

Cost Recovery Implementation Statement

For provider registration, renewal of registration and provider-initiated variations to registration

1 November 2025 – 30 June 2026

Charging for regulatory activity involves government entities charging individuals or organisations in the non-government sector some or all of the minimum efficient costs of a specific government activity. If the same cost recovered activity is provided to both government and non-government stakeholders, charges should be set on the same basis for all stakeholders. The Cost Recovery Policy along with the Australian Government Charging Framework (Charging Framework) sets out the policy under which government entities design, implement and review charging for regulatory activities. The Cost Recovery Implementation Statement is the public document to ensure the transparency and accountability for the level of the charging and to demonstrate that the purpose for charging, as decided by Government, is being achieved.



Australian Government
Aged Care Quality and Safety Commission

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1. Introduction

1.1 Purpose

The Australian Government Cost Recovery Policy (CRP) sets out the framework under which government entities design, implement and review cost recovered activities. The CRP, together with the Australian Government Charging Framework (Charging Framework), set out the overarching policies under which government entities design, implement and review cost recovered activities. The Charging Framework requires government entities to document cost recovery arrangements, including the activities and services for which costs are being recovered, in a Cost Recovery Implementation Statement (CRIS).

This CRIS provides information on how the Aged Care Quality and Safety Commission (Commission) is implementing cost recovery charging for provider registration, renewal of registration and provider-initiated variations to registration. The CRIS also reports actual financial and non-financial performance information for provider registration, renewal of registration, and provider-initiated variation of registration, and contains financial and non-financial forecasts for 1 November 2025 to 30 June 2026 and 3 forward financial years.

The Commission will continue to update and maintain the CRIS annually until the activities have been discontinued or the CRIS is amended following review and further consultation.

1.2 Context for cost recovery

Cost recovery by the Commission aligns with the Government's overarching cost recovery policy that, where appropriate, non-government recipients of specific government activities should be charged some or all of the costs of those activities. The CRP also notes that if the same cost recovered activity is provided to both government and non-government stakeholders, charges should be set on the same basis for all stakeholders.

Prior to 1 November 2025, the Commission recovered costs for some of the activities it undertook under the *Aged Care Act 1997*, as documented in the Commission's [2024-25 CRIS for applications for aged care approved provider status](#) and the [2024-25 CRIS for accreditation services](#).

The *Aged Care Act 2024* (Aged Care Act), due to commence on 1 November 2025, establishes an entirely new framework for the regulation of Australian Government-funded aged care. A central feature of the new regulatory framework is the creation of a single-entry point into the market for



prospective aged care providers, making the market entry process simpler, more effective and easier to understand for new applicants.

Noting the significant change to the Commission's activities under the Aged Care Act, the implementation of new cost recovery arrangements is required in accordance with the Charging Framework. New cost recovery arrangements will be implemented in a 2-stage process (see [section 2.1](#) for more information). Stage 1 covers cost recovery arrangements for initial operations under the Aged Care Act (commencing on 1 November 2025) and focuses on regulatory activities that are broadly equivalent to those currently subject to cost recovery and for which the sector is already accustomed to paying fees. This includes applications for provider registration, renewal of registration and provider-initiated variations to registration, and any associated audits.

1.3 Description of the regulatory charging activities

The Aged Care Act requires prospective providers to apply to the Commission to become registered to deliver funded aged care services.

Registration

From the commencement of the Aged Care Act, aged care providers need to be registered in one or more of 6 registration categories that prescribe the service types they may deliver. Section 104(2)-(3) of the Aged Care Act requires that the applicant pay the required registration fee and provide all necessary information with their application. Section 104-5 of the Aged Care Rules 2025 (Aged Care Rules) prescribes the fees that apply to applications for registration and section 110-45 prescribes the registration audit fee.

Provider registration category	Description	Service types
Category 1	Home and community services	<ul style="list-style-type: none">• Domestic assistance• Home maintenance and repairs• Meals• Transport
Category 2	Assistive technology and home modifications	<ul style="list-style-type: none">• Equipment and products• Home adjustments
Category 3	Advisory and support services	<ul style="list-style-type: none">• Hoarding and squalor assistance



		<ul style="list-style-type: none">• Social support and community engagement
Category 4	Personal and care support in the home or community	<ul style="list-style-type: none">• Allied health and therapy• Personal care• Nutrition• Therapeutic services for independent living• Home or community general respite• Community cottage respite• Care management• Restorative care management
Category 5	Nursing and transition care	<ul style="list-style-type: none">• Nursing care• Assistance with transition care
Category 6	Residential care (including respite)	<ul style="list-style-type: none">• Residential accommodation• Residential everyday living• Residential clinical care• Residential non-clinical care

Entities seeking registration must apply to the Commission by submitting a registration application form. The form will require:

- the registration categories the entity is seeking to be registered in
- the service types they intend to deliver
- each service group through which the entity intends to deliver those service types
- any specialist aged care program the entity intends to deliver those service types under
- each residential care home (if any) that the entity is applying for approval of
- each approved residential care home (if any) of the entity
- each responsible person of the entity
- the legal and business structure of the entity, including the nature and extent of the relationship between the entity and any associated providers of the entity
- any other information prescribed by the Aged Care Rules.

A standard registration period will be 3 years, but different periods may be set by the Aged Care Quality and Safety Commissioner (Commissioner) where appropriate.



Renewal of registration

The Commission will invite providers to renew their registration up to 18 months before their registration expiry date. Once providers have received this invitation, they may apply to the Commission to renew. This application must be accompanied by the prescribed fee and provide all necessary information with their application (see sections 107(2)(b) and 107(2)-(3) of the Aged Care Act). Section 107-5 of the Aged Care Rules prescribes the fees that apply to applications for renewal of registration and section 110-47 prescribes the renewal of registration audit fees.

The renewal process will be risk-based and proportionate, and as such will be different for different kinds of providers, depending on the registration category and service types they deliver, their compliance history and other regulatory risk factors.

