



FY25 Budgeting

Prepared for Your Org

July 2024



FY25 Budgeting Report Prepared for Your Org - Data as of 31.07.2024

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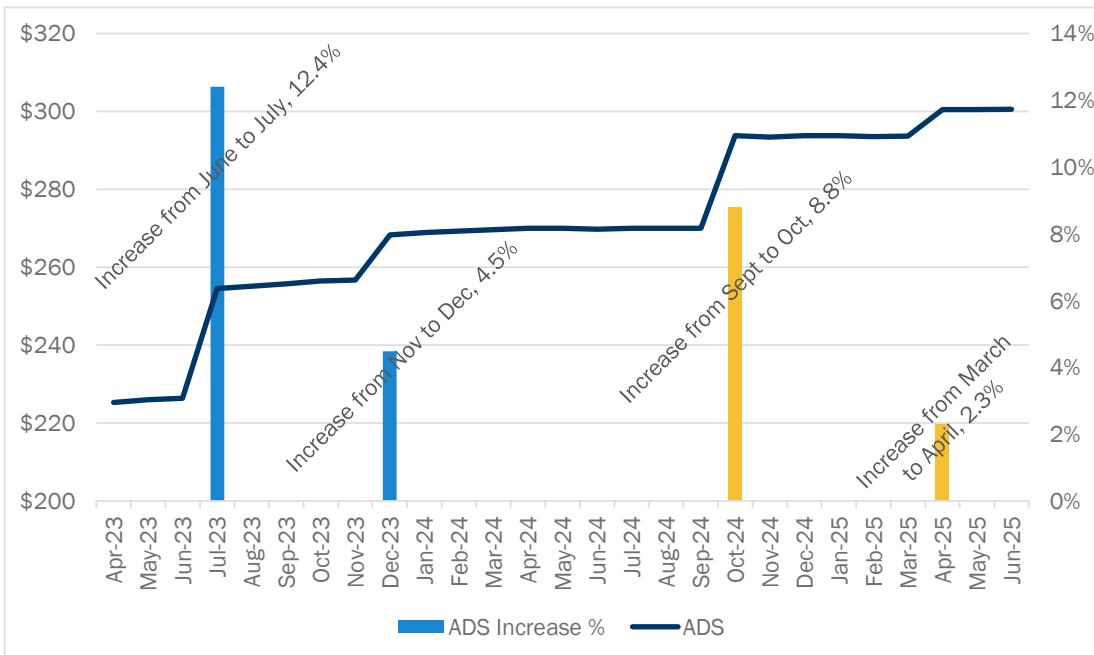
Summary



Last year when the FWC announced an interim increase of 15% to minimum wages for direct care workers, head chefs/cooks, and lifestyle officers under the Aged Care Award the commonwealth promised to fund the outcome and did so by incorporating the increase into the NWAU price. The pricing advice provided last year for the FY24 NWAU factored in the 15% minimum wage increase, but many eligible workers were already paid more than the minimum wage so could not be treated as a full 15% increase to those worker's wage expenses. The advice recommended an NWAU price of \$243.10, which was an increase of 17.6%. The justification for this level of indexation was as follows:

- inflation and wage rises in 2022-23 (3.1%)
- the Fair Work Commission interim wage rise decision (10.7%)
- the superannuation guarantee increase (0.4%)
- underlying inflation from 2022-23 to 2023-24 (2.6%)

We also saw an additional NWAU increase in December 2023 of 4.4%. That secondary adjustment combined with the delay to this next indexation shows that government is taking an incremental approach to pricing. If we assume a similar approach for the new financial year, then the new price should incorporate the observed inflation along with the FWC decision. This could mean an initial indexation of 8% - 12%, with a possible secondary adjustment of up to 4%. (targeting 11-12 in total for the year). The lower the initial indexation, the more likely a second adjustment will occur.

