

Care minute & funding alignment

A comprehensive financial exposure analysis covering:

- Revenue at Risk
- Underfunded Care
- Workforce Overspend

For: *[Sample Organisation]*

April 2025





[Sample company] Overview

As aged care providers navigate the financial realignment of AN-ACC funding with care minute delivery, the ability to manage funding, workforce efficiency & care minute compliance has never been more critical.

This report presents a financial exposure analysis, helping providers understand their risk level across **two** core business functions. The data covers:

Workforce

- Over delivery = Workforce Overspend**
Providing more care than required or inefficient rostering drives up labour costs with no funding gain.
- Missed Care Minutes = Lost Funding/Revenue at Risk**
MM1 homes risk losing funding if care minute targets aren't met. Every missed minute puts revenue at risk.

AN-ACC Claiming

- Outdated Classifications = Underfunded care**
When outdated AN-ACC classifications lead to providers delivering care at a cost that isn't matched by their funding.

Category	Per Quarter	Aged Care Efficiency (Per Resident Per Day)
Workforce Overspend	\$619,466.47	Has more overspend than 25% of the industry
Revenue at Risk (MM1)	\$68,785.44	Stands to lose more funding than 21% of the industry
Underfunded care	\$73,145.63	More underfunded care than 28% of the industry

The total financial exposure is **estimated at \$3,045,590.19** per annum for [Sample Company]. We propose a combined solution **of our People + Technology to target \$2.7M** of annualised improvements.

How the supplement works

Sliding scale model:

- 100% compliance = **Full supplement (\$31.92 per bed day)** @current AN-ACC rate
- Below target = **Reduced supplement or funding loss**

Funding loss table:

	% of RN Care Minutes Delivered							
% of Total Care Minutes Delivered	<85%	≥85% - <87.5%	≥87.5% - <90%	≥90% - <92.5%	≥92.5% - <95%	≥95% - <97.5%	≥97.5% - <100%	≥100%
<85%	\$31.92	\$31.35	\$30.79	\$30.22	\$29.66	\$29.37	\$29.09	\$29.09
≥85% - <87.5%	\$26.55	\$25.98	\$25.42	\$25.14	\$24.57	\$24.01	\$24.01	\$23.72
≥87.5% - <90%	\$21.47	\$20.90	\$20.34	\$19.77	\$19.21	\$18.64	\$18.64	\$18.36
≥90% - <92.5%	\$16.10	\$15.53	\$14.97	\$14.40	\$13.84	\$13.27	\$13.27	\$12.99
≥92.5% - <95%	\$10.73	\$10.17	\$9.60	\$9.04	\$8.76	\$8.19	\$8.19	\$7.91
≥95% - <97.5%	\$5.37	\$5.08	\$4.52	\$3.95	\$3.39	\$2.82	\$2.82	\$2.54
≥97.5% - <100%	\$4.80	\$4.24	\$3.67	\$3.39	\$2.82	\$2.54	\$2.26	\$1.98
≥100%	\$2.82	\$2.26	\$1.69	\$1.13	\$0.85	\$0.56	\$0.28	\$0.00

Impact on your facilities

Current Compliance Trends: July – September 2024 QFR Data

- 43% of MM1 services met both RN & total care minute targets (+5% from April – June)
- 45% of all services met both RN & total care minute targets

Non-compliant MM1 facilities and funding loss (Using July - September 2024 QFR data)

Number of MM1 facilities	Number of non-compliant facilities	Estimated residents impacted	Estimated Quarterly Funding Loss
8	5	489	\$68,785.44

For providers with potential funding at risk due to AN-ACC subsidy changes, [Sample Organisation] stands to lose more funding than 21% of the industry, highlighting the need for proactive strategies to maintain full funding.

