



**Australian Government**

**Department of Health,  
Disability and Ageing**

**Deputy Secretary**

Ms Joanna Abhayaratna  
Executive Director  
Office of Impact Analysis  
Department of the Prime Minister and Cabinet  
1 National Circuit  
BARTON ACT 2600

Email: Helpdesk-OIA@pmc.gov.au

Dear Ms Abhayaratna

**Impact Analysis – Linking Care Funding to Care Minute Delivery in Residential  
Aged Care – Second Pass Final Assessment**

I am writing in relation to the attached Impact Analysis (IA) prepared for linking funding for care to the delivery of care minutes delivered in residential aged care.

I am satisfied that the IA addresses the concerns raised in Mr Mick Graham's letter of 1 August 2025. Specifically, I can confirm that the analysis includes:

- Further discussion on the barriers to achieving the policy objectives and the reasons why existing Government interventions are not overcoming these barriers.
- More detail on the distributional impacts of introducing policy options 2 (Linking care minutes funding to care minutes performance for non-specialised residential aged care homes located in metropolitan areas without additional assurance arrangements) and 3 (Linking care minutes funding to care minutes performance for non-specialised residential aged care homes located in metropolitan areas with additional assurance arrangements to manage the risk that providers may misreport their care minutes performance) including the rationale and impacts for only linking care funding to care minute delivery in approved residential aged care homes operating in metropolitan areas.
- More information on how stakeholders will be engaged when implementing and evaluating the proposed policy options.

The regulatory burden to business, community organisations or individuals is quantified using the Australian Government's *Regulatory Burden Measurement* framework for each policy option and is provided below.

### Regulatory burden estimate table

Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Option 2 Total, by sector	\$0	\$0	\$0	\$0
Option 3, Total, by sector	\$1.78	\$3.16	\$0	\$4.93

Accordingly, I am satisfied that the IA is consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Policy Impact Analysis*.

I submit the IA to the Office of Impact Analysis for formal final assessment.

Yours sincerely



Sonja Stewart  
Ageing & Aged Care

5 September 2025