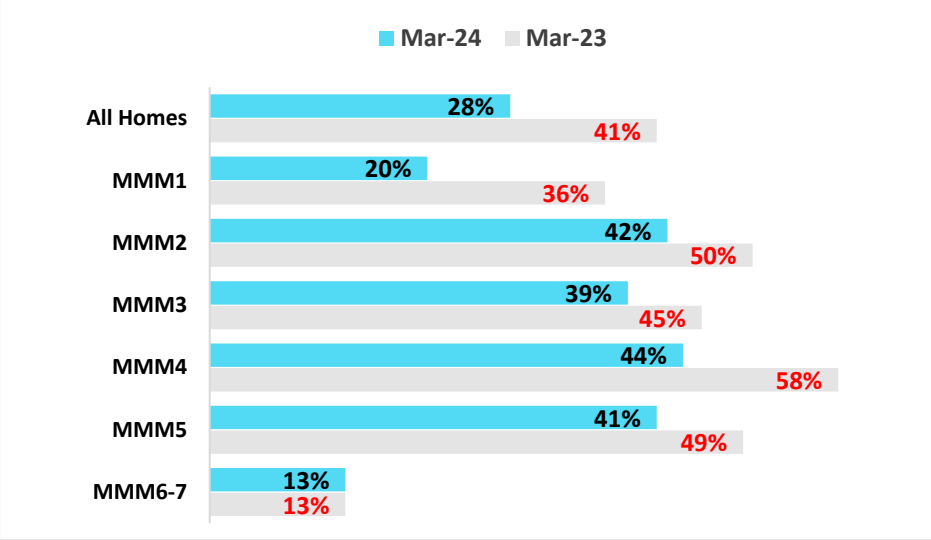
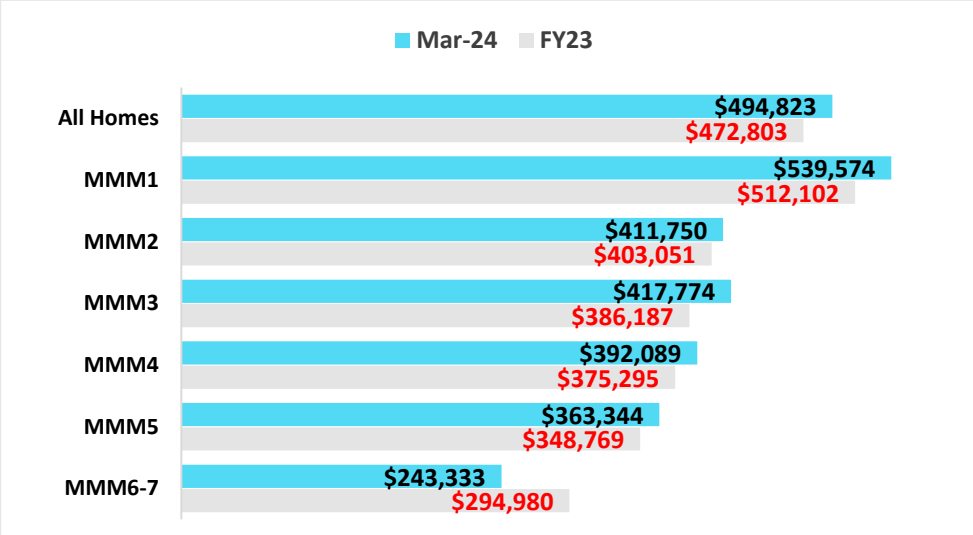


Figure 24: Average RAD received by MMM classification



Agency Staff Analysis

Figure 25: Agency Direct Care staff costs ($ per bed day)

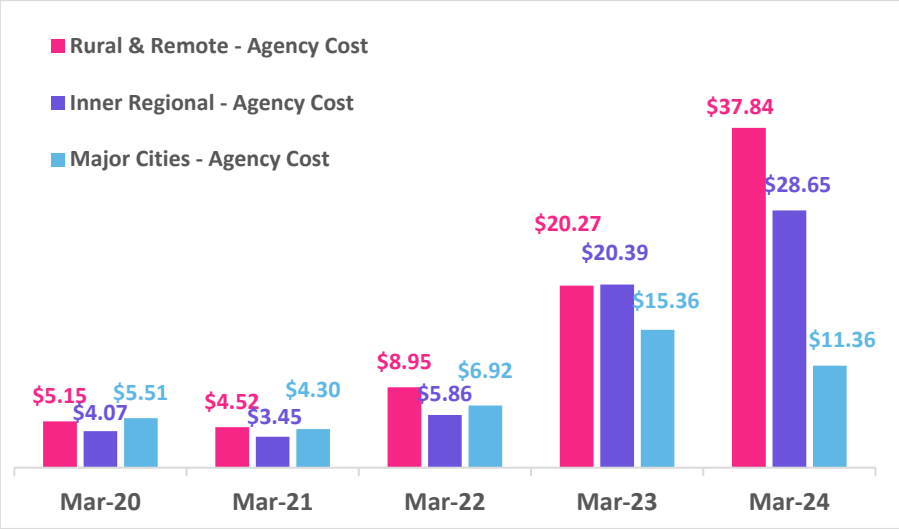
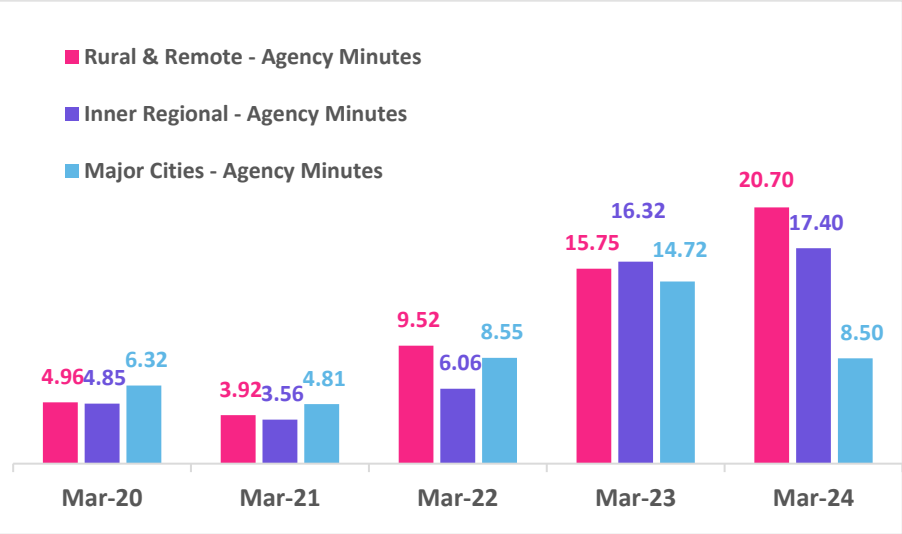


Figure 26: Agency Direct Care staff minutes (per resident per day)



First 25% Trends

Figure 27: First 25% EBITDA result trend ($ per bed per annum)

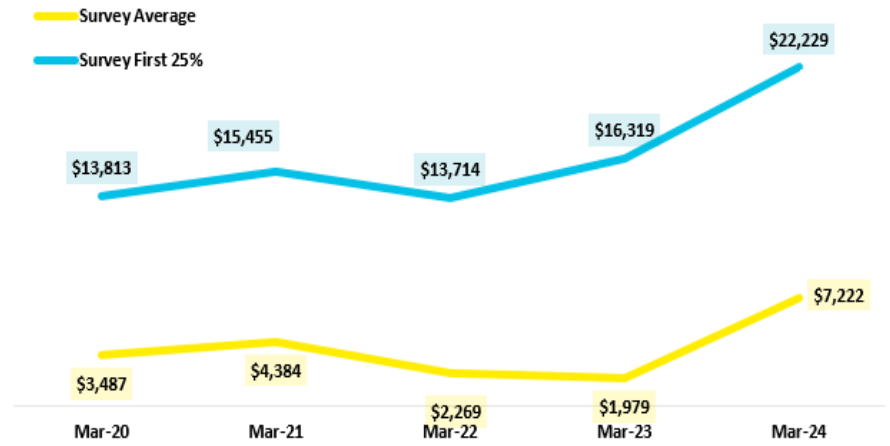


Figure 28: First 25% Direct Care result ($ pbd) and Direct Care minutes trend

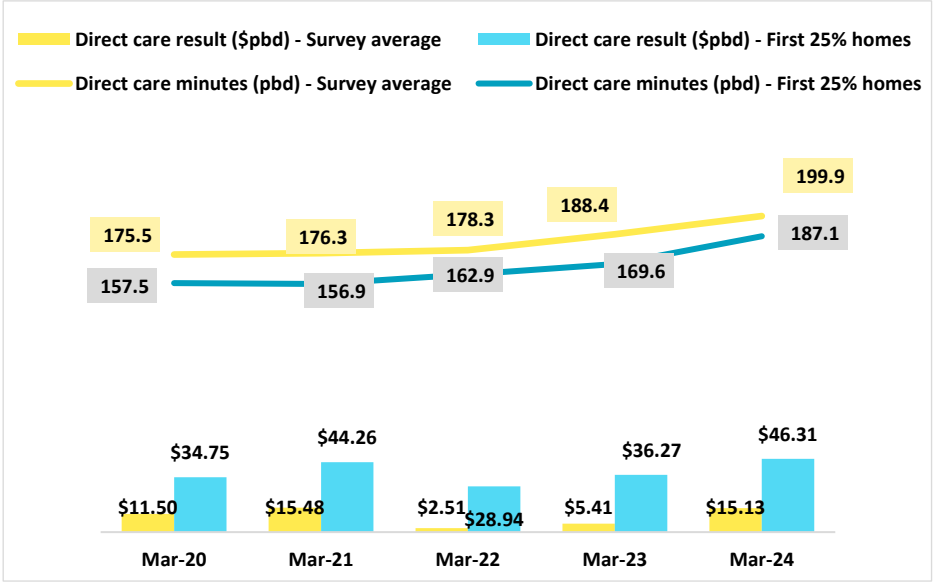


Table 23: First 25% Direct Care staffing metrics

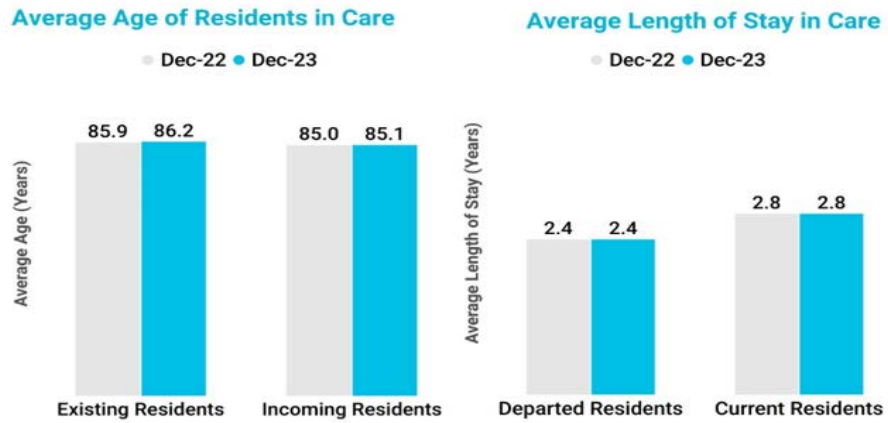
	Survey First 25%			Survey First 25%
Staffing Category	***Mar-24***	***Mar-23***		***FY23***
Registered nurses	34.59	27.57	↑	29.12
Enrolled & licensed nurses	6.66	8.57	↓	9.79
Other unlicensed nurses & personal care staff	145.64	133.40	↑	134.03
Imputed agency direct care minutes implied	0.21	0.03	↑	0.04
Total Direct Care Minutes	**187.10**	**169.56**	↑	**172.98**
Care management	3.47	5.74	↓	5.99
Allied health	3.40	5.31	↓	4.90
Diversional/Lifestyle/Activities	4.14	6.14	↓	6.03
Imputed agency other care minutes implied	0.03	0.33		0.05
Total Care Minutes	**198.14**	**187.08**	↑	**189.94**

Table 24: First 25% Agency Direct Care staffing metrics

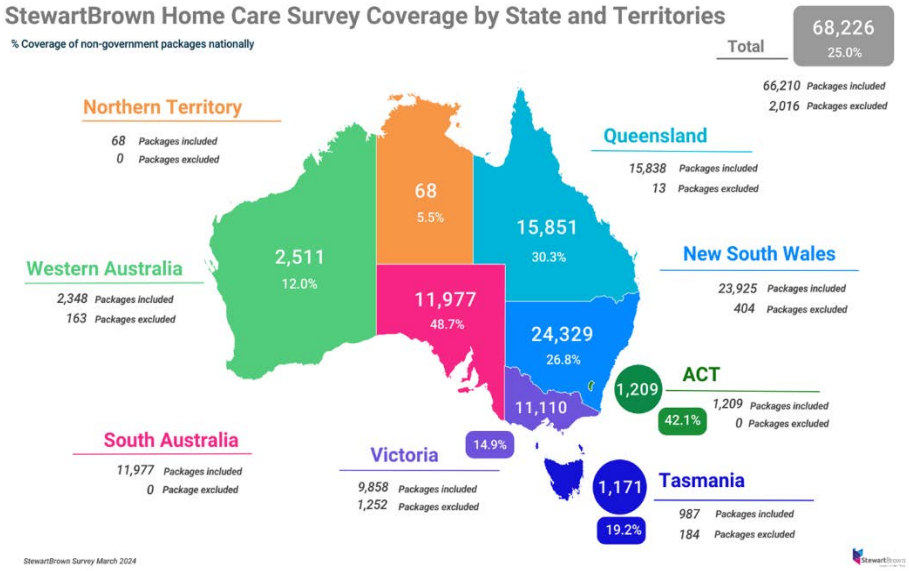
Staffing Category	Survey First 25% Mar-24	Survey First 25% Mar-23		Survey First 25% FY23
Agency - Registered nurses	1.92	1.95	↓	1.99
Agency - Enrolled & licensed nurses	0.23	0.46	↓	0.47
Agency - Other unlicensed nurses & personal care staff	3.87	7.26	↓	7.00
Imputed agency direct care minutes implied	0.21	0.03	↑	0.04
Total Direct Care Agency Minutes	**6.23**	**9.70**	↓	**9.50**