Underfunded Care

Top facilities with **underfunded care** throughout the October – December Quarter:

Facility	Care Minute Target (October)	Care Minute Target (January)	Occupied Beds	Quarterly revenue leakage
Facility 1	229.12	225.56	97	\$33,254.32
Facility 2	215.51	214.25	116	\$14,075.21
Facility 3	204.11	203.09	105	\$10,313.73
Facility 4	226.92	225.94	102	\$9626.15
Facility 5	233.4	232.86	113	\$5876.23
All Facilities				\$73,145.63

Underfunded care is identified when there is a decrease to care minute targets across quarters. This indicates, insufficient resident reassessments were completed to offset funding decreases caused by lower acuity admissions & higher acuity departures.

Utilising [Mirus Metrics](#), providers can identify daily which sites require further reassessments to limit missed revenue.

For providers who have demonstrated underfunded care, *[Sample Organisation]* is underfunded more than 28% of the industry, highlighting a key opportunity to optimise AN-ACC claiming.

Workforce Overspend

Top facilities with **workforce overspend** throughout the July – September Quarter:

Facility	Cost to achieve compliance (Prpd)	Workforce Cost Jul – Sep (Prpd)	Occupied Beds	Quarterly Roster Overspend
Facility 6	\$176.42	\$199.68	110	\$207,282.06
Facility 7	\$214.23	\$231.40	97	\$134,939.50
Facility 8	\$193.32	\$204.97	118	\$111,393.90
Facility 9	\$205.71	\$224.19	59	\$88,327.39
Facility 10	\$225.62	\$234.09	113	\$77,523.62
All Facilities				\$619,466.47

Roster overspend is identified where the cost of direct care is greater than the cost to meet compliance (100% of Total and RN Care)

Utilising **Care Minute Manager**, providers can identify daily which sites are delivering above their required care minute targets and adjust future rosters accordingly to reduce cost.

For providers who have demonstrated roster overspend, [Sample Organisation] had more overspend than 25% of the industry, indicating close alignment to targets.

Our approach

Step 1: Identify current state

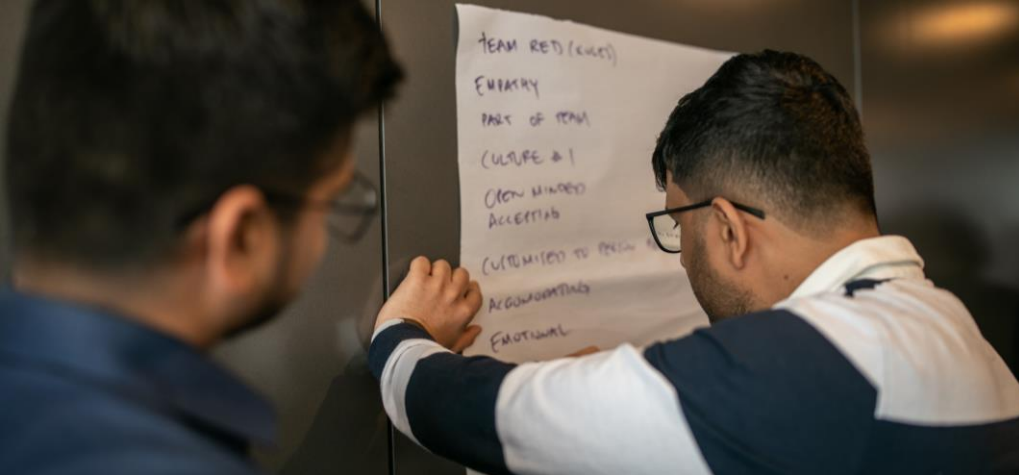
Our team conducts a detailed analysis using the most recent QFR submission to assess provider performance against three key metrics: **Workforce Overspend, Underfunded Care, and Revenue/Non-compliance Risk**. This identifies both inefficiencies and missed funding opportunities.

Step 2: Agree on Key performance indicators (KPIs)

Establish **clear, measurable KPIs** aligned to AN-ACC funding, care minute compliance, and workforce efficiency. Our team sets **target benchmarks** that balance resident care needs with financial sustainability, ensuring providers avoid future compliance penalties and maximise funding for the care that is being provided.

Step 3: Execute

Using **Mirus Metrics** and **Care Minute Manager**, our team tracks care minute performance and funding in real-time, providing **ongoing insights and tailored recommendations** to optimise compliance, funding outcomes, and operational efficiency.





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