

2019-2020

The Parliament of the
Commonwealth of Australia

THE SENATE

Presented and read a first time

**Aged Care Legislation Amendment
(Financial Transparency) Bill 2020**

No. , 2020

(Senator Griff)

**A Bill for an Act to amend the law in relation to
financial transparency in the aged care sector, and
for related purposes**

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1 **A Bill for an Act to amend the law in relation to**
2 **financial transparency in the aged care sector, and**
3 **for related purposes**

4 The Parliament of Australia enacts:

5 **1 Short title**

6 This Act is the *Aged Care Legislation Amendment (Financial*
7 *Transparency) Act 2020*.

8 **2 Commencement**

9 (1) Each provision of this Act specified in column 1 of the table
10 commences, or is taken to have commenced, in accordance with
11 column 2 of the table. Any other statement in column 2 has effect
12 according to its terms.

13

Commencement information

Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Whole of this Act	The day after this Act receives the Royal Assent.	

1 Note: This table relates only to the provisions of this Act as originally
2 enacted. It will not be amended to deal with any later amendments of
3 this Act.

4 (2) Any information in column 3 of the table is not part of this Act.
5 Information may be inserted in this column, or information in it
6 may be edited, in any published version of this Act.

7 **3 Schedules**

8 Legislation that is specified in a Schedule to this Act is amended or
9 repealed as set out in the applicable items in the Schedule
10 concerned, and any other item in a Schedule to this Act has effect
11 according to its terms.

Schedule 1—Amendments

Aged Care Act 1997

1 After section 9-2

Insert:

9-2A Obligation to provide Commissioner a financial transparency report

- (1) As soon as practicable within 6 months after the end of a financial year, an approved provider must provide the *Quality and Safety Commissioner with a written report for each facility operated by the provider that provided residential care in the financial year.
- (2) The *financial transparency report must include the following information:
 - (a) the total number of residents at the facility;
 - (b) the total income received by the provider from the facility;
 - (c) the sources of that income which includes the following:
 - (i) subsidies;
 - (ii) standard resident contributions;
 - (iii) other sources of income specified by the provider;
 - (d) the total amount spent in the financial year;
 - (e) the total cost of direct and indirect care expenditure which includes the aggregated cost of the following:
 - (i) food and food supplements;
 - (ii) medical products;
 - (iii) continence aids;
 - (f) the total cost of accommodation;
 - (g) the total cost of salaries and wages for all staff members by category;
 - (h) the total cost of staff member training;
 - (i) the total amount of other operational expenditure itemised by category;
 - (j) the total amount of non-operational costs;
 - (k) any amount paid to a related body corporate within the

1 meaning of section 50 of the *Corporations Act 2011*.

2 Note: Approved providers have a responsibility under Part 4.3 to comply
3 with this obligation. Failure to comply with a responsibility can result
4 in a sanction being imposed under Part 7B of the *Quality and Safety
5 Commission Act. The financial transparency report provided under
6 this section is made publicly available (see section 96-11).

7 (3) For the purposes of paragraph (2)(g), the categories of staff
8 member are the following:

- 9 (a) registered nurses;
- 10 (b) enrolled nurses;
- 11 (c) personal care attendants;
- 12 (d) allied health staff;
- 13 (e) administrative staff;
- 14 (f) facility management;
- 15 (g) external consultants;
- 16 (h) other staff members.

17 Note 1: The category of other staff members should be further broken down
18 into appropriate categories.

19 Note 2: The information in the financial transparency report on the total cost
20 of salaries and wages for all staff members by category should be
21 broken down, for each category, by temporary, permanent ongoing
22 and agency staff.

23 (4) In this section:

24 *staff member* of an approved provider has the same meaning as in
25 section 63-1AA.

26 **2 After section 96-10**

27 Insert:

28 **96-11 Publication of financial transparency reports by** 29 **Commissioner**

30 The *Quality and Safety Commissioner must make publicly
31 available the *financial transparency report provided to the
32 Commissioner under section 9-2A.

33 **3 Clause 1 of Schedule 1**

34 Insert:

1 *financial transparency report* has the meaning given in
2 subsection 9-2A(2).

3 ***Corporations Act 2001***

4 **4 After subsection 296(1B)**

5 Insert:

6 *Aged care providers*

7 (1C) If an approved provider (within the meaning of the *Aged Care Act*
8 *1997*) received more than \$10 million in funding from the
9 Commonwealth in a financial year, the financial report for that
10 financial year must comply with the Tier 1 requirements of the
11 accounting standards.

12 **5 Application of amendments**

13 The amendments made by the *Aged Care Legislation Amendment*
14 *(Financial Transparency) Act 2020* apply in relation to a financial year
15 which begins on or after the day this Act commences.