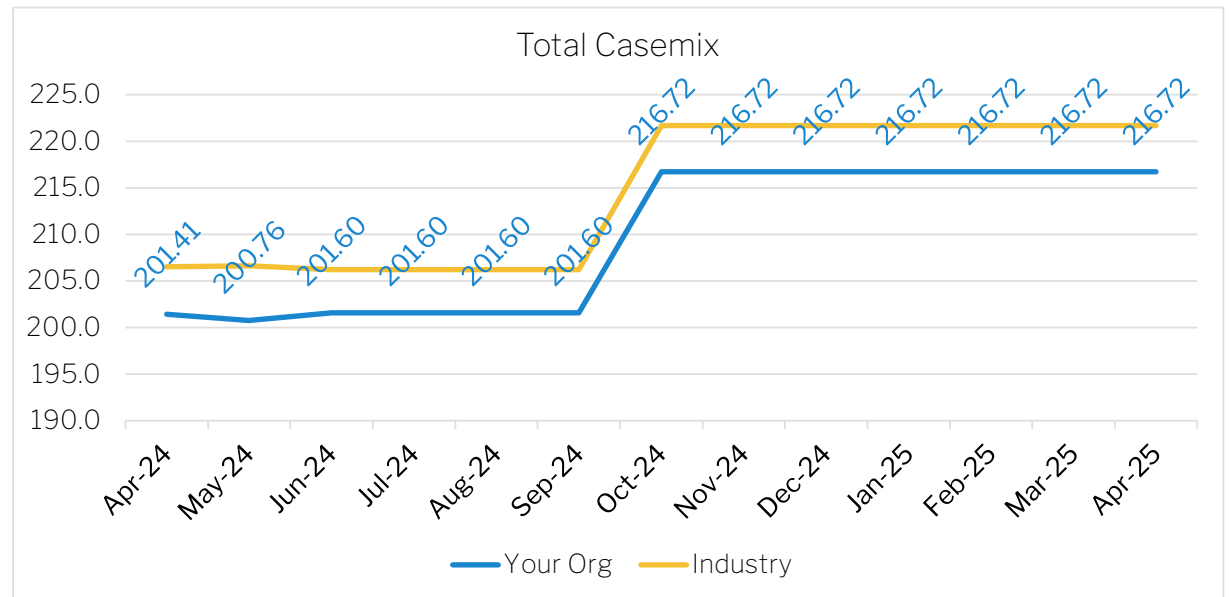
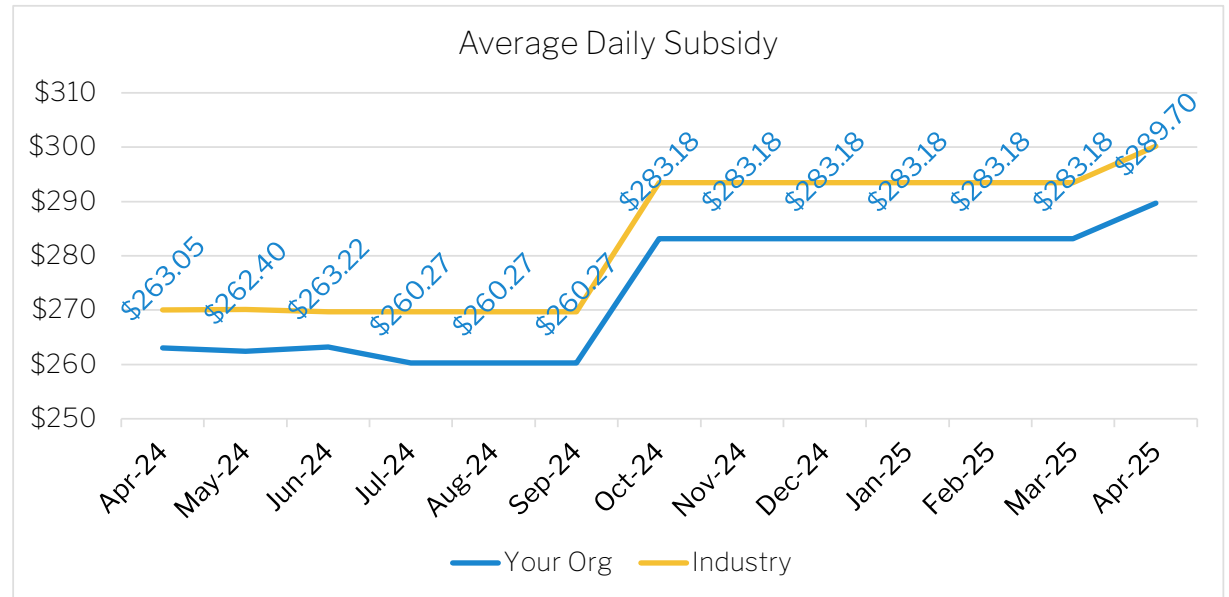