** Imputed agency is decreasing as actual agency is now included with direct staffing costs*

Residential Demographics



Home Care



Home Care Key Points

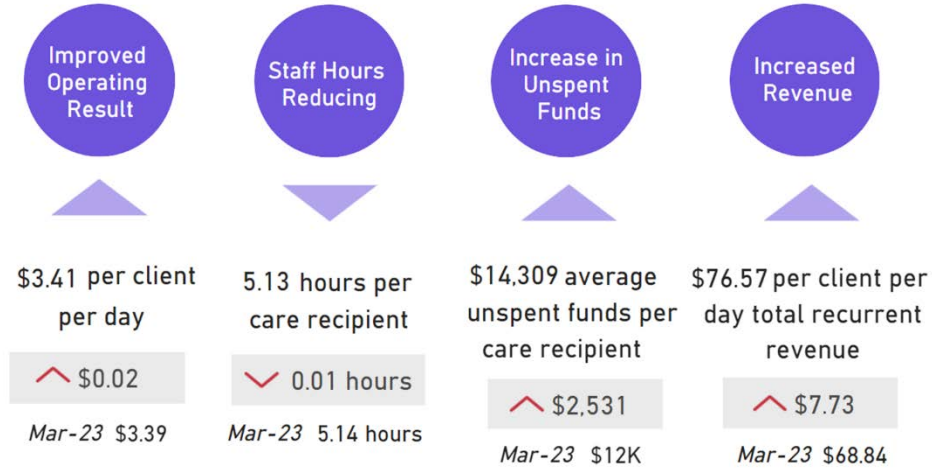


Figure 29: Home Care key metrics summary

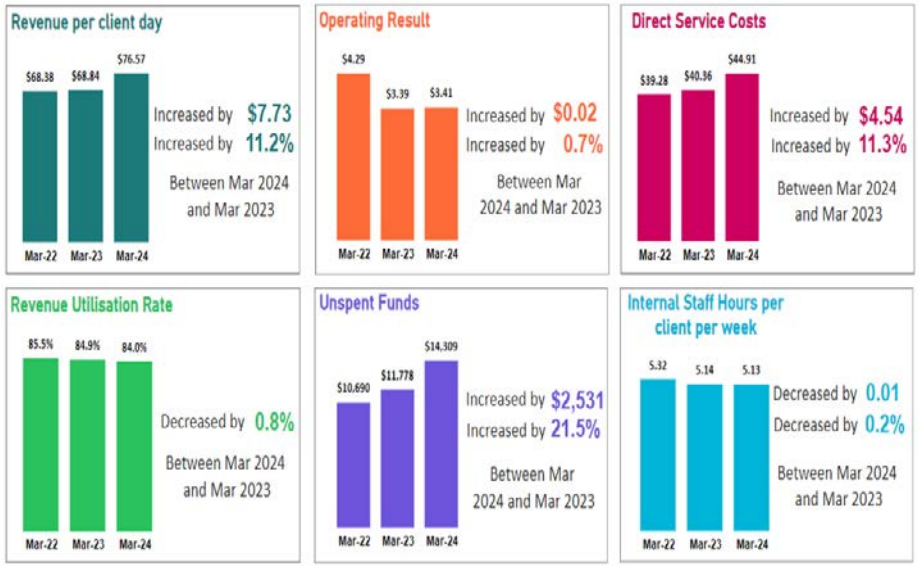


Table 25: Summary Home Care KPI results comparison

	Mar-24 *66,210 Packages*	Mar-23 *66,542 Packages*		Difference *(YoY)*	FY23 *68,129 Packages*
Total revenue $ per client per day	$76.57	$68.84	↑	$7.73	$69.57
Operating result per client per day	$3.41	$3.39	↑	$0.02	$3.14
EBITDA per client per annum	$1,446	$1,412	↑	$35	$1,315
Average total Internal Staff hours per client per week	5.13	5.14	↓	(0.01)	5.16
Median growth rate	*1.8%*	*9.5%*	↓	*(7.7%)*	*12.6%*
Revenue utilisation rate for the period	*84.0%*	*84.9%*	↓	*(0.8%)*	*84.3%*
Average unspent funds per client	$14,309	$11,778	↑	$2,531	$12,604
Cost of direct care & brokered services as % of total revenue	*58.6%*	*58.6%*	↑	*0.0%*	*60.1%*
Care management & coordination costs as % of total revenue	*10.1%*	*10.4%*	↓	*(0.4%)*	*10.5%*
Administration & support costs as % of total revenue	*26.1%*	*25.3%*	↑	*0.8%*	*24.2%*
Profit margin	*4.5%*	*4.9%*	↓	*(0.5%)*	*4.5%*

Figure 30: Operating Result by revenue band ($ per client per day)

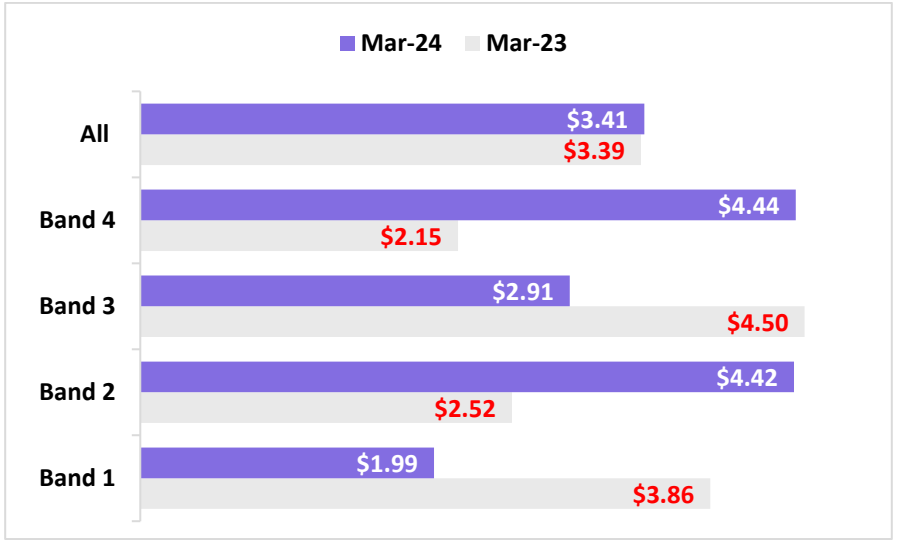


Figure 31: EBITDA Result by revenue band ($ per client per annum)

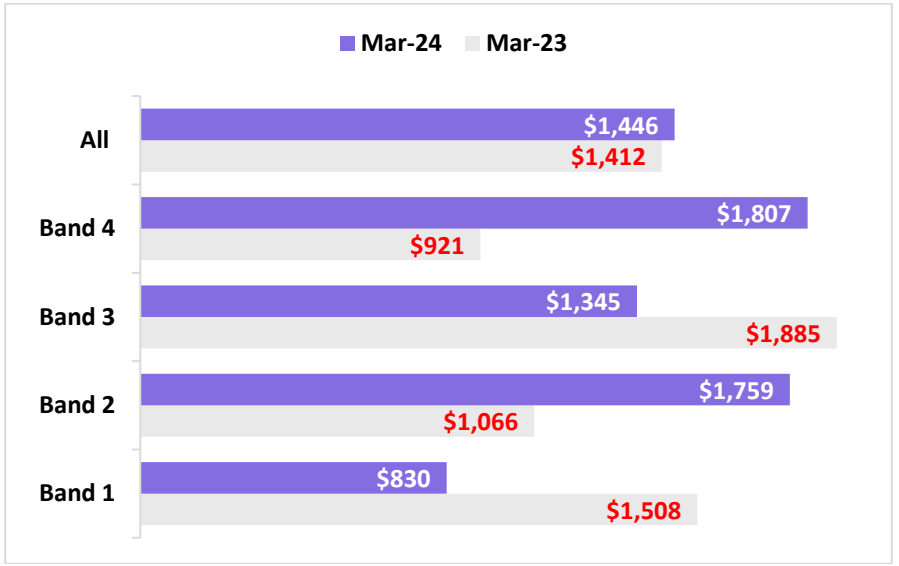


Figure 32: Revenue Utilisation percentage by revenue band

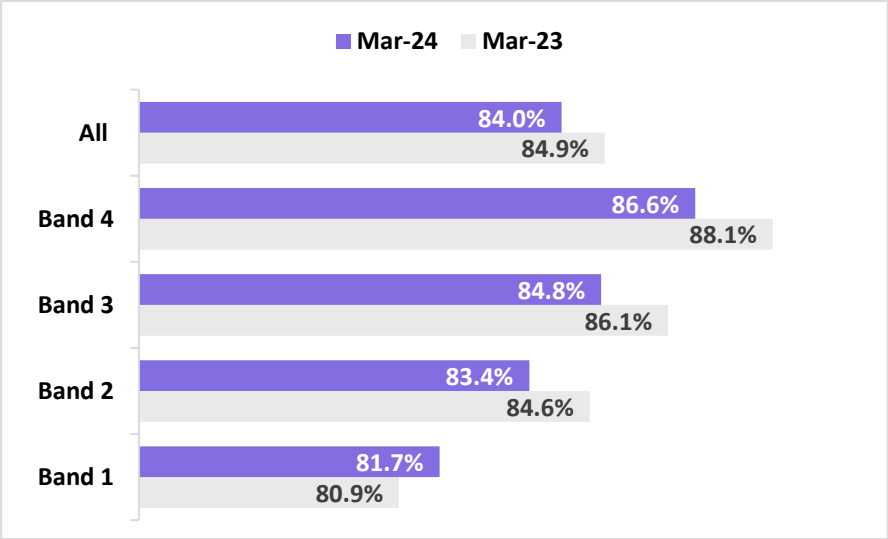


Figure 33: Operating Result and Revenue Utilisation revenue band

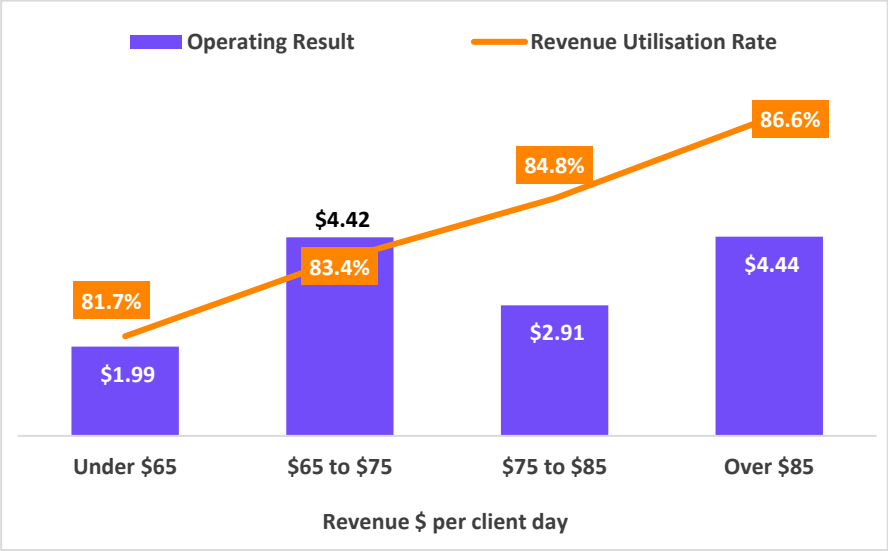
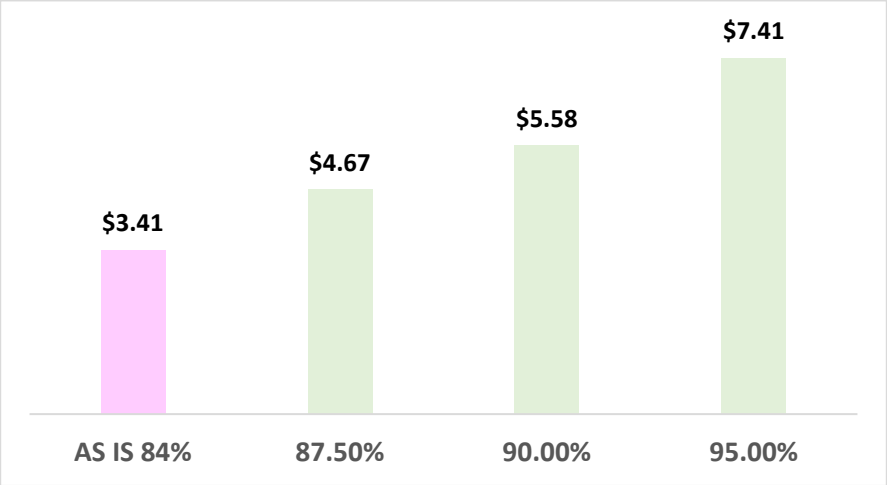


Figure 34: Operating result projections based on higher revenue utilisation ($ per client day)



**Modelling assumes costs are 40% variable and 60% fixed*

Unspent Funds

Figure 35: Unspent Funds trend analysis ($ per client)