Variations to registration (provider-initiated)

To vary their registration, a registered provider must apply to the Commissioner for a variation under section 124 of the Aged Care Act. Variations include:

- registering the provider in, or removing them from, one or more registration categories
- imposing, varying or revoking a condition to which the provider's registration is subject
- approving a new residential care home and adding it to the provider's registration
- adding a new approved residential care home to the provider's registration
- removing an approved care home from the provider's registration.

Section 124(2)-(3) of the Aged Care Act requires that the applicant pay the required variation of registration fee and provide all necessary information with their application. A variation application must be accompanied by the prescribed fee, if any (see paragraph 124(2)(b) of the Aged Care Act). [Section 3.1](#) of this CRIS describes these processes in further detail. Section 124-5 of the Aged Care Rules prescribes the fees that apply to applications for variation to add provider registration categories and section 124-10 of the Aged Care Rules prescribes the fees that apply to application for variation to remove provider registration categories. Section 110-49 prescribes the variation of registration audit fee. Section 111-5 prescribes the application fee to add a residential care home.

Providers may also apply to vary the approval of an approved residential care home by varying the total number of beds covered by the approval.



1.4 Activities being cost recovered

In line with Stage 1 cost recovery, the regulatory activities in scope and subject to cost recovery from 1 November 2025 are:

- applications for provider registration
- applications for renewal of the registration of registered providers
- provider-initiated applications for variation of registration to:
 - in a new category
 - remove a registration category
 - add a new approved residential care home
- audit activities associated with registration, renewal or provider-initiated variation of registration.

This means that entities applying to register as a provider of funded aged care services will be charged a fee to recover the costs of the assessment of their application (including for residential care home approval) as well as to undertake a registration audit for those seeking registration in categories 4, 5 or 6. Additionally, further costs will be recovered from registered providers at the time of renewal of registration and when a provider seeks to vary their registration, with fees for the assessment of the application (applicable to all registration categories) and to undertake a renewal or variation audit (applicable to those seeking registration in categories 4, 5 or 6 only).

[Section 3](#) of the CRIS describes the types of applications and processes where fees will be charged. Charging in accordance with this CRIS will commence on 1 November 2025.

1.5 Appropriateness of cost recovery

Consistent with the Charging Framework, applicants for provider registration, renewal of registration and provider-initiated variations to registration will be charged fees as they create a need for specific regulatory activities to be undertaken in response to their intention to deliver aged care services through an aged care business. The new system of obligations, including the fees, is intended to be proportionate to the environment a provider operates in, the services they deliver and any risks of harm that may be present. In practice, this means the fees charged will be different depending on the registration category, or categories, an applicant is applying to be registered in or is renewing.

Charging for regulatory activity involves government entities charging individuals or organisations in the non-government sector some or all of the minimum efficient costs of a specific government activity. If the same cost recovered activity is provided to both government and non-government



stakeholders, charges should be set on the same basis for all stakeholders. As both government and non-government providers of aged care and services will need to apply for registration in one or more of the 6 registration categories, both government and non-government applicants will be required to pay the application fees described in this CRIS and, where an audit is required, the relevant audit fee or fees.

The charging arrangements described in this CRIS will not, however, be applicable to the Multi-Purpose Service Program (MPSP) and Transition Care Program (TCP). The MPSP and the TCP are specialist aged care programs that are co-funded by the Australian Government and state and territory governments and delivered by state and territory governments within a closed market. Charging for activities associated with these programs would represent an intra- or inter-government charge and, as such, these programs are exempt from charging in accordance with the Charging Framework and CRP. As a result, state and territory governments will not be charged fees for any registration, renewal, variation or audit charge point that solely relates to the provision of MPSP and TCP services.

The Commission will conduct an annual review of the charging model and fee levels before each new financial year begins. A post-implementation review in relation to the implementation of these charging arrangements will commence in the 2025–26 financial year. The outcome of the post-implementation review will be described in a subsequent CRIS.



2. Policy and statutory authority to charge (cost recover)

2.1 Government policy approval to charge for these regulatory activities

In the 2024-25 Budget, the Government agreed to a **2-stage** approach for cost recovery under the Aged Care Act and subsequently gave authority for consultation with the sector on this basis.

Stage 1 covers cost recovery arrangements for initial operations from the commencement of the Aged Care Act and focuses on regulatory activities that are broadly equivalent to those currently subject to cost recovery and for which the sector is already accustomed to paying fees. Translating current cost recovery arrangements to the regulatory activities required under the Aged Care Act means there are some changes to the fee structure.

Stage 2 covers cost recovery arrangements from 2 years post implementation of the Aged Care Act with further consultation on these arrangements to occur closer to this time.

Authority to commence sector consultation on cost recovery arrangements under the Aged Care Act was received through a decision by Australia Government.

In Budget 2025–26 the Australian Government authorised Stage 1 of the new charging and fee waiver arrangements for the Commission to commence concurrently with the start of the Aged Care Act on 1 November 2025. Authority was given for full cost recovery for applications to become a registered provider, renew or vary a provider registration and related audits, unless a fee waiver applies. Authority was also given to apply fee waivers to:

- registration applications and audits for providers entering thin markets
- registration applications and audits for Aboriginal Community Controlled Organisations (ACCO)
- renewal applications and audits to support the financial viability of very small providers and providers operating in thin markets.

The authority for these charging arrangements was contingent on the outcome of consultation, with further advice and guidance based on the feedback received during consultation provided to Government for a final decision on the Stage 1 charging arrangements.



2.2 Statutory authority to charge

Under the Aged Care Act, [sections 594-595](#) provide for the charging of fees for services provided by the Commissioner and Complaints Commissioner in performing their functions. Furthermore, [sections 104, 107 and 124](#) of the Aged Care Act provide that applications for registration, renewal and variation (respectively) must be accompanied by any fee prescribed by [Aged Care Rules](#).

