

2019-2020

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

*Presented and read a first time*

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

**No.     , 2020**

*(Ms Sharkie)*

**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.

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**Commencement information**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
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9 repealed as set out in the applicable items in the Schedule  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.

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## 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:

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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.