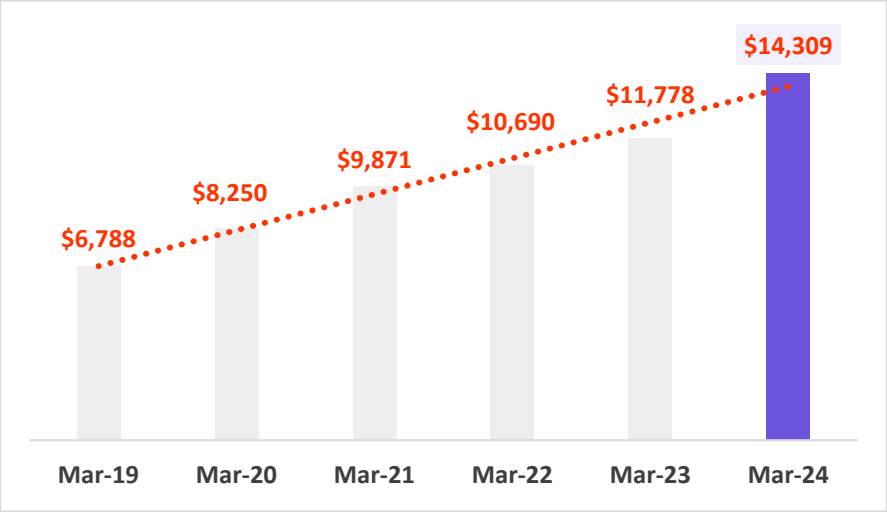


Figure 36: Unspent Funds by revenue band ($ per client)

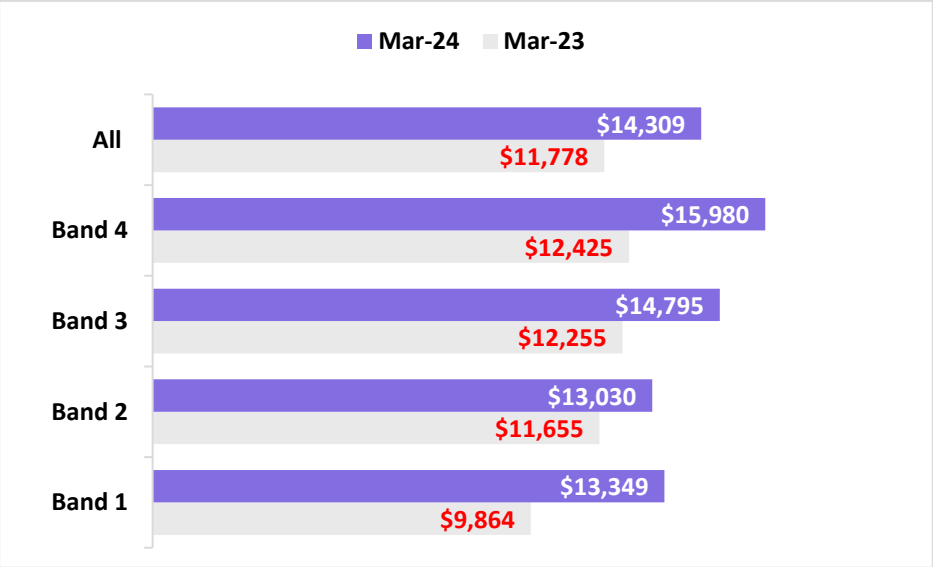
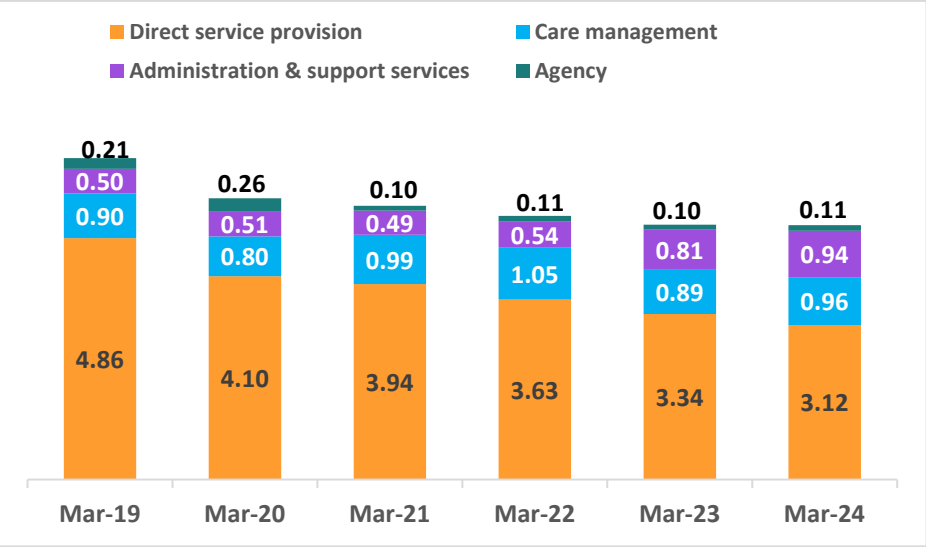


Figure 37: Staff Hours per care recipient week trend analysis



Staff Hours Worked per Care Recipient

Table 26: Staff Hours and Minutes worked per care recipient per week

Internal staff hours worked per client week	Mar-24	Mar-23		*Difference*
Direct service provision	3.12	3.34	↓	(0.22)
Agency	0.11	0.10	↑	0.01
Care management & coordination	0.96	0.89	↑	0.07
Administration & support services	0.94	0.81	↑	0.13
Total Staff Hours	**5.13**	**5.14**	↓	**(0.01)**
Internal staff minutes worked per client week	**Mar-24**	**Mar-23**		***Difference***
Direct service provision	186.9	200.2	↓	(13.3)
Agency	6.7	6.0	↑	0.7
Care management & coordination	57.7	53.5	↑	4.3
Administration & support services	56.3	48.6	↑	7.8
Total Staff Minutes	**307.6**	**308.2**	↓	**(0.5)**

Figure 38: Internal and Brokered Services staff costs comparison

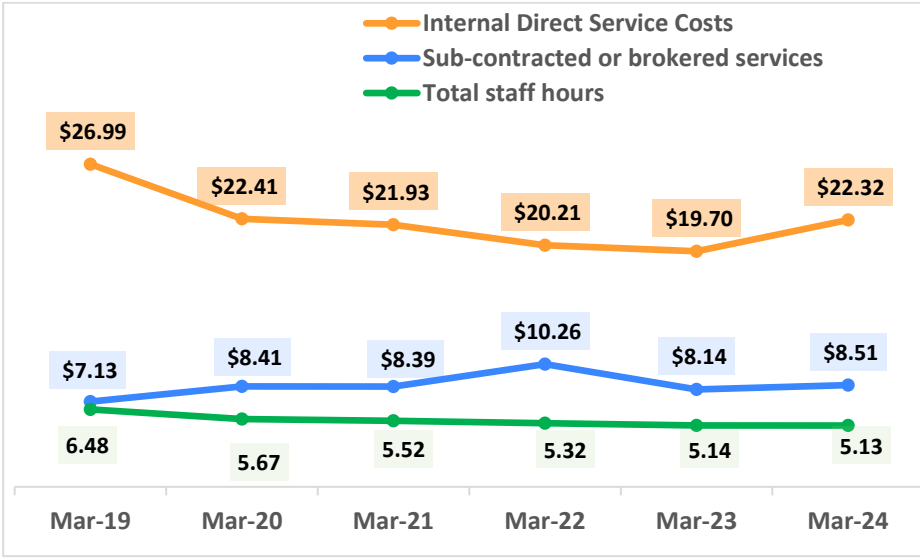
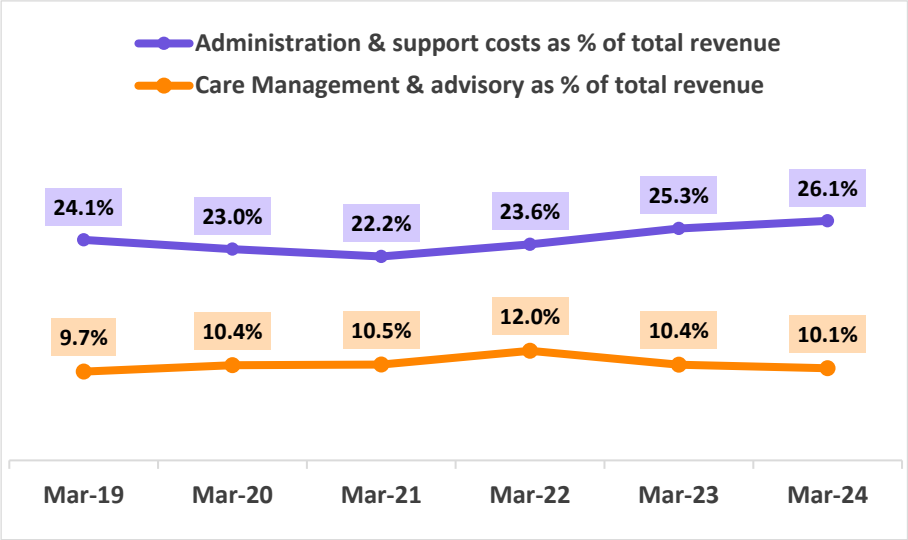
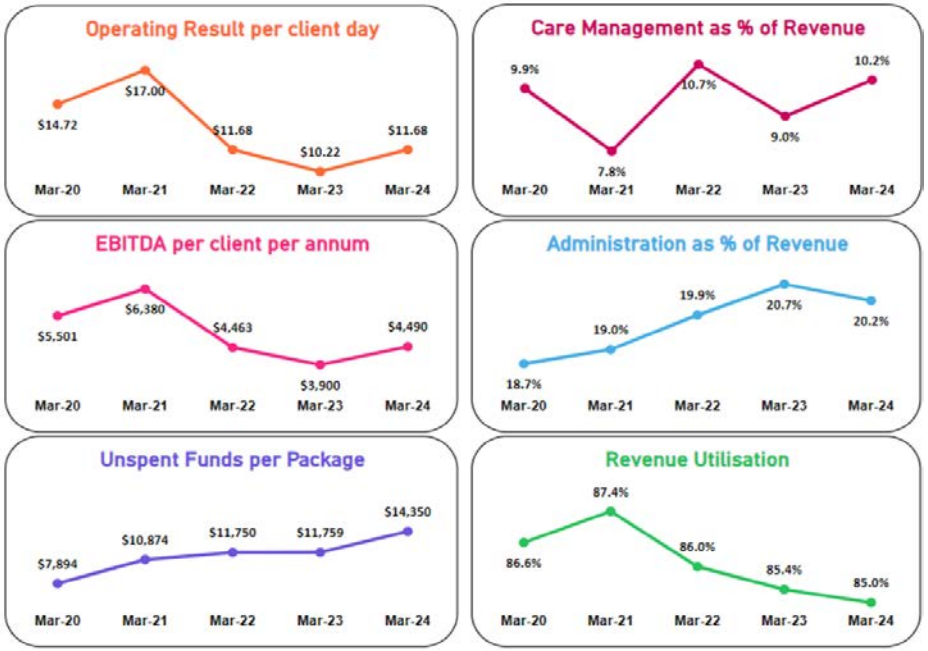


Figure 39: Care Management and Administration cost as % of revenue





First 25% Trends

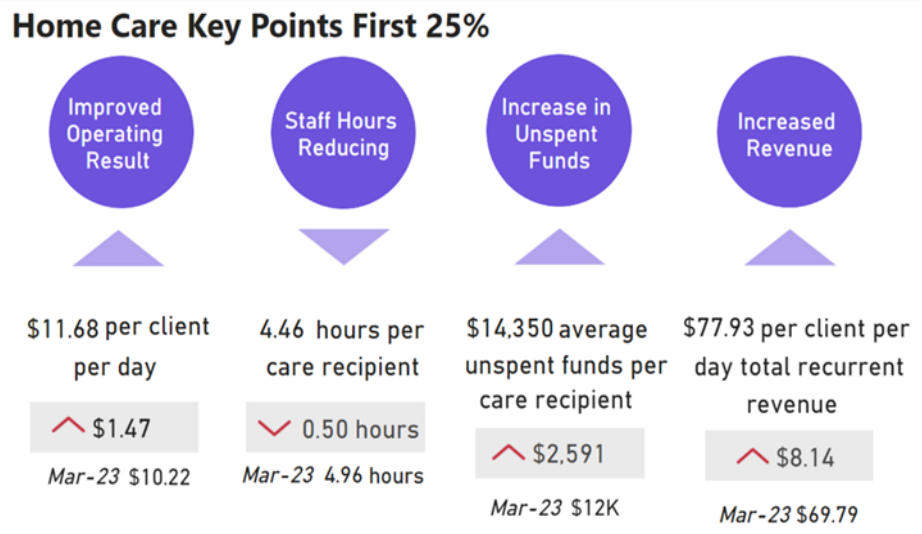
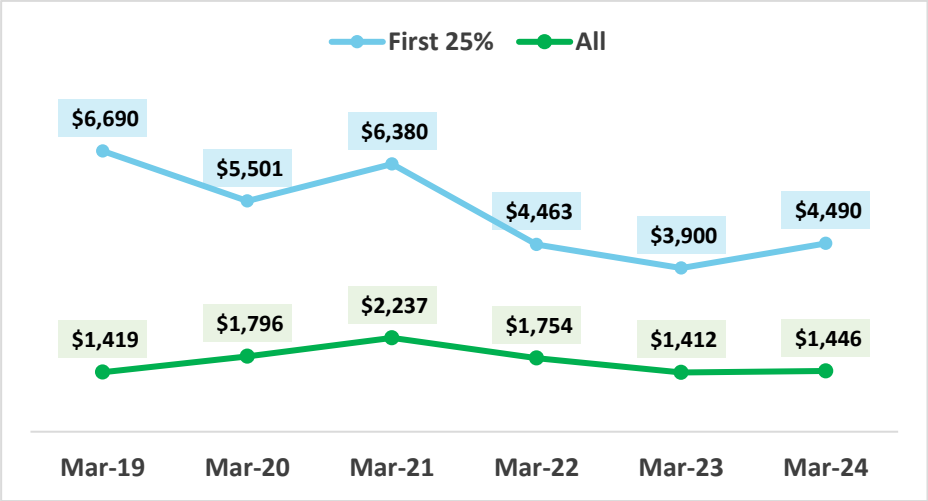


