

Aged Care Funding Instrument; Quality Statement

Identifying and definitional attributes

Metadata item type:	Quality Statement
Synonymous names:	ACFI
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Data quality

Quality statement summary:

Summary of key 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 are primarily focused on components of the resident's care needs that affect the cost of care. Consequently, the capture of information on a person's care needs, including health conditions and need for assistance with activities of daily living, may be affected by their relevance to the cost of care and the number of available fields on the form. In addition, health conditions in the ACFI only include those with a diagnosis. This limits the comprehensiveness of data available on people's health conditions and need for assistance while living in permanent residential aged care.
- Some aspects of ACFI appraisal require skill and training to be used appropriately, and we don't know that this is always made available.
- Medical diagnosis in the ACFI appraisal are coded using a code list 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 some minor changes to the tool since it was introduced in March 2008. These may affect comparisons over time. The applicable ACFI user guides should be consulted for details.

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 Australian Government-subsidised 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 up until June 2015, and subsequently via the National Screening and Assessment Form (NSAF)) is a common source of diagnosed health conditions recorded in the ACFI, along with other medical sources.

Institutional environment: 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 corporate Commonwealth entity established in 1987, governed by a [management board](#), and accountable to the Australian Parliament through the Health 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 Institute 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 Institute 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.

One of the main functions of the AIHW is to work with the states and territories to improve the quality of administrative data and, where possible, to compile national datasets based on data from each jurisdiction, to analyse these datasets and disseminate information and statistics.

The [Australian Institute of Health and Welfare Act 1987](#), in conjunction with compliance to the [Privacy Act 1988](#), (Cth) 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.

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 Services Australia, which has responsibility for payments to aged care facilities. They are held as part of the Aged Care administrative payments system.

Timeliness: ACFI data are submitted to the Department of Health 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.

An annual snapshot of the aged care data (to 30 June), 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 Classification Scale (RCS) appraisal. RCS appraisals were grandfathered, and for 2008–09, a large number of people in permanent residential aged care had a current RCS appraisal and no ACFI appraisal—the first years of ACFI data should be interpreted with caution.

Accessibility: Reports which include information from the ACFI can be downloaded free of charge from GEN aged care website <https://www.gen-agedcaredata.gov.au/>.

[Data](#) for permanent residential aged care which are available on the GEN aged care 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).

The AIHW offers a [customised data request](#) service for access to statistics that are not available in published reports, tables, dynamic data displays or data cubes.

Interpretability:

Information on the ACFI is available on the Department of Health and Ageing's website <https://www.health.gov.au/>. 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.

The ACFI consists of 12 questions about a resident's assessed care needs, and two diagnostic sections. Needs are classified under the 3 funding domains of:

- activities of daily living (ADL)
- behaviour (BEH)
- complex health care (CHC).

The 4 levels of funding for each domain are:

- nil
- low
- medium
- high.

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 ACAP/NSAF 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. Consequently, appraisals may not accurately reflect a person's current care needs if there is no impact on the level of funding.

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. Some residents may leave care, for example due to death, before an ACFI appraisal can be conducted. Consequently, data are not complete.

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). These tools require skill and training, so 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. These data are not validated and may affect data quality and consistency.

All ACFI appraisals are potentially subject to review. Any 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. This impacts on the completeness and interpretation of the data as a measure of care needs.

Health conditions captured in ACFI appraisal records are limited to the 3 medical conditions and 3 mental or behavioural conditions. This may exclude 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:

Some changes to the ACFI have occurred over time:

- 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. (This distinction between 'high' and 'low' care was fully removed in 2014.)
- 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.
- From 1 January 2017, the scoring of certain items relating to the complex health care domain changed further.

Source and reference attributes

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

Relational attributes

Related metadata references:

Supersedes [Aged Care Funding Instrument: Quality Statement](#)

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

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

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