	FY23	FY24		FY25	
	Oct-22 to Jun-23	Jul-23 to Nov-23	Dec-23 to Sept-24	Oct-24 to Mar-25	Apr-25 to ---
NWAU Price	216.80	243.10	253.82	276.16	282.51
NWAU Indexation		12.13%	4.41%	8.80%	2.30%

ADS & Casemix



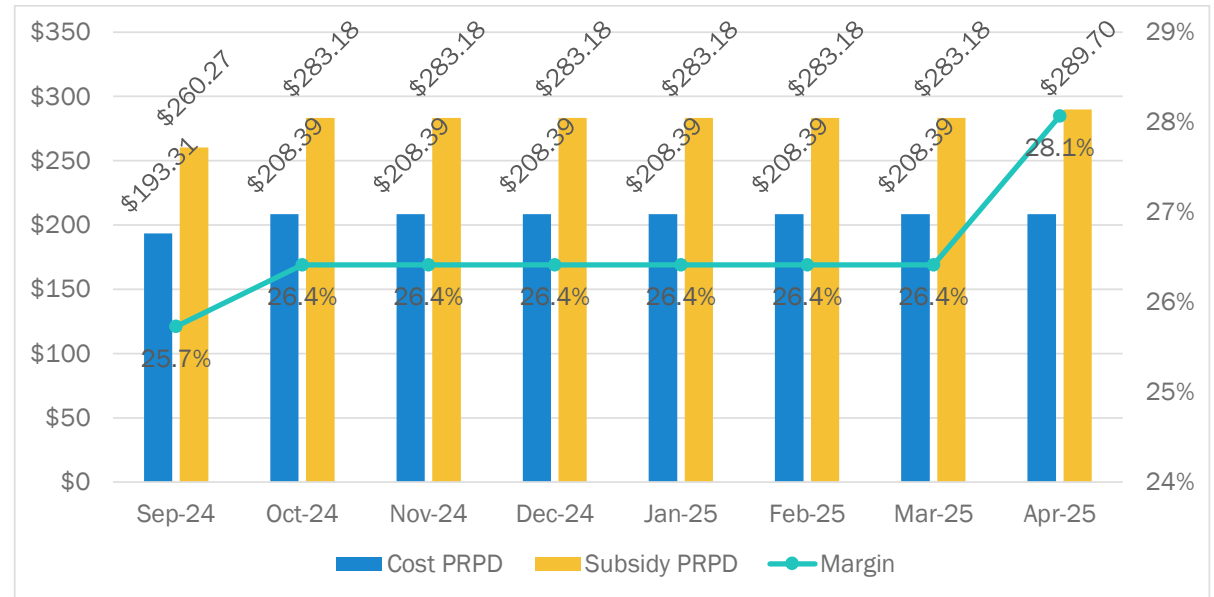
The anticipated pricing set for AN-ACC in the new financial year reflects a balanced approach considering inflation, wage rises, and other economic factors. Stakeholders should prepare for potential incremental adjustments to ensure compliance and adequate funding for workforce expenses. We will also see a significant recalibration of the care minute requirements for each AN-ACC class commencing October this year. So, when we compare the relative starting points from October 2023 to one year later, industry subsidy will have grown by 14% and average casemix will have grown by 9%. Industry average casemix will rise 7.5% as a result of the recalibration to a 215 minute target.



Roster Cost



Care minutes establish a minimum quantity of care. Residential aged care providers that do not have an adequate and appropriately skilled workforce are at risk of not meeting their requirement. The cost of meeting the care minute requirements leaves very little AN-ACC funding left over. Services must roster almost perfectly and manage AN-ACC perfectly to align to the roster just to not be in deficit. Any unforeseen event, like a large number of departures or significant increase in sick leave, can quickly send a service into deficit or non-compliance. Every service must determine the appropriate balance between Medicare claiming and rostering in order to remain compliant and sustainable. Cost assumptions can be modelled further in Mirus Metrics. Based on the cost assumptions used for AIN/RN, margin is the proportion of subsidy remaining after subtracting the cost of the minimally compliant roster.



Cost assumptions	Hourly Wage	Loading	Per Minute
RN	\$52	60%	\$1.39
AIN	\$32	60%	\$0.85

For this analysis we have used a single cost assumption for RN and AIN as an approximate industry standard based on award, which includes the 15% increase. 68% loading is a multiplier that considers typical agency usage and all additional employment on-costs over a financial year. Cost assumptions can be modeled further in Mirus Metrics and compared to subsidy and care minute requirements to determine sustainability.