The relevant fees are prescribed by [Aged Care Rules](#). Sections 104-5, 107-5, 111-5, 124-5 and 124-10 prescribe the fees for applications for provider registration, renewal of registration, approval of residential care homes, variations to add provider registration categories and remove provider registration categories (respectively). Sections 110-45, 110-47 and 110-49 prescribe the fees for registration audits, renewal audits and variation audits (respectively).



3. Cost recovery model

3.1 Outputs and business processes of the activities

The new 'universal' provider registration model under the Aged Care Act introduces a single registration for each provider across all aged care programs. The universal provider registration approach aims to improve transparency of which providers are operating in the sector and how they are working; requires only one set of consolidated obligations specific to each registered provider; reduces administrative burden; and improves regulatory oversight.

These activities also contribute to the Commission's 2025–26 Portfolio Budget Statement¹ outcome to 'uphold rights, and protect and enhance the safety, health, wellbeing and quality of life of older people in Australia receiving Commonwealth funded aged care services, including through effective engagement with older people, regulation and education of aged care providers and workers, and independent and accessible resolution of complaints about aged care services'.

The regulatory activities in scope and subject to cost recovery in this CRIS are:

- applications for the provider registration
- applications for renewal of the registration of registered providers
- provider-initiated applications for variation of registration to:
 - register in a new category
 - remove a registration category
 - add a new approved residential care home
- audit activities associated with registration, renewal or provider-initiated variation of registration.

The objective of these regulatory charging activities is to ensure the efficiency, productivity and responsiveness of the registration, renewal and variations processes, and the quality of applications submitted for decision.

3.1.1 Registration of a new provider

An entity seeking to deliver funded aged care services will need to apply for registration in one or more of the 6 registration categories. The registration process will include an examination of the applicant's suitability to provide funded aged care services in their intended service types, the suitability of their responsible persons, and their commitment, capability and capacity to deliver

¹ The Aged Care Quality and Safety Commission's Portfolio Budget Statement is available on the Department of Health, Disability and Ageing website (<https://www.health.gov.au/sites/default/files/2025-03/budget-2025-26-health-and-aged-care-portfolio-budget-statements.pdf>)



their intended service types in the registration categories in accordance with their obligations under the Aged Care Act. Even if an entity intends to deliver services across multiple registration categories, they will only need to undergo a single registration process. The registration process will start when a new entity applies to the Commission to be registered and ends when a decision is made to register an entity or to refuse registration. A component of the decision to register is the determination of the provider's registration period. The standard registration period for providers will be 3 years. The Commission may set a different registration period where appropriate, for instance by specifying a shorter registration period where deficiencies in a provider's service delivery have been identified during audit.

The complexity of the registration process will depend largely on the range of registration categories that an entity is seeking to register in. The key business processes the Commission will undertake on receipt of an application for registration are as follows:

- **Triage assessment:** An assessment of the application that determines whether it contains sufficient information to meet the requirements of section 104(3) of the Aged Care Act.
- **General assessment:** An assessment of the application that determines whether the delegate can be satisfied of the general requirements that apply for all registration applications in section 109(1) of the Aged Care Act.
- **Category-specific assessment:** A more detailed assessment may be required that examines whether the delegate can be satisfied of the specific requirements that apply differently depending on the registration category in section 109(2) of the Aged Care Act. These requirements are:
 - **Categories 1–3:** That the entity intends to deliver the service types applied for in the 3-year period after the application is made, and that they have the commitment, capability and capacity (including through the systems they have or propose to have) to deliver those service types in accordance with their obligations.
 - **Categories 4–5:** In addition to the above, that an audit has found that the entity will be able to conform to the strengthened Aged Care Quality Standards (Quality Standards) as they apply to the relevant registration categories.
 - **Category 6:** In addition to both of the above, that the entity has an approved residential care home or has made an application to have a residential care home approved, and that these residential care homes meet the requirements for approval.
- **Decision-making:** Once the assessment(s) above have been completed, the delegate must either make a decision on the basis of the evidence in front of them or seek further information from the applicant to reach a decision. A decision may be made at the conclusion of each stage of the assessment process. The evidence the delegate will require to make their decision will vary depending on the registration categories applied for, noting that as a general rule there is more risk associated with an incorrect decision in higher



categories. For applicants applying to register in categories 4–6, the delegate will also need to consider the findings of the audit report. Following consideration of the factors listed above, if the delegate intends to refuse the application they are required to liaise with the applicant and provide them with an opportunity to respond. The delegate must then consider any information, documentation or other response provided by the applicant before making a final decision.

- **Administration and supporting activities:** There are a range of administrative and supporting activities required before a decision can be made in relation to an application, including (but not limited to):
 - every application must be recorded in the Commission’s case management system, with all records (for example, information, statements of reasons, other supporting documentation) being generated and stored
 - public-facing registers such as the Provider Register, Government Provider Management System and My Aged Care may require updates to ensure alignment between government records and publicly available information
 - for applicants applying for registration in Category 6 and approval of a residential care home, a decision will need to be made regarding whether the home meets the legislative requirements for approval prior to the registration decision being made, due to the operation of section 104(2)(c) of the Aged Care Act.
- **Audit:** For applicants applying to register in categories 4–6, the delegate will also need to liaise with the applicant to organise a timeframe for the audit to take place, that aligns with the Commission’s National Audit Program. The audit must be undertaken, and a report finalised (including the relevant procedural fairness steps), before the final decision on registration can be made. The audit process for the registration is likely to focus primarily on gathering evidence of the applicant’s systems and processes to inform an assessment of whether they will enable the applicant to conform to the relevant Quality Standards.
- For Category 6 applicants, it is possible that this will involve the Commission attending any residential aged care homes of the applicant.
- Residential care home approval: An assessment of the application that determines whether the delegate can be satisfied of the residential care home requirements in section 113 of the Aged Care Act that apply for each residential care home specified on the application.