Table 27: Summary Home Care First 25% KPI results comparison

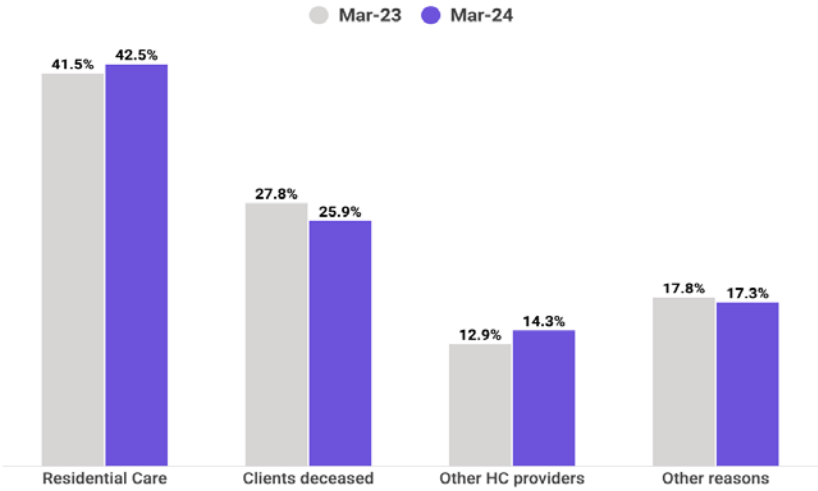
	Mar-24 *21,442 Packages*	Mar-23 *20,895 Packages*		Difference *(YoY)*	FY23 *21,985 Packages*
Total revenue $ per client per day	$77.93	$69.79	↑	$8.14	$71.48
Operating result per client per day	$11.68	$10.22	↑	$1.47	$10.32
EBITDA per client per annum	$4,490	$3,900	↑	$590	$3,912
Average total Internal Staff hours per client per week	4.46	4.96	↓	(0.50)	4.92
Median growth rate	*1.7%*	*8.9%*	↓	*(7.2%)*	*16.6%*
Revenue utilisation rate for the period	*85.0%*	*85.4%*	↓	*(0.3%)*	*85.0%*
Average unspent funds per client	$14,350	$11,759	↑	$2,591	$13,271
Cost of direct care & brokered services as % of total revenue	*53.9%*	*55.1%*	↓	*(1.2%)*	*55.6%*
Care management & coordination costs as % of total revenue	*10.2%*	*9.0%*	↑	*1.2%*	*9.4%*
Administration & support costs as % of total revenue	*20.2%*	*20.7%*	↓	*(0.4%)*	*20.0%*
Profit margin	*15.0%*	*14.6%*	↑	*0.4%*	*14.4%*

Figure 40: EBITDA ($ per client pr annum) comparison First 25% and Average



Home Care Package Demographics

Figure 41: HCP Client exits



Package Growth

Figure 42: Number of People in a Home Care Package

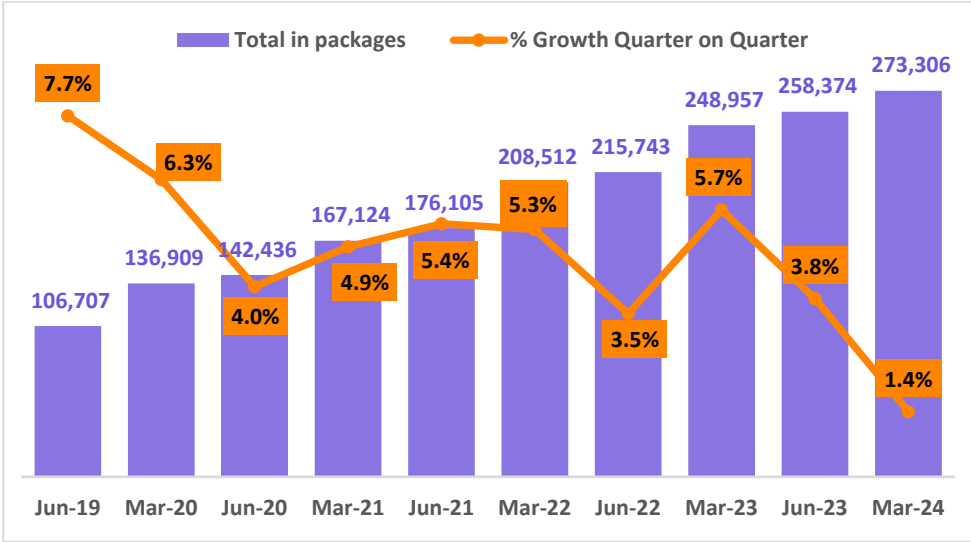
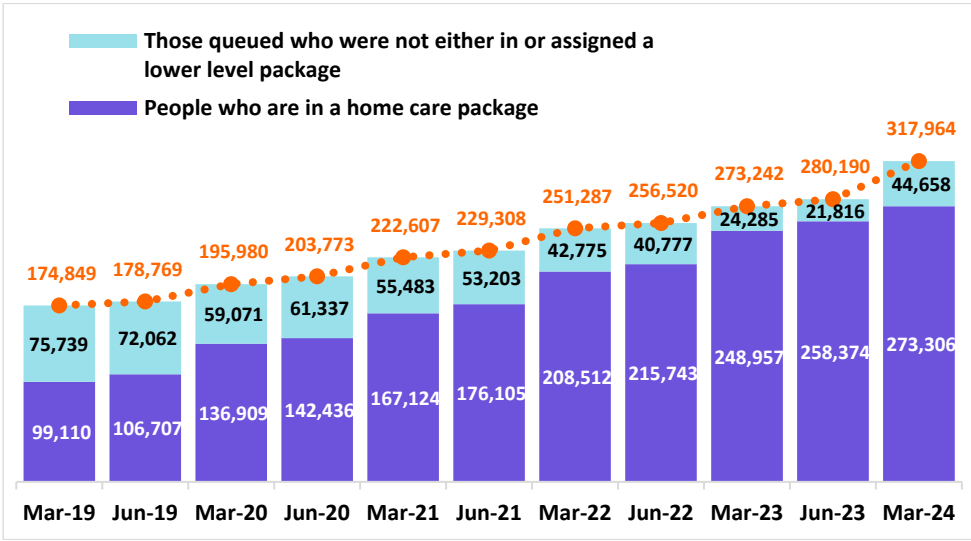


Figure 43: Demand for Home Care Packages



4. MODELLING TASKFORCE RECOMMENDATIONS

Residential Aged Care

Operating Result Forecast

Assumptions:

No Reform: Funding setting remain as they currently are
2% RAD Retention: Everyday living supplement + 2% RAD retention
Core: Everyday living supplement + 3% RAD retention
Core + $98 Accommodation Supplement

Figure 44: Operating result forecast ($ per bed day)

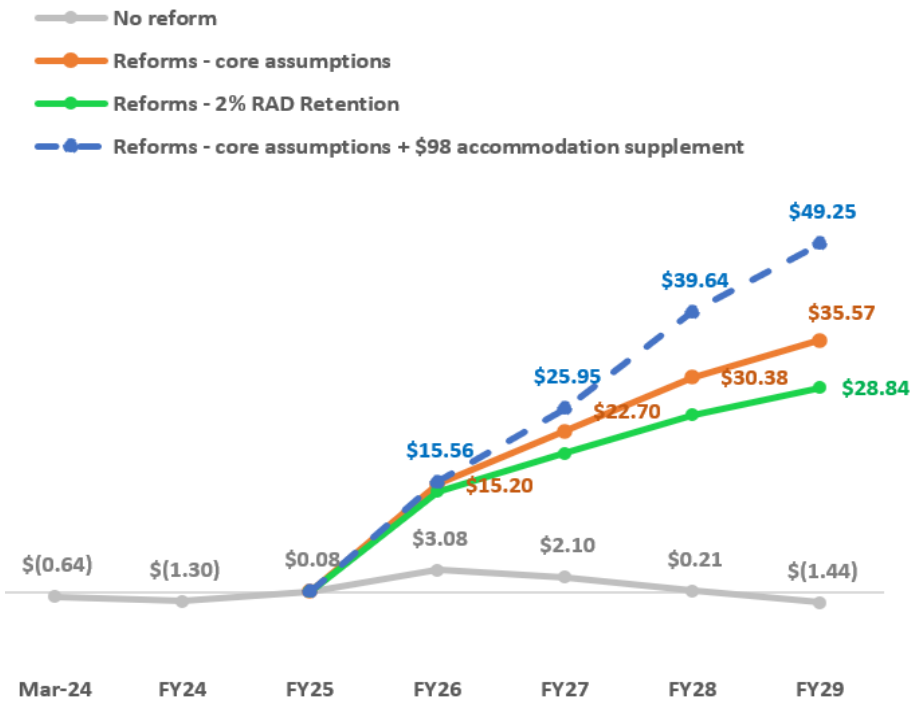


Figure 45: Operating EBITDA forecast ($ per bed per annum)

Figure 46: Indirect Care result forecast ($ per bed day)

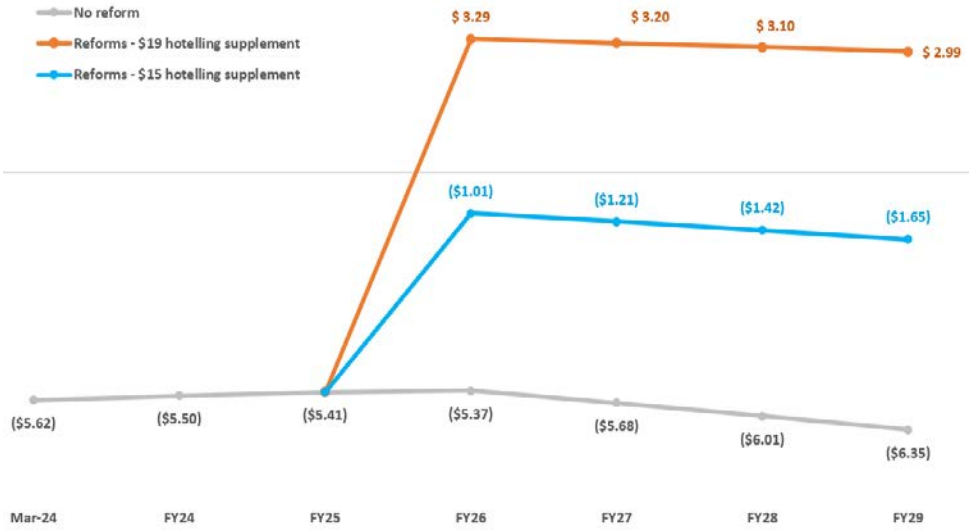
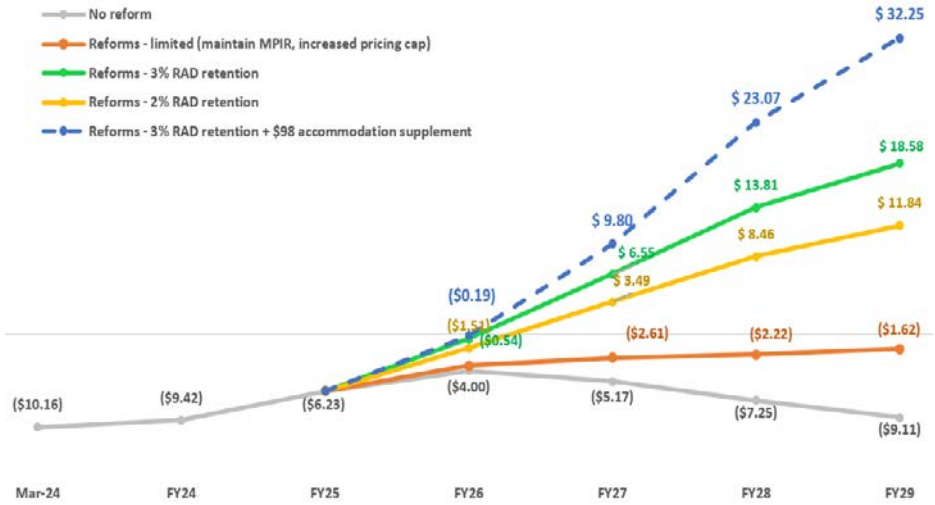


Figure 47: Accommodation result forecast ($ per bed day)

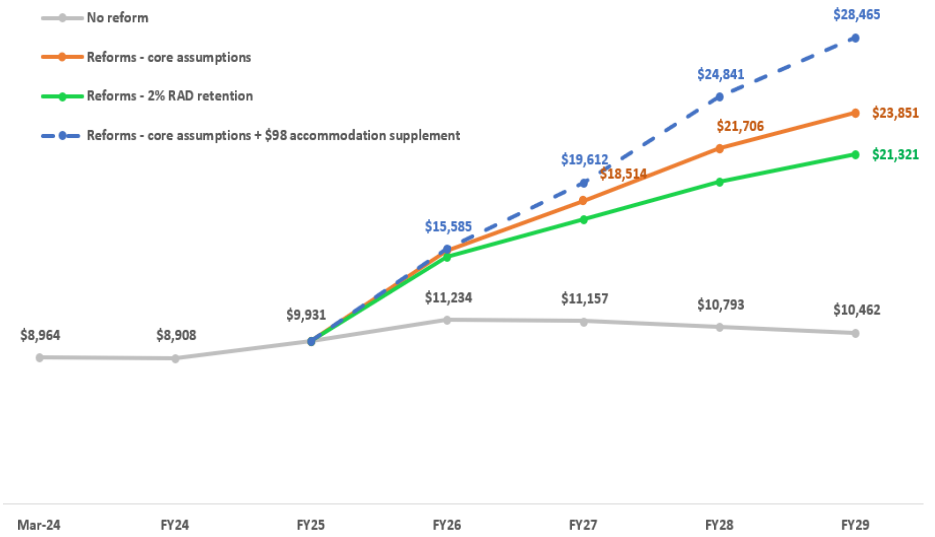


Regional Forecast

MMM1

Figure 48: MMM1 - Operating result forecast ($ per bed day)

