

# Aged Care Funding Instrument; Quality Statement

## Identifying and definitional attributes

Metadata item type:	Quality Statement
Synonymous names:	ACFI
METEOR identifier:	547478
Registration status:	<ul style="list-style-type: none"><li>• <a href="#">AIHW Data Quality Statements</a>, Standard 10/09/2014</li></ul>

## Data quality

### Quality statement summary:

### Summary of key data quality issues

- The Aged Care Funding Instrument (ACFI) is used to determine Australian government subsidies for permanent aged care residents. It is primarily focused on collecting information that is relevant to the costs of care for individual residents.
- ACFI appraisals are not conducted on a regular basis and have a focus on components of the resident's care needs that affect the cost of care. Consequently, inclusion of medical diagnoses may be affected by their relevance to care needs and the number of available diagnosis fields. Elements of the appraisal (for example, the Cornell Scale for Depression may be affected by the appraiser's experience and skill with the tool).
- Health conditions listed in the ACFI are coded using the Aged Care Assessment Program code list. This code list is based on the ICD-10-AM classification and is comparable to the ABS 4-digit code used for the ABS Survey of Disability, Ageing and Carers.
- There have been two minor changes to the tool since it was introduced in March 2008.

### Description

Since March 2008, the level of the basic subsidy for approved permanent aged care residents has been based on each resident's care needs as assessed using the ACFI.

The ACFI data is a comprehensive collection of all ACFI appraisals for permanent aged care residents living in mainstream aged care facilities.

The ACFI records information on each resident's care needs for the following areas:

- up to 3 mental and behavioural health conditions
- up to 3 other health conditions
- activities of daily living (nutrition, mobility, personal hygiene, toileting and continence)
- cognition and behaviour (cognitive skills, wandering, verbal behaviours, physical behaviours and depression)
- complex health care (need for assistance with medication, need for assistance with 18 specific complex health care needs).

People accessing permanent residential aged care must be assessed for eligibility for services by an Aged Care Assessment Team and approved to receive care by a Delegate under the *Aged Care Act 1997*. This assessment (the client's Aged Care Assessment Record which is recorded in the ACAP MDS) is a common source of diagnosed health conditions recorded in the ACFI, along with other medical sources.

**Institutional environment:** The majority of Australian Government-subsidised aged care services in Australia operate within the legislative framework provided by the *Aged Care Act 1997*.

ACFI appraisal data are used to determine the nominal level of subsidy paid by the Australian government for each resident, although the actual subsidy level is reduced by the amount of any income-tested care fee paid by the resident.

ACFI appraisals are submitted to the Department of Human Services (DHS), which has responsibility for payments to aged care facilities. They are held as part of the Aged Care administrative payments system.

The Australian Institute of Health and Welfare (AIHW) is a major national agency set up by the Australian Government under the *Australian Institute of Health and Welfare Act 1987* to provide reliable, regular and relevant information and statistics on Australia's health and welfare. It is an independent statutory authority established in 1987, governed by a management Board, and accountable to the Australian Parliament through the Health and Ageing portfolio.

The AIHW aims to improve the health and wellbeing of Australians through better health and welfare information and statistics. It collects and reports information on a wide range of topics and issues, ranging from health and welfare expenditure, hospitals, disease and injury, and mental health, to ageing, homelessness, disability and child protection.

The AIHW also plays a role in developing and maintaining national metadata standards. This work contributes to improving the quality and consistency of national health and welfare statistics. The AIHW works closely with governments and non-government organisations to achieve greater adherence to these standards in administrative data collections to promote national consistency and comparability of data and reporting.

The *Australian Institute of Health and Welfare Act 1987*, in conjunction with compliance to the *Privacy Act 1988*, ensures that the data collections managed by the AIHW are kept securely and under the strictest conditions with respect to privacy and confidentiality.

For further information see the AIHW website <[www.aihw.gov.au](http://www.aihw.gov.au)>.

**Timeliness:**

ACFI data are submitted to DHS on an ongoing basis as residents are appraised. An ACFI appraisal must be completed within 2 months of a resident entering care. A resident is generally re-appraised on a needs basis rather than an annual basis, although a facility can conduct a voluntary re-appraisal 12 months after the last ACFI appraisal or later. The Residential Care Manual sets out the conditions under which additional ACFI appraisals are required or may be submitted.

An annual snapshot of the aged care data, including the ACFI data, is provided to the AIHW in September/October each year, allowing around 3 months for ACFI appraisals for the previous financial year to be received.

The annual snapshot includes data on all ACFI appraisals undertaken since it was introduced in March 2008. (Before this, the resident subsidies were determined by an annual Resident Care Scale appraisal. After 20 March 2008, residents due for their annual reappraisal were appraised using the ACFI. Consequently, not all aged care residents in 2008–09 will have been appraised using the ACFI; 20 March 2009 is the first date that there would be ACFI coverage for all residents.)

Information about the proportion of low and high care residents is published as part of the information on the provision of aged care services in the *Report on the operation of the Aged Care Act* (published in the latter half of the year) and the *Report on government services* (January of the next year). These data are also used in AIHW statistical reports (for example, *Residential aged care in Australia*).

**Accessibility:** AIHW reports which include information from the ACFI can be downloaded free of charge from the Institute's website <[www.aihw.gov.au](http://www.aihw.gov.au)>.

[Data cubes](#) for permanent residential aged care which are available on the AIHW website include data from the ACFI, including information on overall care level and care levels in the three care domains (activities of daily living, cognition and behaviour, and complex health care).

Information from this data source can also be sought through the [National Aged Care Data Clearinghouse](#). Requests that take substantially longer to compile than the average request may be charged for on a cost recovery basis.