3.1.2 Renewal of existing registered providers

Registration will be time limited, with providers’ suitability, commitment, capability and capacity being regularly reassessed. The key business processes the Commission will undertake to facilitate a renewal application include those listed above for registration, in addition to the following:

- **Decision-making:** In addition to the considerations described for registration above, the delegate must also consider the registered provider’s conduct (including complaints, non-compliance and any other regulatory intelligence) during the previous registration period.



For larger providers, this is likely to be a significant amount of information for the delegate to consider and is therefore likely to require greater time and effort than might have been the case during an entity's initial registration. Following consideration of the factors listed above, if the delegate intends to refuse the application they are required to liaise with the applicant and provide them with an opportunity to respond. The delegate must then consider any information, documentation or other response provided by the applicant before making a final decision.

- **Administration and supporting processes:** In addition to those listed above for registration, the Commission must invite a registered provider to renew their registration within 18 months of their registration expiry date. These invitations will advise providers of the requirements for the submission of their application, including relevant timeframes. Applicable timeframes will vary by provider based on a range of factors, including:
 - the service types being delivered by the provider
 - the size of the provider (in terms of number of residential aged care homes and geographic footprint)
 - whether an audit against the Quality Standards is required.
- **Audit:** Providers intending to apply for renewal are likely to be delivering funded aged care services to people, as opposed to at initial registration where a provider would not yet be delivering these services. As such, renewal audits, required for providers registered in categories 4, 5 or 6, will draw on a broader evidence base and will likely involve a greater degree of onsite assessment of the quality and safety of care being delivered. For providers registered in Category 6, each approved residential care home through which the provider is delivering services will be audited against all of the Quality Standards to determine both their current conformance and their ability to continue to conform if their registration is renewed. The audits must be undertaken and reports finalised (including the relevant procedural fairness steps) before the final decision on renewal can be made.

3.1.3 Variations to registration

Providers may apply to vary their registration in the following ways:

- register in a new registration category
- remove a provider registration category
- vary or revoke a 'Commissioner-imposed' condition on their registration
- impose a new condition on their registration
- add a new approved residential care home to their registration
- remove an approved residential care home from their registration (including transfer of homes from one provider to another).

Providers may also apply to vary the approval of an approved residential care home in relation to varying the total number of beds covered by the approval.



The types of variations subject to cost recovery are variations to registration to:

- register in a new registration category
- remove a provider registration category
- approve a new residential care home and add it to the registration.

To vary a registration, the Commissioner must be satisfied that it is appropriate in all the circumstances to do so. In addition, where a provider is seeking to expand their registration in a new registration category, the Commissioner must be satisfied that they meet the relevant registration requirement(s) for that category. Where a provider is seeking to add or remove a residential care home, the Commissioner must have regard to whether the provider has taken sufficient steps to ensure continuity of care for people receiving services through that home.

The key business processes the Commission will undertake when considering a variation application may include:

- **Triage assessment:** An assessment of the variation application to determine whether it contains sufficient information to meet the legislative requirements of section 124(2) of the Aged Care Act.
- **Assessment:**
 - Variations to registration categories:
 - where a provider is seeking to be registered in an additional registration category, the delegate will be required to conduct a new assessment against the category-specific requirements for that category under section 109(2) of the Aged Care Act
 - for providers seeking to remove a registration category, the Commission will need to assess and decide whether the provider has put sufficient measures in place to ensure continuity of care for any people currently receiving services under the categories that the provider is seeking to have removed
 - where a provider is seeking registration in Category 6, this may also mean approving a new residential care home as is the case for registration applications.
 - Variations to add a residential care home:
 - for providers seeking to add or remove a residential care home, the delegate must consider any potential impacts on continuity of care as a result of changes to the status of the home
 - in addition, the delegate must be satisfied that the variation is appropriate, in light of factors such as the provider's financial viability and sustainability, governance systems and structures, and compliance history, before making a decision.
- **Audit:** Where a provider is seeking registration in categories 4–6, this may require an audit against one or more of the Quality Standards, as for registration above.



- **Residential care home approval:** An assessment of the application that determines whether the delegate can be satisfied of the residential care home requirements in section 113 of the Aged Care Act that apply for each residential care home specified on the application.
- **Decision-making:** Following consideration of the factors listed above, if the delegate intends to refuse the application they are required to liaise with the applicant and provide them with an opportunity to respond. The delegate must then consider any information, documentation or other response provided by the applicant before making a final decision. If the delegate decides under section 124(1) of the Aged Care Act to vary the registration of a registered provider, the provider will be issued with a notice of the decision.
- **Administration and supporting processes:** For all successful variation applications, the Commission's internal business systems and Provider Register will need to be updated. Further, public-facing registers such as the Provider Register, Government Provider Management System and My Aged Care may require updates to ensure alignment between government records and publicly available information.

3.2 Costs of these regulatory activities

An activity-based costing method, for the allocation of all direct and indirect costs for each regulatory activity subject to cost recovery, has been used to determine the efficient costs of the regulatory activities described in this CRIS.

Direct and indirect costs have been estimated based on the average time required to assess one application and complete one audit. Direct costs are those costs that can be directly attributed to the regulatory charging activity, such as the staffing costs for the completion of audits or assessment of applications. Indirect costs are those costs which are difficult to link to individual regulatory activities, such as corporate overhead costs.

3.2.1 Direct costs

Main cost drivers

The most significant cost driver for the cost recovered activities is the staffing required to undertake the end-to-end process of provider registration, renewal and provider-initiated variations to registration.

For audits, travel costs (such as air fares, car hire and accommodation costs) for the period staff are required to be onsite conducting audits is another significant cost driver, however, these costs are not proposed for cost recovery at this time and are not included in the fees detailed in this CRIS. Travel costs per audit vary based on the remoteness of the location or locations of service delivery



and the size (based on the number of people accessing funded aged care services at each location). Currently, more robust data collection for audit related travel costs is needed to determine whether charging for travel costs could be equitable in accordance with the Charging Framework.