Figure 49: MMM1 - Operating EBITDA forecast ($ per bed per annum)



MMM2

Figure 50: MMM2 - Operating result forecast ($ per bed day)

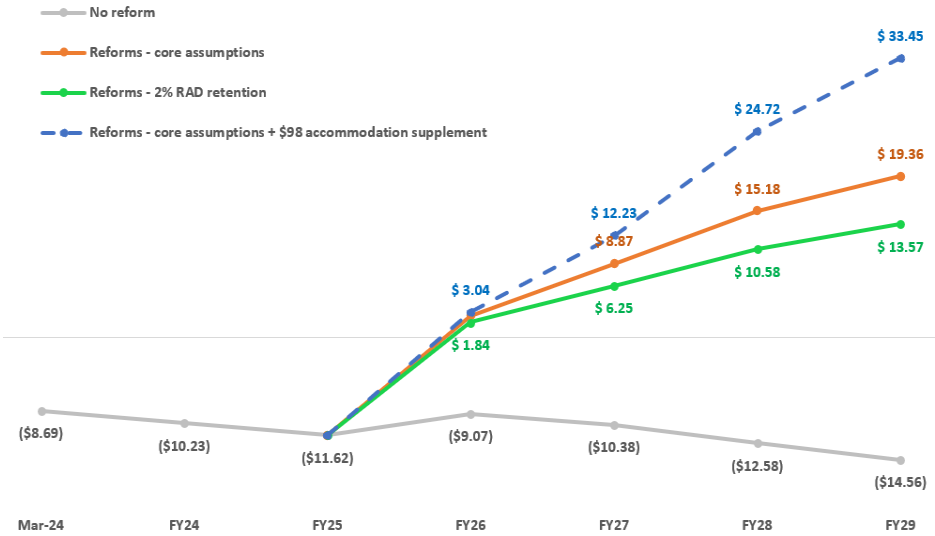
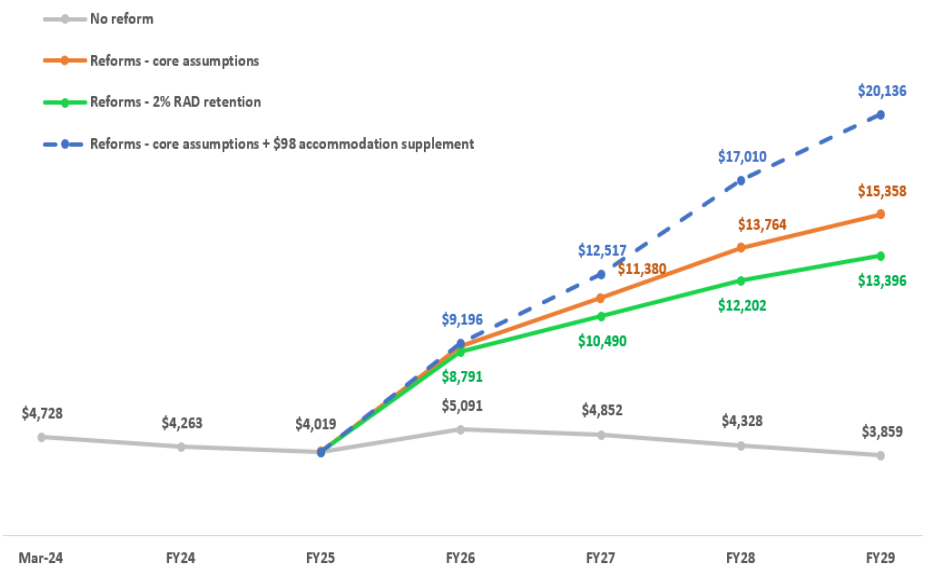


Figure 51: MMM2 - Operating EBITDA forecast ($ per bed per annum)



MMM3

Figure 52: MMM3 Operating result forecast ($ per bed day)

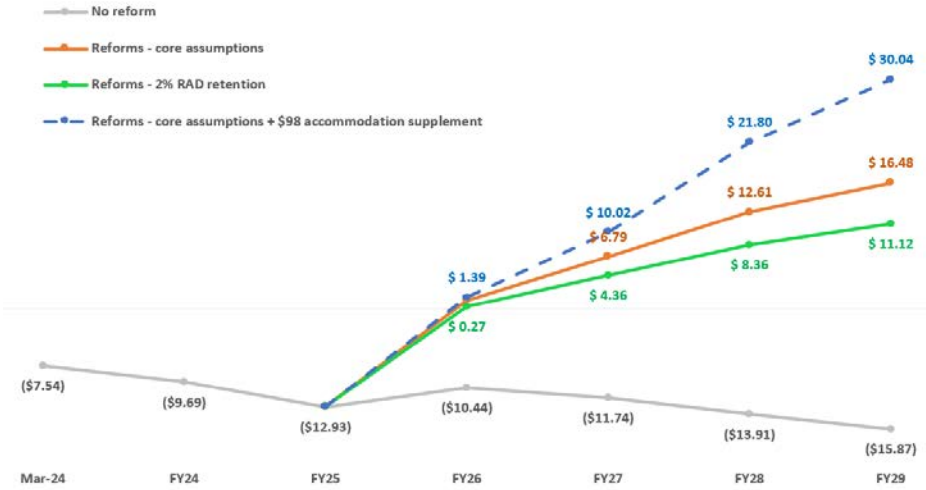
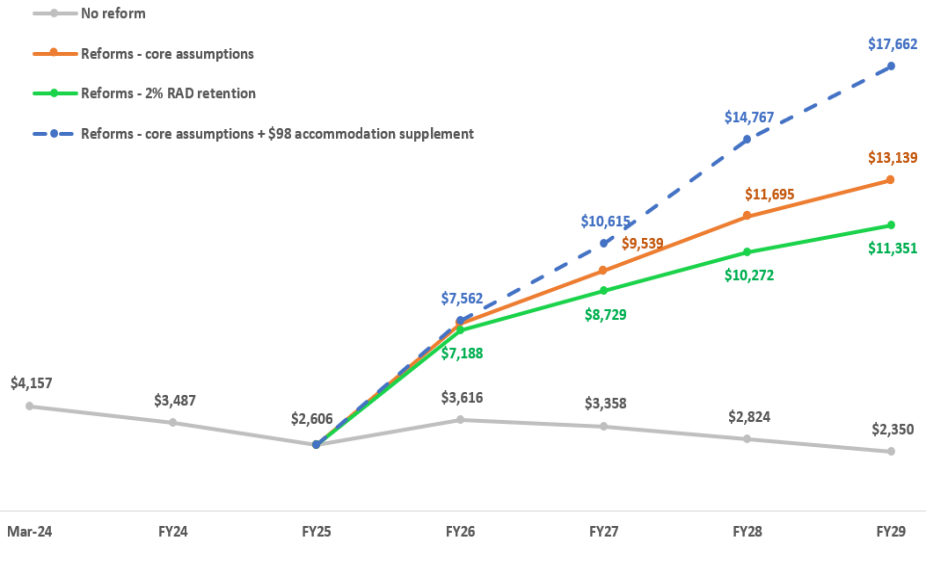


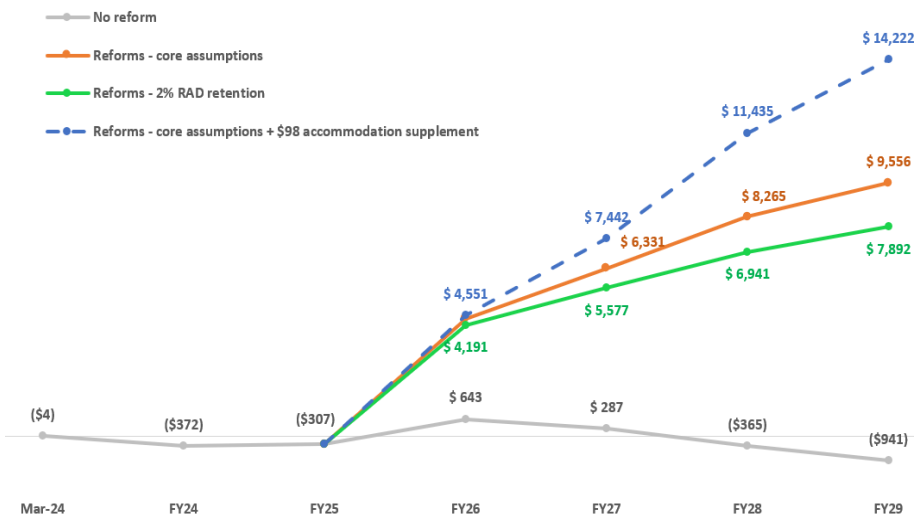
Figure 53: MMM3 Operating EBITDA forecast ($ per bed per annum)



MMM4

Figure 54: MMM4 Operating result forecast ($ per bed day)

Figure 55: MMM4 Operating EBITDA forecast ($ per bed per annum)



MMM5

Figure 56: MMM5 Operating result forecast ($ per bed day)

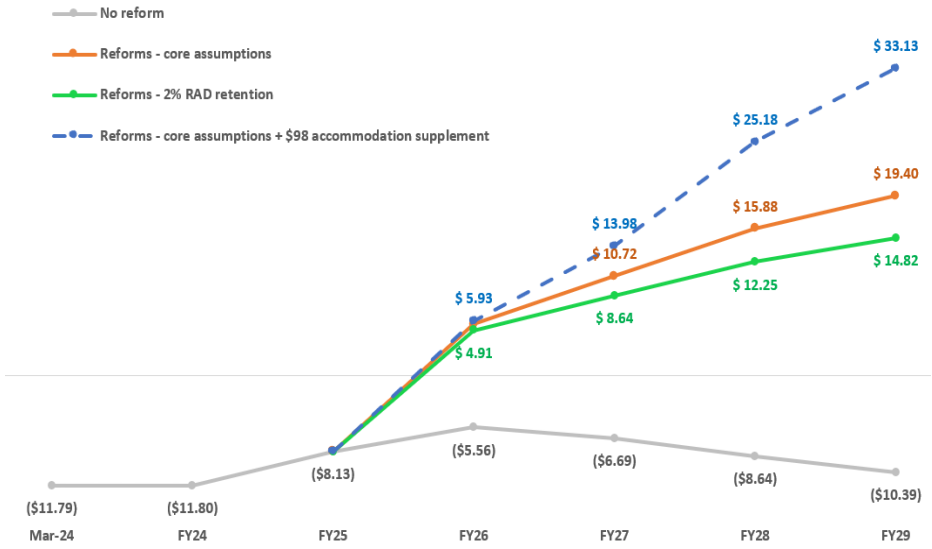
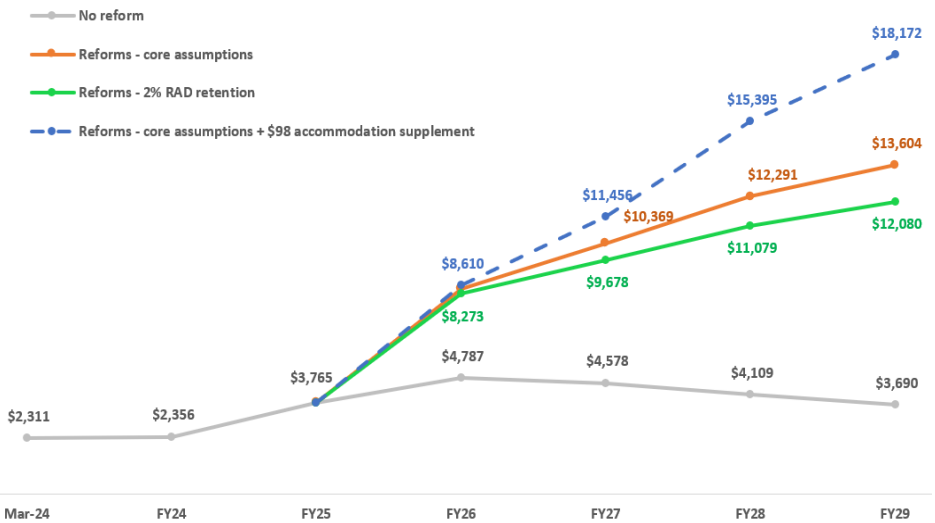


Figure 57: MMM5 Operating EBITDA forecast ($ per bed per annum)



Home Care

HCP Funding Level	BDCF	Participants
Level 1	$11.22	14,985
Level 2	$11.87	112,247
Level 3	$12.20	88,618
Level 4	$12.53	57,456
		273,306

Basic Daily Care Fee (BDCF)	$12.08	
Current BDCF *(2% of HCP funding)*	$1.54	
Difference (BDCF not recouped)	**$10.54**	$ per day
Annualised increased BDCF	**$1,051,646,118**	$ per annum

5. APPENDIX

StewartBrown Survey

Survey Outline

The StewartBrown *Aged Care Financial Performance Survey* (Survey) commenced in 1995 and has grown exponentially since that date. The use of the term "Survey" is probably a misnomer, as unlike many public surveys which have a limited data set, the StewartBrown Survey is subscription based, quarterly and very granular in respect of data covered and depth.

The Survey is primarily for the benefit of aged care providers in reviewing their financial performance and considerations of strategic direction on an individual aged care home (facility) basis and home care package program basis.

Providers compare their performance of aged care homes using a number of metrics through a range of data attributes, including resident mix and acuity, staffing levels (cost and hours/minutes), geographic region, age of building, type of building, number of places (beds), accommodation pricing and administration costs. Home care has a similar range of metrics. The Survey participants utilise an interactive website with high level dashboards, business intelligence tools and the ability to drill down on all data fields as required.

A secondary benefit is that the aggregate of the data provides a significant level of trend data and detailed analysis as included in our Survey reports and now through independent analysis undertaken by the University of Technology (UTS Ageing Research Collaborative) which provides an additional level of academic rigour.