Facility Scorecard

Facility	Current ADS	ADS From October	Current Casemix	Casemix From October	Current RN Casemix	RN Casemix From October	Change in Margin
Facility 1	\$260.50	\$285.08	199.04	213.96	39.13	43.13	1.10%
Facility 2	\$283.91	\$310.15	222.34	239.01	43.43	47.72	1.02%
Facility 3	\$255.22	\$279.98	193.59	208.11	38.84	42.86	1.25%
Facility 4	\$272.11	\$298.05	210.59	226.38	41.58	45.74	1.19%
Facility 5	\$253.67	\$277.74	192.00	206.40	38.97	43.00	1.11%
Facility 6	\$276.13	\$301.64	214.52	230.61	40.92	45.04	0.99%
Facility 7	\$261.89	\$286.07	200.47	215.50	39.89	43.96	0.97%
Facility 8	\$275.02	\$301.21	213.53	229.55	41.33	45.44	1.19%
Facility 9	\$238.47	\$262.37	176.88	190.15	37.53	41.45	1.42%
Facility 10	\$264.93	\$290.50	203.35	218.60	40.50	44.59	1.25%
Facility 11	\$270.53	\$295.34	208.96	224.64	39.33	43.39	0.93%
Facility 12	\$264.69	\$289.25	203.18	218.42	40.27	44.33	1.01%
Facility 13	\$273.36	\$297.93	211.79	227.68	42.32	46.53	0.83%
Facility 14	\$268.70	\$292.35	207.05	222.57	42.05	46.41	0.67%
Facility 15	\$263.23	\$287.68	201.40	216.50	39.00	43.11	0.98%
Facility 16	\$265.56	\$290.17	203.78	219.06	39.64	43.75	0.98%
Facility 17	\$231.41	\$255.19	169.69	182.42	36.30	40.10	1.56%
Facility 18	\$263.44	\$289.98	201.85	216.99	40.55	44.66	1.52%
Facility 19	\$297.34	\$323.51	235.85	253.54	44.37	48.70	0.74%
Facility 20	\$262.73	\$286.73	201.03	216.11	39.88	44.02	0.88%
Facility 21	\$263.90	\$289.00	202.22	217.38	40.52	44.65	1.15%
Facility 22	\$249.84	\$273.46	188.10	202.21	38.45	42.51	1.06%

ADS - Average Daily Subsidy, the average AN-ACC daily subsidy rate of all residents.

Casemix - The average AN-ACC assessed care minute requirement of all residents.

Margin - The proportion of subsidy remaining after offsetting the cost of care to meet the minimum care minute requirement.



Facility Scorecard

Facility	Current ADS	ADS From October	Current Casemix	Casemix From October	Current RN Casemix	RN Casemix From October	Change in Margin
Facility 23	\$249.08	\$274.54	187.31	201.36	38.48	42.42	1.58%
Facility 24	\$273.67	\$298.36	212.02	227.92	39.59	43.67	0.83%
Facility 25	\$284.48	\$309.52	222.87	239.58	42.04	46.30	0.70%
Facility 26	\$274.26	\$299.85	212.78	228.73	40.37	44.47	1.05%
Facility 27	\$261.01	\$286.57	199.42	214.37	38.67	42.64	1.33%
Facility 28	\$221.45	\$244.49	159.61	171.58	35.45	39.21	1.60%

ADS - Average Daily Subsidy, the average AN-ACC daily subsidy rate of all residents.

Casemix - The average AN-ACC assessed care minute requirement of all residents.

Margin - The proportion of subsidy remaining after offsetting the cost of care to meet the minimum care minute requirement.

Appendix



AN-ACC Class	Current		
	Total Care Minutes	RN Minutes	Subidy
Class 1	317	57	\$378.19
Class 2	110	30	\$172.60
Class 3	143	32	\$203.06
Class 4	115	28	\$177.67
Class 5	157	39	\$218.29
Class 6	152	34	\$213.21
Class 7	186	36	\$248.74
Class 8	200	38	\$261.43
Class 9	202	46	\$261.43
Class 10	282	56	\$345.20
Class 11	274	41	\$335.04
Class 12	269	42	\$329.97
Class 13	317	57	\$378.19
Class 101	120	31	\$201.53
Class 102	165	36	\$226.92
Class 103	273	48	\$343.67