Cost driver assumptions

The direct staffing costs are based on the efficient standard time taken to complete each stage of the registration, renewal or variation (the effort) process multiplied by the average direct cost of the staff who complete each activity and the number of staff required to complete each stage. Staff from Australian Public Service (APS) Level 4 to Executive Level 2 or equivalent are involved in the process, with the bulk of the work completed by APS 6 staff and decision-making activities completed by Executive Level staff.

3.2.2 Indirect costs

Main cost drivers

Indirect costs, such as corporate overheads, utilities, ICT systems and capital costs, have been attributed to the costings for each regulatory activity.

Cost driver assumptions

All indirect costs have been disaggregated and allocated across each cost recovered activity to provide the full cost of each activity, on the basis of full-time staff equivalents involved in the activity.

3.3 Design of the regulatory charge

The Australian Government's policy decision, through Budget 2025-26, requires the Commission to cost recover the full, recoverable costs of the regulatory activities required for provider registration, renewal and provider-initiated variations to registration, unless a fee waiver applies. Annual indexation will be applied to fees each financial year. The fees reflect the efficient cost of the service provided by the Commission and do not incur GST.

Charging will commence on 1 November 2025, concurrent with the commencement of the Aged Care Act and the Aged Care Rules.

For registration and renewal, the fees have been calculated for both provider-level activities and category-specific activities, with activities for categories 4-6 requiring more effort due to the higher level of risk associated with the delivery of these service types. For variation applications, the type of variation applied, adding or removing a category, will be the primary point of differentiation. The



difference in fees across the registration categories 1-6 is reflective of the different effort (time taken and level of APS staff) required to complete the activity. Additionally, audits will only be undertaken for categories 4-6, therefore audit fees only apply for applications to register, renew or vary (add) one or more of these categories.

3.3.1 Fees

Registration

Registration applications		
Charge point	Fee	Frequency
Entity level assessment	\$3,270	Once per application
Review of category-specific requirements (categories 1-3)	\$1,270	Once per category applied for
Review of category-specific requirements (categories 4-5)	\$3,800	Once per category applied for
Review of category-specific requirements (Category 6)	\$5,070	Once per category applied for
Residential care home approval	\$3,800	Once per residential care home

Registration audits		
Charge point	Fee	Frequency
Registration audit (categories 4-6)	\$14,870	Once per application

Renewal of registration

Renewal applications		
Charge point	Fee	Frequency
Entity level assessment	\$295	Once per application
Review of category-specific requirements (categories 1-3)	\$770	Once per category applied for
Review of category specific requirements (categories 4-5)	\$4,040	Once per category applied for
Review of category-specific requirements (Category 6)	\$5,380	Once per category applied for
Residential care home approval	\$3,800	Once per new residential care home



Renewal audits		
Charge point	Fee	Frequency
Provider-level evidence gathering (categories 4-6)	\$7,890	Once per application
Audit – categories 4-5 (low complexity)	\$9,800	Once per application
Audit – categories 4-5 (moderate complexity)	\$15,550	Once per application
Audit – categories 4-5 (complex)	\$17,950	Once per application
Audit – Category 6 residential care home (1-150 beds)	\$16,340	Once per residential care home
Audit – Category 6 residential care home (151 – 250 beds)	\$17,510	Once per residential care home
Audit – Category 6 residential care home (251+ beds)	\$18,670	Once per residential care home

Provider-initiated variations

Variation applications		
Charge point	Fee	Frequency
Remove category (categories 1-3 OR categories 4-6 with zero people accessing funded aged care services)	\$545	Once per application
Remove category (categories 4-6 with people accessing funded aged care services)	\$4,800	Once per category applied for
Add category (categories 1-3)	\$1,270	Once per category applied for
Add category (categories 4-5)	\$3,800	Once per category applied for
Add category (Category 6)	\$5,070	Once per category applied for
Residential care home approval	\$3,800	Once per new residential care home

Variation audit		
Charge point	Fee	Frequency



Variation audit		
Variation audit (add categories 4-6)	\$18,530	Once per application

3.3.2 Fee waivers

Provider registration

The intent of provider registration fee waivers is to encourage providers to enter and operate in thin markets. Provider registration fee waiver arrangements remain broadly consistent with the previous market entry (applications for aged care approved provider status) fee waivers. In addition, to support increasing First Nations provider representation in the aged care sector, waiver arrangements have been expanded to include all ACCOs entering the market.

Applicants will be required to submit documentary evidence to substantiate their claim for the fee waiver based on this eligibility criteria. The Commission will not yet hold any data related to these providers at the time of application, except for the information provided on the application for registration, so the provision of documentary evidence is necessary.

Registration application and registration audit		
Charge point	Fee waiver eligibility criteria	Fee after fee waiver has been applied
Entity level assessment	Full (100%) fee waiver: <ul style="list-style-type: none">Applicants intending to deliver at least 85% of care and services to people accessing funded aged care services located in Modified Monash Model (MMM) areas 6-7 ORAboriginal Community Controlled Organisations	\$0
Review of category-specific requirements (categories 1-3)		\$0
Review of category-specific requirements (categories 4-5)		\$0
Review of category-specific requirements (Category 6)		\$0
Registration audit (categories 4-6)		\$0
Residential care home approval		\$0



Renewal of registration

The intent of renewal of registration fee waivers is to support providers that are likely facing financial viability issues to remain in the market.

Under the charging arrangements that apply until 31 October 2025, fee waivers are available for reaccreditation site audit fees. When charging commenced for this activity, fee waivers were available for services (residential care homes under the Aged Care Act) receiving the viability supplement to lessen the impact of cost recovery fees on providers who were likely experiencing viability risk and to support these providers to remain in the market. When the viability supplement ceased, following the introduction of the Australian National Aged Care Classification, new fee waiver eligibility criteria were drafted to identify the residential care homes that would previously have received the viability supplement. These criteria used the size of the service based on the number of places, remoteness based on Modified Monash Model (MMM) regions, and specialised homeless and Aboriginal and Torres Strait Islander status as proxies for identifying potential viability risk. Remoteness is also an indicator of thin markets.