Each participant completes detailed data input forms for each quarter. Once received, the data undergoes a substantial cleansing and checking process (refer Glossary) which identifies all material variances, by comparison to previous quarters for each facility and comparison to equivalent benchmark homes. In this context, all variances identified through this automated cleansing process are followed up with the respective provider for comment and further amendment if required.

To join the Survey please email benchmark@stewartbrown.com.au

StewartBrown has also commenced a disability services benchmark incorporating the same granular analysis as the aged care Survey (Disability Services Survey (stewartbrown.com.au))

Survey Results Matrix

As noted above, the primary purpose of the Survey is for participating providers to benchmark individual aged care facility and home care programs against similar de-identified comparators using a range of metrics. To ensure accurate and relevant benchmark comparisons, all outlier aged care homes and home care programs are excluded from the Survey results. Examples of outliers include:

- Homes/programs under sanction
- Homes with significant infectious disease outbreaks (such as covid-19)
- Homes undergoing major refurbishment
- Newly built homes still in the ramping up stage
- Recently acquired homes/programs undergoing structural operation changes
- Homes/programs closed during the financial year (and reporting period)
- Homes with occupancy less than 80%

For the purpose of the Survey analysis, all homes/programs included are referred to as being **mature**.

Financial Reform Considerations

A number of potential reforms to the financing of aged care have been considered over many years and during countless reviews. Unfortunately, the lack of a consistent strategy and agreement from all sector stakeholders has inhibited some of the significant reform that is required.

The Department of Health and Aged Care has been very active in considering, implementing reforms where required and supporting regulatory changes but the sector, including all stakeholders, needs to embrace reform and provide solutions and not just focus on Government funding issues.

Ultimately, this will come down to requiring a greater level of consumer co-contribution in funding aged care. Clearly, where the consumer does not have the financial means to further contribute to the costs of services this must not in any respect disadvantage them. A safety net must be enshrined within aged care, as with other areas of health care and social services.

A brief overview of some financial reforms to be considered is as follows.

Staff Remuneration and Benefits

One of the biggest challenges facing aged care is workforce, with considerable shortages in staff numbers being felt in all regions of Australia. The ability to attract and retain staff has reached a critical stage.

The recent Fair Work Commission wage ruling effective from 30 June 2023 of 15% increase (for Direct Care, recreation and head chef staff only) is a positive step. Whether this increase is sufficient on its own to attract additional staff is questionable. The Government has a number of other employee programs that also assist.

Other incentives and benefits may be required, and several possible considerations could include:-

- Increase the Fringe Benefits Tax exemption for aged care employees to a cap of $40,000 (current cap of $30,000 has been in place since 1 April 2001)
- Expand the exemption criteria to include all aged care workers, not just those employed by a public benevolent institution
- Allow travel to work cost to be tax deductible for aged care workers (many of whom travel quite a distance to their place of employment)
- Provide a payroll tax supplement where applicable

A characteristic of the Fringe Benefit Tax exemption is that this amount must be consumed (as a fringe benefit) and not saved, and accordingly will have a lower economic cost and impact than a straight wage increase.

Subsidy Funding

A major and appropriate reform is for IHACPA to be responsible for the review of the various cost components in providing aged care services for residential and community care. IHACPA will provide recommendations to the Government as to the appropriate subsidy required to fund these costs which will provide greater transparency.

AN-ACC Subsidy

From 1 October 2022, residential aged care subsidy for the provision of direct care services has changed from the Aged Care Funding Instrument (ACFI) to the Australian National Aged Care Classification Model (AN-ACC).

AN-ACC has been designed to more accurately reflect the funding required for each resident to align with their acuity and care needs and is welcomed by the sector.

The AN-ACC subsidy has been expanded to include funding for providing additional direct care minutes (Registered Nurses/Enrolled Nurses/Personal Care Workers) to be in line with the mandated levels as recommended by the Royal Commission. In this sense, it has morphed into a hybrid funding model.

As with any new funding model in such a complex and diverse area as aged care there will need to be refinements over time. In this regard, the role of IHACPA is paramount to ensure that the funding matches the input costs, and that inflation and wage increases are appropriately covered, unlike the recent experience of COPE not being adequate in this regard.

Regulated Consumer Contribution for Home Care

Home care providers (HCP and Commonwealth Home Support Program (CHSP)) is entitled to receive a consumer contribution of up to 17.5% of the single aged pension amount. Due to the less than optimal revenue utilisation in home care packages (refer to earlier commentary) there has been little incentive for providers to seek a consumer contribution as it merely adds to the unspent funds and a portion is ultimately returned to the care recipient when they leave the home care program.

This has distorted the overall funding, and, importantly, has created a climate whereby consumers do not regard co-contribution as being a necessary component of aged care.

Recommendation 12 of the "Legislated Review of Aged Care 2017" (Tune Review) included requiring providers to charge the basic daily fee (consumer contribution) for home care packages.

Recommendation 16 recommended that mandatory consumer contributions be levied for CHSP services.

Implementation of these recommendations together with a new funding model designed to ensure that approved funding for each care recipient is appropriately aligned to the care needs of the care recipient and is fully utilised (services provided), should significantly improve the home care financial performance, and importantly, enable care recipients to receive a more inclusive care service delivery.

Amendments to the Means-Tested Care Fee Criteria

Recommendation 13 of the Tune Review stated, "include the full value of the owner's home in the means test for residential care when there is no protected person in that home".

Recommendation 15 sought the abolishment of the annual and lifetime caps on income-tested fees in home care and means-tested care fees in residential care.

These recommendations in full or at the very least in part, are fundamental to ensuring that aged care funding is appropriate and also being contributed to by the consumer.

In residential aged care, the means-tested care fee represents only 3.8% of the direct care subsidy. If this was lifted to (say) 9% and the means-tested care fee added to the funding envelope (rather than being deducted from the subsidy paid by the government), this would add in excess of $1.25 billion pa in the overall direct care funding envelope based on the FY23 direct care subsidy levels.

Flexible daily living co-contribution

The Basic Daily Fee is levied to reimburse for the costs associated with everyday living services. The costs are currently greater than the revenue received.

Taskforce recommended funding for daily living services to cover the full costs of providing these services with a mixture of Basic Daily Fee and a supplement.

Structural Reform of the Accommodation Pricing Model

This represents possibly the least understood aspect of residential aged care funding. The current Refundable Accommodation Deposit (RAD)/Daily Accommodation Payment (DAP) model infused with a prescriptive Maximum Permitted Interest Rate (MPIR) is cumbersome and confusing. It is also inequitable for consumers and providers as paying a RAD where possible is far less costly to the resident than paying a daily fee (DAP).

StewartBrown has advocated for changing the model to be more focussed on a "rental" payment for accommodation whereby the rent amount is determined by the actual upfront contribution paid. The underlying principle is that a rental portion is paid irrespective of whether a full contribution (currently a RAD) is paid.

As the name suggests, a Refundable Accommodation Deposit has no rental component included, and accordingly when paying a RAD the loss of alternate revenue from the RAD (such as interest) is the only actual cost to the resident for the accommodation in an aged care home. If the RAD amount still resides in the residential home, it is likely that the increase in the value of the home will be greater than the amount of lost interest income.

This is also a recommendation in Aged Care Taskforce for providers to be able to retain a portion of the RAD.

Appendix 1: Quarterly Financial Report (QFR) Financial Format *(consolidated Approved Provider level)*

	Total	Residential	Home Care	Community	Retirement	Other
Income						
Operating Income	$0	$0	$0	$0	$0	$0
Investment and Interest Income	$0	$0	$0	$0	$0	$0
Fair Value Gains	$0	$0	$0	$0	$0	$0
Other Income	$0	$0	$0	$0	$0	$0
Total Income	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Expenses						
Salaries and Employee Benefits	$0	$0	$0	$0	$0	$0
Management Fees	$0	$0	$0	$0	$0	$0
Depreciation and Amortisation (excluding Bed Licenses)	$0	$0	$0	$0	$0	$0
Depreciation on Right of Use Assets - AASB 16	$0	$0	$0	$0	$0	$0
Amortisation and Impairment of Bed Licenses	$0	$0				
Finance Expenses	$0	$0	$0	$0	$0	$0
Interest on Lease Liabilities - AASB 16	$0	$0	$0	$0	$0	$0
Rent - Not Captured by AASB 16	$0	$0	$0	$0	$0	$0
Fair Value Losses (including Impairment)	$0	$0	$0	$0	$0	$0
Other Expenses	$0	$0	$0	$0	$0	$0
Total Expenses	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Profit/(Loss) Before Tax	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Appendix 2: StewartBrown Sample Facility Report *(individual facility level)*

	De-identified Provider FY22	De-identified Provider Dec-22	De-identified Provider FY23	De-identified Provider Sep-23	De-identified Provider Dec-23	ALL HOMES (1187 Homes) Dec-23	First 25% - All HOMES (297 Homes) Dec-23	NSW/ACT (475 Homes) Dec-23	NSW/ACT - First 25% (119 Homes) Dec-23	Major Cities (739 Homes) Dec-23
CARE										
DIRECT CARE										
DIRECT CARE REVENUE										
Government subsidies - care	179.97	193.20	200.64	243.43	245.75	252.49	256.74	251.95	252.36	250.44
Means-tested care fee	9.70	9.57	9.48	9.50	11.07	8.62	8.88	9.87	11.14	9.72
Direct care subsidy & supplements	**189.67**	**202.77**	**210.12**	**252.93**	**256.82**	**261.11**	**265.62**	**261.83**	**263.50**	**260.16**
Recurrent grants and other care	0.82	2.24	1.79	0.57	0.48	2.15	4.01	1.30	1.35	1.49
Non-recurrent operating care grants	9.98	-	-	-	-	-	-	-	-	-
Direct care revenue	**200.47**	**205.01**	**211.90**	**253.49**	**257.31**	**263.26**	**269.63**	**263.13**	**264.85**	**261.65**
DIRECT CARE EXPENDITURE										
Care Labour costs										
Registered nurses	27.80	30.35	32.09	38.39	40.00	50.98	45.18	52.15	44.29	50.21
Enrolled and licensed nurses (registered with the NMBA)	2.39	2.30	2.71	2.15	1.92	11.76	6.94	3.56	1.71	10.26
Other unlicensed nurses/personal care staff	110.23	120.89	123.22	138.25	142.37	133.81	124.94	139.97	129.90	134.09
FWC 15% leave entitlement increase	-	-	3.20	-	-	1.58	2.63	0.91	0.87	1.54
Total direct care labour costs	**140.42**	**153.54**	**161.21**	**178.79**	**184.29**	**198.12**	**179.69**	**196.60**	**176.77**	**196.10**
Care management	7.82	7.88	8.86	8.20	8.57	6.73	5.33	7.15	5.54	6.28
Allied health	6.26	7.18	6.80	5.53	5.57	6.18	5.22	6.03	5.05	6.18
Lifestyle/ Recreation/ Activities Officer /Diversional Therapy	-	-	-	-	-	5.21	3.36	5.03	2.81	4.89
Workers' compensation - care services	3.16	6.04	5.92	3.17	3.17	4.99	4.53	5.21	4.36	5.01
Payroll tax - care services	-	-	-	-	-	0.72	1.06	0.24	0.38	0.95
Total care labour costs	**157.65**	**174.63**	**182.80**	**195.69**	**201.61**	**221.94**	**199.18**	**220.27**	**194.91**	**219.42**
Medical, incontinence supplies & nutritional supplements	4.19	4.49	4.64	4.65	4.25	5.79	5.26	5.73	4.69	5.76
Chaplaincy / Pastoral care	-	-	-	-	-	0.63	0.45	0.81	0.68	0.71
Quality and education allocation to care services	0.27	0.42	0.45	0.37	0.32	1.93	1.72	2.23	1.43	1.92
Other resident services and consumables	1.04	1.21	1.35	1.36	1.34	1.56	1.73	2.07	1.87	1.59
Infection prevention and Covid-19	0.14	(9.84)	0.82	(1.07)	(0.50)	(0.38)	(0.46)	(0.71)	(0.69)	(0.66)
Expenditure - direct care services	**163.29**	**170.92**	**190.05**	**201.02**	**207.01**	**231.48**	**207.89**	**230.40**	**202.88**	**228.74**
Administration - direct care overhead allocation	16.46	17.44	17.46	18.10	17.89	18.52	16.91	18.52	16.83	18.43
Direct care expenditure	**179.76**	**188.36**	**207.51**	**219.11**	**224.91**	**250.00**	**224.80**	**248.93**	**219.72**	**247.17**
DIRECT CARE RESULT	**$ 20.72**	**$ 16.65**	**$ 4.40**	**$ 34.38**	**$ 32.40**	**$ 13.26**	**$ 44.83**	**$ 14.20**	**$ 45.14**	**$ 14.48**
Total care labour costs as a % of direct care revenue	**78.6%**	**85.2%**	**86.3%**	**77.2%**	**78.4%**	**84.3%**	**73.9%**	**83.7%**	**73.6%**	**83.9%**
Direct care expenditure as a % of direct care revenue	**89.7%**	**91.9%**	**97.9%**	**86.4%**	**87.4%**	**95.0%**	**83.4%**	**94.6%**	**83.0%**	**94.5%**