AN-ACC Class	1-Oct-24		
	Total Care Minutes	RN Minutes	Subidy
Class 1	341	62	\$411.47
Class 2	118	33	\$187.79
Class 3	154	36	\$220.92
Class 4	124	31	\$193.31
Class 5	169	43	\$237.49
Class 6	163	38	\$231.97
Class 7	200	40	\$270.63
Class 8	215	42	\$284.44
Class 9	217	50	\$284.44
Class 10	303	62	\$375.57
Class 11	295	45	\$364.53
Class 12	289	46	\$359.00
Class 13	341	62	\$411.47
Class 101	129	34	\$219.27
Class 102	177	40	\$246.88
Class 103	293	53	\$373.92

Mirus Metrics

The only AN-ACC management system

Mirus Metrics is the only AN-ACC funding application software in the market that brings together aged care funding data, industry data and forecasting insights into one easy-to-navigate solution.

With [Mirus Metrics](#) you can:

- Manage and monitor assigned AN-ACC classes as well as pending reclassification requests.
- Assign AN-ACC forecasts to any resident and pre-admission prospect for data completeness.
- Upload key source evidence documents (AN-ACC Pack) and funding assessment notes to support the alignment of your forecasted class to the outcome determined by the Independent Assessment Process.
- Access key performance indicators to enable a measure of success.
- Build case mix performance scenarios ahead of planned rostering releases with both active and forecasted AN-ACC classes.
- Make your own AN-ACC assessment data through our Mirus AN-ACC application.
- Compare your facility KPIs, AN-ACC assessment input data, and AMO review trends with data from our industry segment.

170+ aged care organisations

90,000+ beds managed

\$8.2 bn of subsidies under management



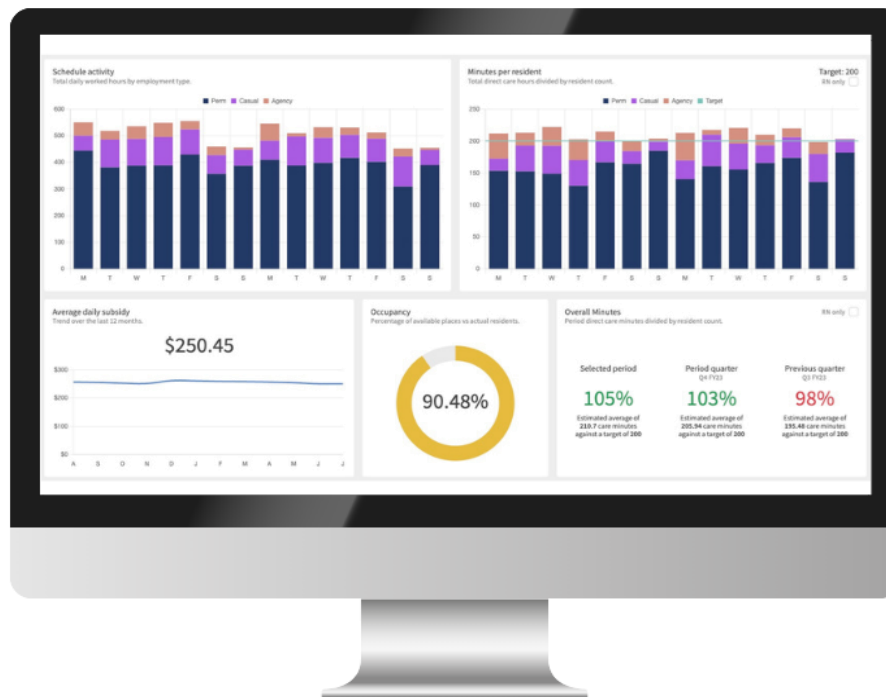
Care Minute Manager

Plan, track and report AN-ACC care minutes

Care Minute Manager is a unique platform designed to help you manage your care minutes. It connects with other rostering software and as your daily timesheet extract automatically updates the system, the dashboard will show you each day if targets are being met. If they're not, the easy-to-read graphs will help you to identify why.

With [Care Minute Manager](#) you can:

- Get a daily view of performance against your quarterly care minute target
- Standardise reporting to assist with your Quarterly Financial Reporting
- Gain access to user support, additional advice and strategies for care minute management, and more...



170+ healthcare providers & private hospitals.

29,000+ healthcare professionals on our rosters.



\$8.2 billion of subsidies under management.

90,000+ residents being managed.

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