Reaccreditation site audits are substantially similar activities to Category 6 renewal audits under the Aged Care Act, and fee waivers for reaccreditation site audits will be grandfathered for Stage 1. Any residential care home that received a fee waiver for their last reaccreditation site audit will receive the same fee waiver, full or 50%, for the Category 6 renewal audit for the same residential care home. The fee waiver criteria will also be extended to residential care homes that have not previously had a reaccreditation audit. For these services, occupied bed days will be used as a substitute for the number of residential aged care places, as the concept of number of residential aged care 'places' will have ceased, to allow temporary ongoing use of the existing waiver arrangements.

It is not possible to extend the previous reaccreditation fee waiver criteria to all renewal activities under the Aged Care Act, as the eligibility criteria were constructed specifically for residential aged care services. Renewal activities will extend to providers across registration categories 1-6, therefore new eligibility criteria have been developed for the application fees, provider-level evidence gathering fees and category 4 and 5 audit fees.

Fee waiver eligibility criteria for renewal applications and audits (provider-level evidence gathering and category 4 and 5 audits) have been constructed using the same proxies for potential viability risk as the grandfathered Category 6 audit fee waiver eligibility criteria: remoteness of the location of service delivery and the size of the provider. These are the most reliable and already accepted indicators of viability currently available to the Commission. For efficiency, the criteria have also



been constructed based on Commission data, which eliminates the need for providers to submit documentary evidence to substantiate their eligibility. For the remoteness criteria, this has been limited to 100% of care and services delivered in the specified MMM category, as this is likely to be the most stable percentage point. For provider size, this has been constructed based on the size in comparison to the rest of the sector, rather than a specified count of people accessing funded aged care services, because it is acknowledged that the number of people accessing funded aged care services within categories 1-5 may fluctuate.

Renewal application and renewal audit (provider level and category 4-5 audits)		
Charge point	Fee waiver eligibility criteria	Fee after fee waiver has been applied
Entity level assessment	Full (100%) fee waiver if either criteria met: <ul style="list-style-type: none"> Applicants delivering 100% of care and services in Modified Monash Model 5-7, OR Smallest 10% of the sector based on number of people accessing funded aged care services (at provider level) 	\$0
Review of category-specific requirements (categories 1-3)		\$0
Review of category-specific requirements (categories 4-5)		\$0
Review of category-specific requirements (Category 6)		\$0
Residential care home approval		\$0
Provider-level evidence gathering (categories 4-6)		\$0
Categories 4-5 (low complexity)		\$0
Categories 4-5 (moderate complexity)		\$0
Categories 4-5 (complex)		\$0



Renewal audit – category 6		
Charge point	Fee waiver eligibility criteria	Fee after fee waiver has been applied
Audit – Category 6 (1-150 beds)	Grandfathering arrangement: Any residential care home that received a fee waiver for their last reaccreditation site audit will receive the same fee waiver, full or 50%, for the Category 6 renewal audit for the same residential care home.	Full waiver: \$0
Audit – Category 6 (151 – 250 beds)		Fee reduction (50% waiver): \$8,170
Audit – Category 6 (251+ beds)	The fee waiver criteria will also be extended to residential care homes that have not previously had a reaccreditation audit, using occupied bed days as a substitute for number of places. Full fee waiver: <ul style="list-style-type: none"> Modified Monash Model (MMM) categories 4-7 and fewer than 25 places; OR Fewer than 25 places and specialised homeless or Aboriginal and Torres Strait Islander Status 50% of the applicable fee waived: <ul style="list-style-type: none"> MMM categories 4 and 25-29 places; OR MMM categories 5 and 25-39 places; OR MMM categories 6-7 and more than 24 places; OR More than 24 places and specialised homeless or Aboriginal and Torres Strait Islander Status; Fewer than 25 places 	Full: \$0
		Fee reduction (50% waiver): \$9,340

Variation of Registration

The market entry fee waiver criteria have been extended to provider-initiated variations, including the expansion to include any ACCOs who apply. Although the forecast volumes of provider-initiated variations are low, over 50% of the forecast total provider-initiated variations are expected to be variations to register in additional categories therefore the variation fee waiver has been aligned with the market entry fee waiver.



Variation Application AND Variation audit		
Charge point	Fee waiver eligibility criteria	Fee after fee waiver has been applied
Remove category (categories 1-3 OR categories 4-6 with zero people accessing funded aged care services)	Full (100%) fee waiver: <ul style="list-style-type: none"> Applicants intending to deliver at least 85% of care and services to people accessing funded aged care services located in Modified Monash Model areas 6-7 OR Aboriginal Community Controlled Organisations 	\$0
Remove category (categories 4-6 with people accessing funded aged care services)		\$0
Add category (categories 1-3)		\$0
Add category (categories 4-5)		\$0
Add category (Category 6)		\$0
Residential care home approval		\$0
Variation audit (add categories 4-6)		\$0

3.4 Cost recovery revenue

Output title	Type	Total recoverable unit cost (\$)	Charge rate (\$)	Estimated volume	Estimated total cost (\$)	Estimated total revenue (\$)
Registration application						
Entity level assessment	Fee	\$3,272	\$3,270	273	\$1,053,320	\$892,710
Review of category-specific requirements (categories 1-3)	Fee	\$1,266	\$1,270	285	\$425,659	\$361,950
Review of category-specific requirements (categories 4-5)	Fee	\$3,799	\$3,800	347	\$1,554,777	\$1,318,600