	De-identified Provider FY22	De-identified Provider Dec-22	De-identified Provider FY23	De-identified Provider Sep-23	De-identified Provider Dec-23	ALL HOMES (1187 Homes) Dec-23	First 25% - All HOMES (297 Homes) Dec-23	NSW/ACT (475 Homes) Dec-23	NSW/ACT - First 25% (119 Homes) Dec-23	Major Cities (739 Homes) Dec-23
INDIRECT CARE										
INDIRECT CARE REVENUE										
Basic daily fee - resident	53.35	57.09	58.37	58.70	62.12	60.33	60.86	60.30	60.90	60.44
Hotelling supplement – government	10.00	10.00	9.98	10.83	11.00	10.94	10.96	10.96	10.98	10.95
Fees for additional services and extra or optional service fees	1.50	2.37	2.71	3.13	3.29	3.98	5.87	4.55	6.08	5.11
Indirect care revenue	**64.85**	**69.46**	**71.07**	**72.66**	**76.40**	**75.26**	**77.70**	**75.81**	**77.95**	**76.50**
INDIRECT CARE EXPENDITURE										
HOTEL SERVICES										
CATERING										
Labour costs	6.11	5.50	4.85	4.90	4.86	20.82	18.21	18.34	15.57	19.53
Consumables - food	4.52	7.16	3.70	0.53	0.63	12.71	13.18	13.33	15.58	12.47
Consumables - other	0.61	-	-	-	-	0.55	0.53	0.66	0.45	0.56
Contract catering	18.42	17.67	22.11	25.46	25.85	5.75	4.83	7.56	4.35	6.38
Income from sale of meals (usually a credit amount)	(0.07)	(0.15)	(0.17)	(0.18)	(0.17)	(0.29)	(0.28)	(0.18)	(0.13)	(0.26)
Total catering	**29.60**	**30.18**	**30.48**	**30.71**	**31.17**	**39.54**	**36.46**	**39.72**	**35.82**	**38.68**
CLEANING										
Labour costs	1.33	1.32	1.41	1.39	1.29	6.20	4.73	4.29	3.54	5.64
Consumables	-	-	-	-	-	1.72	1.47	1.55	1.24	1.73
Contract cleaning	8.00	8.92	8.76	7.85	7.65	2.63	2.74	4.81	4.96	3.17
Total cleaning	**9.34**	**10.24**	**10.18**	**9.24**	**8.94**	**10.55**	**8.94**	**10.65**	**9.74**	**10.53**
LAUNDRY										
Labour costs	1.40	1.27	2.19	2.28	2.00	2.77	2.70	2.71	2.53	2.61
Consumables	1.73	1.67	1.75	1.73	1.85	0.46	0.60	0.62	0.80	0.44
Contract laundry	0.24	0.26	0.28	0.24	0.22	1.44	0.99	1.35	0.75	1.61
Total laundry	**3.37**	**3.19**	**4.22**	**4.25**	**4.06**	**4.67**	**4.28**	**4.68**	**4.09**	**4.66**
Workers' compensation - indirect care	0.18	0.29	0.28	0.14	0.13	0.69	0.60	0.62	0.50	0.65
Payroll tax - indirect care	-	-	-	-	-	0.10	0.14	0.03	0.04	0.12
Expenditure - quality and education (allocation to indirect care)	0.02	0.02	0.02	0.02	0.01	0.27	0.23	0.26	0.16	0.25
Other hotel services expenses	0.17	0.41	0.37	0.18	0.18	0.08	0.05	0.08	0.05	0.09
Total other hotel services	**0.37**	**0.72**	**0.68**	**0.34**	**0.32**	**1.13**	**1.02**	**0.98**	**0.76**	**1.12**
Expenditure - hotel services	**42.68**	**44.33**	**45.55**	**44.54**	**44.50**	**55.89**	**50.70**	**56.02**	**50.40**	**54.99**
UTILITIES										
Electricity	2.66	2.69	2.60	2.71	2.40	3.58	3.32	3.78	3.47	3.34
Gas	0.72	0.87	0.76	1.21	1.01	1.22	1.12	1.07	0.95	1.13
Rates	0.78	0.80	0.84	0.83	0.87	1.62	1.60	1.11	1.01	1.47
Rubbish removal	1.04	1.15	1.15	1.10	0.98	1.51	1.36	1.50	1.26	1.50
Expenditure - utilities	**5.20**	**5.51**	**5.35**	**5.85**	**5.26**	**7.93**	**7.39**	**7.45**	**6.69**	**7.44**
Expenditure - indirect care services	**47.88**	**49.84**	**50.90**	**50.39**	**49.76**	**63.82**	**58.10**	**63.48**	**57.09**	**62.44**
Administration - indirect care overhead allocation	14.95	15.85	15.86	16.45	16.26	16.84	15.37	16.84	15.30	16.75
Indirect care expenditure	**62.83**	**65.69**	**66.77**	**66.84**	**66.02**	**80.65**	**73.47**	**80.31**	**72.39**	**79.19**
INDIRECT CARE RESULT	**$ 2.02**	**$ 3.77**	**$ 4.30**	**$ 5.81**	**$ 10.38**	**$ (5.40)**	**$ 4.23**	**$ (4.51)**	**$ 5.56**	**$ (2.69)**

	De-identified Provider FY22	De-identified Provider Dec-22	De-identified Provider FY23	De-identified Provider Sep-23	De-identified Provider Dec-23	ALL HOMES (1187 Homes) Dec-23	First 25% - All HOMES (297 Homes) Dec-23	NSW/ACT (475 Homes) Dec-23	NSW/ACT - First 25% (119 Homes) Dec-23	Major Cities (739 Homes) Dec-23
CARE RESULT	**$ 22.73**	**$ 20.42**	**$ 8.70**	**$ 40.19**	**$ 42.78**	**$ 7.86**	**$ 49.06**	**$ 9.70**	**$ 50.70**	**$ 11.79**
Care Result - return on care revenue	**8.6%**	**7.4%**	**3.1%**	**12.3%**	**12.8%**	**2.3%**	**14.1%**	**2.9%**	**14.8%**	**3.5%**
ACCOMMODATION										
ACCOMMODATION REVENUE										
Accommodation revenue - residents	13.07	14.24	15.02	16.26	16.95	16.67	16.38	17.05	16.83	17.40
Government supplements - accommodation	23.08	24.15	25.26	29.74	26.98	23.99	24.20	23.92	24.37	23.66
Accommodation revenue	**36.15**	**38.39**	**40.28**	**46.00**	**43.93**	**40.66**	**40.58**	**40.96**	**41.20**	**41.06**
ACCOMMODATION EXPENDITURE										
Labour costs - maintenance	0.02	0.10	0.11	0.08	0.17	3.16	2.66	3.18	2.22	2.87
Workers compensation - maintenance	0.00	0.00	0.00	0.00	0.00	0.07	0.06	0.08	0.05	0.07
Payroll tax - maintenance	-	-	-	-	-	0.01	0.01	0.00	0.00	0.01
Routine repairs & maintenance	10.18	11.55	11.64	11.44	10.99	8.96	8.41	9.42	9.38	8.92
Motor vehicle expenses	0.15	0.20	0.19	0.25	0.24	0.27	0.27	0.27	0.22	0.21
Quality, compliance and training external costs	0.00	0.00	0.00	0.00	0.00	0.03	0.02	0.03	0.02	0.03
Depreciation - building	13.53	13.46	13.49	12.79	12.70	12.61	11.95	14.02	13.25	12.81
Depreciation & amortisation - non building	8.68	8.55	8.67	7.86	7.92	7.39	7.03	8.01	7.09	7.45
Right of use assets - depreciation and finance cost	-	-	-	-	-	1.12	1.64	0.21	0.13	0.90
Rent - buildings (not Captured by AASB 16)	0.00	0.00	0.01	0.04	0.03	1.05	1.03	0.46	0.14	1.29
Refurbishment	0.53	0.83	0.90	0.96	0.97	0.23	0.32	0.32	0.50	0.27
Bond/RAD interest expense	1.00	0.87	0.87	0.80	0.86	1.14	0.98	1.33	1.22	1.23
Expenditure - accommodation services	**34.10**	**35.58**	**35.89**	**34.22**	**33.88**	**36.05**	**34.39**	**37.33**	**34.22**	**36.05**
Administration - accommodation overhead allocation	13.08	13.86	13.87	14.38	14.22	14.72	13.43	14.72	13.37	14.64
Accommodation expenditure	**47.18**	**49.44**	**49.76**	**48.60**	**48.10**	**50.77**	**47.82**	**52.05**	**47.59**	**50.69**
ACCOMMODATION RESULT	**$ (11.03)**	**$ (11.05)**	**$ (9.49)**	**$ (2.60)**	**$ (4.17)**	**$ (10.11)**	**$ (7.24)**	**$ (11.08)**	**$ (6.40)**	**$ (9.63)**
ADMINISTRATION EXPENDITURE										
Administration recharges	35.83	37.79	38.37	40.36	40.21	31.81	28.30	32.55	30.31	32.96
Labour costs - administration	4.58	4.76	4.35	4.52	4.18	9.03	8.44	8.35	6.45	8.35
Other administration costs	2.17	2.28	2.78	2.46	2.42	7.14	7.05	7.15	6.99	6.51
Workers' compensation - other	0.09	0.17	0.15	0.07	0.07	0.21	0.20	0.20	0.15	0.20
Payroll tax - administration staff	-	-	-	-	-	0.03	0.05	0.01	0.01	0.04
Fringe Benefits Tax	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Quality & education - labour costs	0.00	0.01	0.01	0.00	0.00	0.06	0.04	0.07	0.03	0.05
Quality & education - other	0.00	0.01	0.01	0.00	0.00	0.03	0.03	0.02	0.01	0.02
Insurances	1.82	2.15	1.52	1.49	1.49	1.77	1.60	1.73	1.55	1.69
Expenditure - administration	**$ 44.50**	**$ 47.16**	**$ 47.19**	**$ 48.92**	**$ 48.37**	**$ 50.08**	**$ 45.71**	**$ 50.08**	**$ 45.51**	**$ 49.82**
Administration - direct care overhead allocation	(16.46)	(17.44)	(17.46)	(18.10)	(17.89)	(18.52)	(16.91)	(18.52)	(16.83)	(18.43)
Administration - indirect care overhead allocation	(14.95)	(15.85)	(15.86)	(16.45)	(16.26)	(16.84)	(15.37)	(16.84)	(15.30)	(16.75)
Administration - accommodation overhead allocation	(13.08)	(13.86)	(13.87)	(14.38)	(14.22)	(14.72)	(13.43)	(14.72)	(13.37)	(14.64)
NET ADMINISTRATION after allocation	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ (0.00)**	**$ 0.00**	**$ (0.00)**	**$ 0.00**
Administration Costs % of Total Revenue	**14.8%**	**15.1%**	**14.6%**	**13.1%**	**12.8%**	**13.2%**	**11.8%**	**13.2%**	**11.9%**	**13.1%**
OPERATING RESULT	**$ 11.70**	**$ 9.37**	**$ (0.78)**	**$ 37.60**	**$ 38.61**	**$ (2.25)**	**$ 41.82**	**$ (1.39)**	**$ 44.30**	**$ 2.16**
Operating Result per bed per annum	**$ 3,961**	**$ 3,172**	**$ (267)**	**$ 12,736**	**$ 13,311**	**$ (764)**	**$ 14,497**	**$ (469)**	**$ 15,239**	**$ 737**
Operating EBITDA	**$ 33.92**	**$ 31.39**	**$ 21.38**	**$ 58.25**	**$ 59.24**	**$ 17.75**	**$ 60.80**	**$ 20.64**	**$ 64.64**	**$ 22.41**
Operating EBITDA per bed per annum	**$ 11,481**	**$ 10,624**	**$ 7,288**	**$ 19,733**	**$ 20,420**	**$ 6,028**	**$ 21,075**	**$ 6,977**	**$ 22,234**	**$ 7,654**

	De-identified Provider FY22	De-identified Provider Dec-22	De-identified Provider FY23	De-identified Provider Sep-23	De-identified Provider Dec-23	ALL HOMES (1187 Homes) Dec-23	First 25% - All HOMES (297 Homes) Dec-23	NSW/ACT (475 Homes) Dec-23	NSW/ACT - First 25% (119 Homes) Dec-23	Major Cities (739 Homes) Dec-23
PROFILE										
Occupancy rate	92.7%	92.7%	93.4%	92.6%	94.2%	92.8%	94.7%	92.4%	94.0%	93.3%
Supported ratio	47.5%	47.2%	48.5%	48.8%	48.8%	45.9%	46.2%	44.5%	44.3%	45.1%
Staff Minutes Analysis (Normal + Overtime + Agency + Contract)										
Registered nurses	21.16	22.43	23.83	26.01	27.97	36.64	33.49	36.48	32.28	37.31
Enrolled and licensed nurses	2.13	2.03	2.13	1.79	1.47	11.52	7.01	3.36	1.62	10.27
Other unlicensed nurses/personal care staff	137.77	147.19	146.88	142.95	152.14	151.32	145.52	157.38	146.98	153.27
Imputed agency direct care minutes implied**	1.56	0.35	0.23	0.06	0.30	0.04	0.10	0.09	0.11	0.03
Total direct care minutes per resident day	**162.63**	**171.99**	**173.06**	**170.81**	**181.87**	**199.52**	**186.12**	**197.31**	**180.99**	**200.87**
Care management	5.71	6.59	6.33	6.84	7.70	4.06	3.68	4.14	4.23	3.81
Allied health	0.56	0.68	0.57	0.48	0.30	4.64	3.41	4.25	3.09	4.86
Lifestyle	-	-	-	-	-	6.83	4.44	6.16	3.51	6.40
Imputed agency other care minutes implied	-	-	0.02	0.03	0.05	0.04	0.04	0.07	0.04	0.04
Total care minutes per resident per day	**168.90**	**179.27**	**179.98**	**178.16**	**189.91**	**215.10**	**197.70**	**211.91**	**191.86**	**215.98**
Hotel services - Catering	9.34	8.81	7.13	5.19	5.62	27.35	24.44	24.98	21.60	25.76
Hotel services - Cleaning	1.88	1.92	1.86	1.54	1.58	9.50	8.65	7.44	6.40	8.89
Hotel services - Laundry	2.14	2.59	2.91	2.73	2.50	4.59	5.03	4.37	4.00	4.48
Total Hotel services	**13.36**	**13.31**	**11.89**	**9.46**	**9.69**	**41.45**	**38.12**	**36.79**	**32.00**	**39.12**
Routine maintenance and accommodation	0.00	0.01	0.01	0.01	0.02	3.95	3.39	3.78	2.77	3.38
Administration	6.04	5.32	4.65	4.24	4.45	9.12	7.74	8.95	7.10	8.37
Quality and education	-	-	-	-	-	0.90	0.61	1.25	0.88	0.92
Total other staff minutes per resident per day	**19.41**	**18.65**	**16.55**	**13.70**	**14.17**	**55.41**	**49.86**	**50.77**	**42.75**	**51.79**
Total staff Minutes	**188.31**	**197.91**	**196.53**	**191.86**	**204.08**	**270.51**	**247.56**	**262.68**	**234.61**	**267.77**
Total agency minutes (including imputed agency)	8.99	16.00	15.05	9.44	9.93	15.33	9.08	15.57	8.56	12.29
ACCOMMODATION PAYMENT ANALYSIS										
Incoming residents accommodation payment split										
Full RAD	21.8%	24.7%	29.8%	21.4%	31.0%	26.5%	30.5%	34.5%	35.3%	27.7%
Full DAP	56.9%	51.4%	46.7%	62.3%	45.1%	52.2%	45.4%	44.1%	43.9%	51.2%
Combination - Part RAD, Part DAP	21.3%	23.9%	23.5%	16.2%	23.9%	21.3%	24.2%	21.4%	20.8%	21.1%
Total number of incoming RADs, DAPs and Combos	413	393	728	154	326	11,676	2,517	3,886	941	7,642
Average incoming RAD (current financial year)										
Average of new FULL RADs / RACs	499,270	537,262	533,211	519,828	539,676	496,934	502,626	531,559	522,811	541,672
Average of new PART RADs / RACs	243,380	251,504	262,307	245,751	259,800	250,846	253,466	267,888	242,077	274,451
Average RAD/Bond held										
Average of FULL RADs/RACs/Bonds held at reporting date	406,798	450,271	463,722	471,678	480,592	462,116	485,072	485,199	501,083	500,958
Average of PART RADs/RACs/Bonds held at reporting date	230,429	240,941	246,161	250,407	255,612	257,289	256,238	264,589	266,679	277,954