**Interpretability:** Information on the ACFI is available on the Department of Health and Ageing's website <[www.health.gov.au/acfi](http://www.health.gov.au/acfi)> The ACFI user guide provides clear explanation of the information collected.

Information may be available/published either at the level of responses to sub-questions in the ACFI, at the level of a rating of A (lowest need) to D (highest need) for each question, at the level of care need in individual care domains (nil or minimal, low, medium, high), or at the level of overall care needs (low care or high care).

Health conditions are reported in two groups (*Mental and behavioural diagnosis* and other *Medical diagnosis*) of up to three conditions. While conditions are listed in order of importance of care needs within each group, it is not possible to determine which is the most important for the resident out of all conditions listed.

**Relevance:** The ACFI collects information on the care needs of all people living in permanent residential aged care. It is, however, a funding tool and focuses on those aspects of the resident's care needs related to the cost of care. In addition, the timing of reappraisals is related to funding imperatives and changes in the care needs of the resident relevant to the cost of care.

These data provide valuable information about the health and functioning of residents. In some areas, the data provide more accurate information than the ABS Survey of Disability, Ageing and Carers, the only ABS survey which collects information on people in residential aged care.

The ACFI data do not contain information about the sociodemographic characteristics of the residents. However, the ACFI is a subset of Australian Government aged care administrative data, which do include this information, including age, sex, indigenous status, preferred language, country of birth and location (state and remoteness). ACFI data are generally analysed in conjunction with such variables.

Health conditions in the ACFI are coded using the Aged Care Assessment Program code list. This code list is based on the ICD-10-AM classification and is comparable to the ABS 4-digit code used for the ABS Survey of Disability, Ageing and Carers.

**Accuracy:**

ACFI appraisals are conducted over a 2-month period, and backdated to the beginning of the period. However, appraisals do not generally expire except in specific circumstances (such as 6 months after extended hospital leave or a 'significant' change in resident care needs; see Residential Care Manual for the definition of a significant change). Voluntary reappraisals cannot generally be carried out less than 12 months after the previous appraisal and moderate changes within that period may not be reflected in the current appraisal.

At any one time, a small number of residents may not have had an ACFI appraisal. These are generally new residents for whom an appraisal cannot be submitted until 28 days after admission.

ACFI appraisals are generally carried out by aged care staff. These appraisals include the use of specific assessment tools such as the modified Cornell Scale for Depression in Dementia (CSDD) and the Psychogeriatric Assessment Scales–Cognitive Impairment Scale (PAS–CIS). In some instances, the appraiser may not be able to use the designated assessment tool, or may judge that it does not need to be used.

The CSDD was specifically designed and validated for administration by clinically trained staff rather than aged care workers. Staff knowledge about depression and skill in using the tool can influence the assessment. If staff judge that the resident is not depressed, they are not required to use the tool.

The PAS–CIS may not be used if the appraiser judges that the resident is not cognitively impaired or that the resident's condition makes it inappropriate. Reasons may include that the resident is too severely impaired, has sensory problems or cultural background issues make it inappropriate. Where this occurs, the provider will make a summary assessment for use in the ACFI and record that the tool was not used.

The Department of Social Services undertake paper-based spot checks of ACFI appraisals using evidence held in files. These review appraisals are also included in the ACFI data. Where an ACFI appraisal is rejected, all data are retained but the appraisal is flagged as rejected and the reason for its rejection is recorded. In some instances the appraisal is rejected for administrative reasons such as being submitted before or after an appraisal is allowed. In most analyses of ACFI data it is necessary to filter out rejected appraisals, but appraisals rejected for purely administrative reasons may be useful in research on individual resident's care needs over time.

The proportion of records with missing Indigenous status is low, and there have been initiatives to improve Indigenous identification in aged care data. However, it should be noted that the coverage of aged care service provision in remote areas is likely to be lower because aged care services in more remote areas are more likely to use a flexible model of care, and not be included in the mainstream care data collections: no information on care recipients is collected from flexible aged care services delivered through Multi-Purpose Services or the Aboriginal and Torres Strait Islander Aged Care Program. These services are generally located in more remote areas and likely to have higher proportions of Indigenous clients.

For around 90% of residents, their ACFI appraisal records the maximum three medical health conditions and so may not have the capacity to include other conditions of importance for the resident or for researchers seeking information on the prevalence of health conditions in residential aged care.

Health conditions included in the ACFI must be diagnosed, but only conditions relevant to the current care needs of the resident are included.

**Coherence:**

Changes to the ACFI occurred in January 2010 and July 2013:

- From 1 January 2010 there was a change in the definition of a high care resident. This resulted in a small number of funding categories (9/65) changing from overall high care to low care. There was no change to the protocol used to assess care needs in individual care domains based on question ratings.
- From 1 July 2013, there were minor changes to 4 of the 12 ACFI questions that had the capacity to affect a resident's rating in those questions. However, the protocol to use the ratings to determine the care-need level within each domain, and whether a resident was considered a low care or high care resident, did not change. Most changes related to the documentary evidence needed.

## Data products

**Implementation start date:** 20/03/2008

## Source and reference attributes

**Submitting organisation:** Australian Institute of Health and Welfare (AIHW)

## Relational attributes

**Related metadata references:**

Has been superseded by [Aged Care Funding Instrument: Quality Statement](#)

- [AIHW Data Quality Statements](#), Standard 18/01/2021

See also [AIHW National Aged Care Data Clearinghouse](#)

- [AIHW Data Quality Statements](#), Standard 10/09/2014

See also [AIHW National Aged Care Data Clearinghouse](#)

- [AIHW Data Quality Statements](#), Standard 18/01/2021