Output title	Type	Total recoverable unit cost (\$)	Charge rate (\$)	Estimated volume	Estimated total cost (\$)	Estimated total revenue (\$)
Review of category-specific requirements (Category 6)	Fee	\$5,066	\$5,070	20	\$119,483	\$101,400
Subtotal				925	\$3,153,239	\$2,674,660
Registration audit						
Registration audit (categories 4-6)	Fee	\$14,870	\$14,870	273	\$4,880,008	\$4,059,510
Subtotal				273	\$4,880,008	\$4,059,510
Renewal application						
Entity level assessment	Fee	\$296	\$295	529	\$184,353	\$156,055
Review of category-specific requirements (categories 1-3)	Fee	\$772	\$770	486	\$442,322	\$374,220
Review of category-specific requirements (categories 4-5)	Fee	\$4,040	\$4,040	454	\$2,162,980	\$1,834,160
Review of category-specific requirements (Category 6)	Fee	\$5,383	\$5,380	197	\$1,250,468	\$1,059,860
Subtotal				1,666	\$4,040,122	\$3,424,295
Renewal audit						
Provider-level evidence gathering (categories 4-6)	Fee	\$7,887	\$7,890	443	\$4,195,369	\$3,495,270
Categories 4-5 (low complexity)	Fee	\$9,796	\$9,800	36	\$430,565	\$352,800



Output title	Type	Total recoverable unit cost (\$)	Charge rate (\$)	Estimated volume	Estimated total cost (\$)	Estimated total revenue (\$)
Categories 4-5 (moderate complexity)	Fee	\$15,551	\$15,550	100	\$1,858,927	\$1,555,000
Categories 4-5 (complex)	Fee	\$17,953	\$17,950	190	\$4,084,177	\$3,410,500
Category 6 (1-150 beds)	Fee	\$16,340	\$16,340	684	\$14,115,177	\$11,176,560
Category 6 (151 - 250 beds)	Fee	\$17,506	\$17,510	24	\$533,479	\$420,240
Renewal audit - Category 6 (250+ beds)	Fee	\$18,671	\$18,670	1	\$23,013	\$18,670
Subtotal				1,478	\$25,240,708	\$20,429,040
Variation applications						
Variation to add categories - categories 1-3	Fee	\$1,266	\$1,270	8	\$11,948	\$10,160
Variation to add categories - categories 4-5	Fee	\$3,799	\$3,800	21	\$94,093	\$79,800
Variation to add categories - Category 6	Fee	\$5,066	\$5,070	0	\$0.00	\$0.00
Variation to remove categories - categories 1-3 or categories 4-6 with zero people accessing funded aged care services	Fee	\$545	\$545	234	\$150,474	\$127,530



Output title	Type	Total recoverable unit cost (\$)	Charge rate (\$)	Estimated volume	Estimated total cost (\$)	Estimated total revenue (\$)
Variation to remove categories - categories 4-6 with people accessing funded aged care services	Fee	\$4,802	\$4,800	26	\$147,238	\$124,800
Subtotal				289	\$403,754	\$342,290
Variation audit						
Variation audit (add categories 4-6)	Fee	\$18,527	\$18,530	3	\$66,407	\$55,590
Subtotal				3	\$66,407	\$55,590
Residential care home approvals						
Residential care home approval	Fee	\$3,799	\$3,800	20	\$89,612	\$76,000
Subtotal				20	\$89,612	\$76,000
Total					\$37,873,851*	\$31,061,385

* The total 'Estimated total cost (\$)' detailed in this table excludes costs associated with business processes required for charging activities, but for which the Commission is not charging (such as triage assessment and the additional effort related to refusal of registration, renewal and variation). These total expenses will, therefore, not align with the total 'Total Expenses' detailed in the table at section 6.1 Financial estimates, which include these costs.

Note: Figures (excluding the 'Charge rate') are rounded to the nearest dollar. As such, some totals may not sum due to rounding. Charging rounding rules apply to the 'Charge rate', where figures below \$1,000 are rounded to the nearest \$5, and figures equal to or greater than \$1,000 are rounded to the nearest \$10.



4. Risk assessment

A key element of planning, designing and managing cost recovered activities is to identify and engage with risk at each stage of the cost recovery process. The purpose of the risk assessment is to identify areas of implementation risk and inform the risk engagement strategy adopted to manage the identified risks.

A Charging Risk Assessment – New Charging Activity was conducted in July 2025 in accordance with the CRP requirements. The overall risk rating is medium, based on the individual risk rating for each of the 9 implementation risks identified for the activities subject to cost recovery outlined within this CRIS.

The only implementation risk with a high risk rating is the expected annual revenue for the charging arrangement. The forecast revenue for the period of this CRIS is \$31,061,385 and revenue over \$10,000,000 is considered high risk. The reason the revenue is in the high risk range is due to the forecast volume of activities in this period. Both the forecast revenue and volumes are included in [section 3.4 Cost recovery revenue](#). The figures in the financial estimates table at [section 6.1](#) also indicate alignment between expenses and revenue for the period of this CRIS.

The legislative requirements necessary for imposition of regulatory charges is a low implementation risk because the Aged Care Act has included legislative authority for the Commissioner to charge fees, with specific references to the requirement to pay fees for provider registration, renewal and variation of registration. The fees and fee waiver eligibility criteria have been provided for inclusion in the Aged Care Rules.

The regulatory activities subject to cost recovery commence on 1 November 2025, therefore there is a risk that the cost estimates are inaccurate. However, the information used to determine the charge amounts is well developed and the charging model includes all required elements. The implementation risk related to the charge amounts has been managed by comprehensive resource modelling and cost modelling, with the fees representing the minimum efficient costs. Processes and cost estimates will be reviewed and adjusted through the post-implementation review, if required. Since the only type of charge is fees (rather than fees, levies and other charges), this is also a low implementation risk. The Commission will also continue to manage cost estimate risks into the future by reviewing the costs of the regulatory activities it undertakes with adjustments to fees, as required, to ensure the fees continue to represent the minimum efficient costs of providing these services.