6. GLOSSARY

Accommodation Result
Accommodation Result is the net result of accommodation revenue (DAPs/DACs/Accommodation supplements) and expenses related to capital items such as depreciation, property rental and refurbishment costs.

AN-ACC Direct Care Subsidy
From 1 October 2022 the Australian National Aged Care Classification (AN-ACC) replaced the previous Aged Care Funding Instrument (ACFI) funding model. Direct care revenue includes the subsidy received from the Commonwealth and the means-tested care fee component levied to the resident. Direct Care revenue includes the additional care supplement subsidies and some specific grant (not capital) funding.

AN-ACC Direct Care Result
The Direct Care (AN-ACC and formerly ACFI) Result represents the net result from revenue and expenses directly associated with direct care. It includes AN-ACC (formerly ACFI) and Supplements (including means-tested care fee) revenue less total direct care expenditure, and this includes an allocation of workers compensation and quality and education costs.

Facility (Aged Care Home) Result
This refers to the Operating Result may also be referred to as the net result or the NPBT Result.

Facility EBITDA
The starting point for this calculation is the Aged Care Home (Facility) Result which is the combination of the Care and Accommodation results. It excludes all "provider revenue and expenditure" including fundraising revenue, revaluations, donations, capital grants and sundry revenue. It also excludes those items excluded from the EBITDA calculation above.

This measure is more consistent across the aged care homes (homes) because it excludes all those items which are generally allocated at the aged care home (facility) level on an inconsistent and arbitrary basis depending on the policies of the individual provider.

Administration Costs
Administration Costs includes the direct costs related to administration and support services and excludes the allocation of workers compensation and quality and education costs to Direct Care, Indirect Care (everyday living) and accommodation.

Although administration costs are unfunded specifically, each of the respective revenue streams requires a significant component. The allocation of the administration costs has been based on the average provider responses received from the biennial FY22 Administration Survey.

The allocation for each revenue stream is as follows:-

- Direct care: 37.0%
- Indirect care (Everyday Living): 33.6%
- Accommodation: 29.4%

Aged Care Home
Individual discrete premises that an approved provider uses for residential aged care. "Aged Care Home" is the term approved at the Department of Health and Aged Care; in some contexts, "facility" is used, with an identical meaning.

Averages
For residential care all *averages* are calculated using the total of the raw data submitted for any one-line item and then dividing that total by the total occupied bed days for the aged care homes in the group. For example, the average for contract catering across all homes would be the total amount submitted for that line item divided by the total occupied bed days for all aged care homes in the Survey.

For home care all *averages* are calculated using the total of the raw data submitted for any one-line item and then dividing that total by the total client days for the programs in the group. For example, the average for sub-contracted and brokerage costs across all programs would be the total amount submitted for that line item divided by the total client days for all programs in the Survey.

Average by line item

This measure is *averaged* across only those aged care homes that provide data for that line item. All other measures are *averaged* across all the homes in the particular group. The *average* by line item is particularly useful for line items such as contract catering, cleaning and laundry, property rental, extra service revenue and administration fees as these items are not included by everyone.

Bed Day

The number of days that a residential care place is occupied in the Survey period. Usually represents the days for which a Direct Care subsidy or equivalent respite subsidy has been received.

Benchmark

We consider the benchmark to be the average of the *First 25%* in the group of programs being examined. For example, if we are examining the results for aged care homes (homes) / programs in Band 4, then the benchmark would be the average of the *First 25%* of the aged care homes (homes) / programs in Band 4.

Benchmark Bands

Residential Care

For the purpose of benchmarking facilities against each other, we sort facilities into "benchmark groups (bands)" based on the levels of care subsidies + means-tested care fees received.

Based on Average Direct Care + Supplements (including respite) ($ per bed day):

Band 1 - Over $276
Band 2 - Between $266 and $276
Band 3 - Between $256 and $266
Band 4 - Under $256

Home Care

Based on Total Revenue (Direct Care Services + Sub-contracted and Brokered Services + Care Management + Package Management) ($ per client day):

Band 1 - Under $65
Band 2 - Between $65 and $75
Band 3 - Between $75 and $85
Band 4 - Over $85

Care Result

This is the element of the aged care home (facility) result that includes the Direct Care expenses and Indirect Care (everyday living) costs and administration and support costs. It is calculated as Direct Care Result *plus* Indirect Care Result *minus* Administration Costs.

Dollars per bed day

This is the common measure used to compare items across aged care homes (homes). The denominator used in this measure is the number of occupied bed days for any home (facility) or group of homes (homes).

Dollars per client day

This is the common measure used to compare items across programs. The denominator used in this measure is the number of client days for any programs or group of programs.

EBITDA

This measure represents earnings before interest (including investment revenue), taxation, depreciation and amortisation. The calculation excludes interest (and investment) revenue as well as interest expense on borrowings.

The main reason for this is to achieve some consistency in the calculation. Different organisations allocate interest and investment revenue differently at the "aged care home (facility) level". To ensure that the measure is consistent across all organisations we exclude these revenue and expense items.

EBITDA per bed per annum

Calculation of the overall aged care home (facility) EBITDA for the financial year-to-date divided by the number of operational beds in the aged care home (facility).

NPBT

Net Profit Before Tax. For the context of the Survey reports, NPBT is referred to as Operating Result or net result or, in the aged care home (facility) analysis, as the ACH Result (Aged Care Home, or Facility) Result.

Facility
An aged care home is sometimes called a "facility" for convenience. The Facility Result is the result for each aged care home being considered. Often called Aged Care Home and abbreviated to ACH.

Indirect Care (Everyday Living) Result
Revenue from Basic Daily Fee plus Extra or Optional Service fees less Hotel Services (catering, cleaning, laundry) and Utilities (includes allocation of workers compensation premium and quality and education costs to hotel services staff).

Home Care Packages (HCP)
Home Care results (NPBT) are distributed for the Survey period from highest to lowest by $ per client per day ($pcd). This is then divided into quartiles - the *First 25%* is the first quartile, second 25%, third 25%, fourth 25% and the average of each quartile is reported. The *First 25%* represents the quartile of programs with the highest NPBT result.

Residential Care
The Residential Care results are distributed for the Survey period from highest to lowest by Care Result. This is then divided into quartiles - the *First 25%* (the first quartile), second 25%, third 25%, fourth 25% and the average of each quartile is reported. The *First 25%* represents the quartile of homes with the highest Care Result.

Location - City
Aged care homes have been designated as being city based according to the designation by the Department of Health and Aged Care in their listing of aged care services. Those that were designated as being a "Major City of Australia" have been designated City.

Location - Regional
Aged care homes have been designated as being regionally based according to the designation by the Department of Health and Aged Care in their listing of aged care services. Those that were designated as being an "Inner Regional", "Outer Regional" or "Remote" have been designated as Regional.

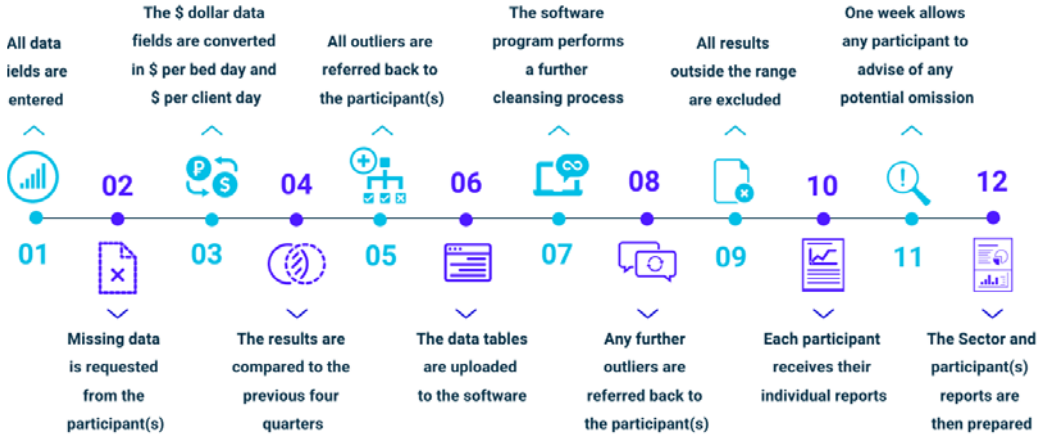
Survey is the abbreviation used in relation to the *Aged Care Financial Performance Survey*.

Data Collection Process

Each tab (spreadsheet) requires an extensive level of input

- There is a significant amount of non-financial data collected, including staff hours worked
- The Organisational Profile data are cross referenced to the audited General Purpose Financial Statements
- Each row must be completed. The only tabs not completed are where it is not applicable
- The Data Definitions must be strictly adhered to as it ensures accurate comparability

Data Cleansing Process



STEWARTBROWN'S 2024 AGED CARE FINANCE FORUM

StewartBrown are delighted to present the nationally accredited Aged Care Finance Forum for the 2024 Financial Year.
Join over 400 attendees nationwide in discussing the financial trends and analysis within the Australian Aged Care Sector.

DATE	TIME	VENUE
Wednesday 9 October	8:00am - 4:00pm AEDT	MCA **Sydney**
Friday 11 October	7:30am - 3:30pm AEST	Hotel Grand Chancellor **Brisbane**
Monday 14 October	9:00am - 1:30pm AEDT	QT **Canberra**
Tuesday 15 October	8:00am - 4:00pm AEDT	Hyatt Centric **Melbourne**
Thursday 17 October	8:00am - 4:00pm ACST	Crowne Plaza **Adelaide**
Tuesday 29 October	10:00am - 3:30pm AEDT	AURA **Hobart**
Thursday 31 October	8:00am - 4:00pm AWST	DoubleTree by Hilton **Perth**
Thursday 7 November	11:00am - 2:00pm AEDT	**Online**

The **StewartBrown Forum** has allowed the opportunity for aged care providers, including finance and operational staff across the sector, to discuss challenges and share knowledge and insights. This year, we are continuing in that tradition and after lengthy workshops by the StewartBrown team, we have put together a program to ensure that the **2024 Forum** is the most beneficial material your organisation will receive this year.

The aged care sector continues to be under financial sustainability pressure. The main financial issue is in relation to the Government's response to the Aged Care Taskforce recommendations and the implementation pathway. The Forum will provide the latest detailed modelling and scenario analysis using a number of cohorts – region; size; resident mix; staffing mix; accommodation pricing and occupancy.

The Forum will have a specific emphasis on workforce. The increased mandated minutes from October 2024, the flexibility to meet up to 10% of your service-level RN targets with care time provided by EN's, an analysis of the 24/7 RN compliance and an analysis of Agency staff costs will form part of the discussions.

The financial and operational implementation of the Support at Home program will be covered in detail. How this will affect case management and package management revenue has important financial implications. What Level 5 funding may look like if introduced is relevant. Strategies for increasing revenue utilisation and improving the revenues will be discussed.

Technology will form an important role in the future of aged care service delivery and compliance. The latest technology trends will be reviewed and provide an opportunity for participants to make comparisons.

The Forum will continue to be the sector's opportunity for an in-depth analysis of the financial sustainability, investment climate and innovation required for the sector. The Forum will also include external expert presentations including the University of Technology Health Department, covering sustainability, legal implications, consumer expectations and the impact of current and future reforms.

KEY TOPICS INCLUDE

- StewartBrown Aged Care Financial Performance Survey - 2024 results!
- AN-ACC and mandated direct care staffing minutes
- Accommodation Pricing
- Home Care
- Retirement Living
- Future Policy Direction
- Payroll

FULL EVENT & REGISTRATION DETAILS:

https://www.eventcreate.com/e/stewartbrownforum2024

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For further analysis of the information contained in the Survey report please contact our specialist analyst team

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