

**PARLIAMENTARY INQUIRY QUESTION ON NOTICE**

**Department of Health**

**Standing Committee on Community Affairs**

**Inquiry into the Aged Care Legislation Amendment (Financial Transparency)  
Bill 2020**

**Written Question received 9 September 2020**

**PDR Number: IQ20-000621**

**Clarity of terms required for financial disclosure in aged care**

**Written**

**Senator:** Wendy Askew

**Question:**

Several submitters, including the ACT Government, Queensland Health, the Health Services Union, the Queensland Nurses and Midwives' Union and the Federation of Ethnic Communities Councils of Australia, have raised concerns about the list of information included at proposed subsection 9-2A(2) of the bill which would be required in the proposed financial transparency reports.

Some of these submitters have expressed the view that this list does not provide clarity on terms such as 'direct and indirect care' or 'medical products' required to avoid confusion in reporting, while others have recommended further categories for financial disclosure.

Can the Department of Health comment on the scope and suitability of the list of information at proposed subsection 9-2A(2) of the bill to demonstrate expenditure of public funding in aged care facilities?

**Answer:**

As outlined in IQ20-000619, residential aged care providers are currently required to submit an annual Aged Care Financial Report (ACFR). As part of the ACFR, providers are required to report against a number of expenditure categories, including a number that are proposed in section 9-2A(2) of the bill. The attachment to IQ20-000619 sets out the expenditure categories currently required.

Currently, a user guide and detailed definitions are available to assist providers complete their reporting requirements under the ACFR. This helps to ensure there is a uniform understanding of what is required for each definition. Any new data items required by providers would also have a data definition supplied to ensure a consistent understanding.

The Department notes the Royal Commission into Aged Care Quality and Safety is also considering the reporting requirements for aged care providers and the Government will consider the recommendation in the final report.