The individual risk ratings for both the impact on payers and the impact on the sector are medium because the impacts are only partially known at this time with charging commencing at the same time as the commencement of the Aged Care Act. Although the fees may be perceived to be a financial hurdle to entering the industry or remaining in the industry, the intent of the fees is to ensure only applicants that are invested in providing aged care enter and remain in the market. Fee waivers are available to encourage applicants to enter thin markets and alleviate financial viability issues for providers already in the market. Work is ongoing between the Department of Health, Disability and Ageing and existing providers to confirm their registration details and structure under the Aged Care Act (deeming). This will impact the total fees payable for providers under the renewal and variation fee structures. The Aged Care Act will also introduce changes to aged care funding and new Financial and Prudential Standards. Since the new charging activity assessed in this Charging Risk Assessment will commence at a time of significant change for the sector, the impact can only be partially known at this time.

The final implementation risk assessed through the Charging Risk Assessment relates to consultation with payers and other stakeholders. The risk rating for this implementation risk is medium because there has been public consultation on the charging arrangements described in this risk and, although issues were raised by some respondents, these issues can be addressed through the consultation outcomes described in [section 5](#). The consultation process, key issues raised by respondents and the consultation outcomes are described at [section 5](#).



5. Stakeholder engagement

Following the announcement of the Aged Care Act, the Commission ran a public consultation on the proposed charging arrangements. A [Public Consultation: Summary Report](#) outlining the approach to consultation, the key feedback themes, outcomes and next steps is available on the Commission's website.

Consultation was open from Wednesday 5 March 2025 to 12pm AEDT Tuesday 1 April 2025. Feedback was sought from a range of stakeholders including current and prospective providers, peak bodies, advisory groups, aged care and healthcare workers, people receiving aged care and their families and carers.

Responses were collected via a dedicated feedback form accessible on the Commission's website or as a written response submitted to the Commission. The feedback form included demographic questions and four feedback questions:

- What impacts do you see from the proposed cost recovery arrangements?
- What impacts do you see from the proposed fee waiver arrangements?
- To what extent do you understand the cost recovery arrangements?
- Please share any additional feedback you have on the proposed cost recovery arrangements or how we could improve communications.

A Cost Recovery Consultation Paper and Guide were developed to support stakeholders in understanding the proposed arrangements.

There were 4 key themes in the feedback received during the consultation period:

1. Stakeholders are concerned that the proposed fees may cause additional financial strain on providers.
Many respondents said that the proposed fees will add additional financial strain on providers. This concern was mainly around the extra strain on small providers. Some respondents said they were concerned that this would mean that providers may need to divert time and funds from providing care and services.
2. The proposed fee waivers may be too limited to a small group of providers.
Most of the respondents felt fee waivers are beneficial. However, respondents said that the proposed fee waivers may be too limited to a small group of providers. Most respondents said that fee waivers should be fair and vary by provider size, financial capacity and the



MMM service locations. Stakeholders, including local councils, state and territory government, not-for-profit, specialists and allied health services, also asked for an extension of the fee waivers. Local government and state and territory government respondents asked for an extension of fee waivers to government providers of aged care. Not-for-profit respondents also suggested fee waivers should be extended to all not-for-profit providers of aged care and services.

3. The proposed new cost recovery arrangements, including the fee waiver eligibility criteria, are difficult to understand.
As a part of the feedback form, stakeholders were asked if they understood the proposed cost recovery arrangements. It became clear through the analysis that a large number of respondents did not fully understand the proposed cost recovery arrangements. This was confirmed by a high volume of respondents telling us that the arrangements and fee waiver structure are too complex. A key piece of feedback was a request for the Commission to use clearer, simpler language in communications and key documents.
4. Stakeholders would like further consultation, communications and resources from the Commission.
Respondents submitted many suggested improvements to help stakeholders better understand the cost recovery arrangements and fee waivers and suggested a number of communication tools and resources that could be developed or updated to help them understand.

Consultation outcomes

Critically, the feedback received throughout the consultation process helped shape the advice the Commission provided to Government on the cost recovery arrangements for Stage 1 which, following a decision of Government, will apply from 1 November 2025 and are outlined in this CRIS.

Based on the feedback received through the consultation, the Commission has revised existing material and developed additional communication and guidance products aimed at improving transparency, accessibility and stakeholder education about cost recovery. The responses received during the consultation period will also be considered during the planning and implementation phase for Stage 2 cost recovery.

As part of Stage 2, the Commission will engage in further consultation with current aged care providers, peak bodies (including allied health), older people receiving aged care and any other interested parties. In particular, there will be a key focus on understanding the impacts of fees on



providers and the availability of waivers through detailed analysis of data collected following the commencement of the Aged Care Act and the regulatory activities described in this CRIS. This will be considered alongside the significant aged care funding changes that also commence on 1 November 2025 to understand the full impact of these charging arrangements within the new funding and regulatory landscape.



6. Financial performance

6.1 Financial estimates

The figures in the table below are forward estimates for cost recovered provider registration, renewal of registration, and provider-initiated variation of registration activities. A review of actual financial performance compared with estimates will be undertaken annually (at the end of the financial year). Forecasts will be updated at the start of each financial year.

Travel expenses related to audits, the cost of the pre-screening activity for all applications to become a registered provider or renew or vary a registration, and the cost of activities relating to the refusal of an application to become a registered provider or renew or vary a registration have all been excluded from the fees. This is the primary reason for the difference between the total expenses and the total cost recovery revenue.

Financial Item	1 November 2025 – 30 June 2026	2026-27	2027-28	2028-29
Total expenses*	\$38,960,250	\$65,911,995	\$68,532,026	\$77,284,818
Total revenue	\$31,061,385	\$52,808,650	\$54,969,160	\$61,800,375
Balance = revenue - expenses	-\$7,898,865	-\$13,103,345	-\$13,562,866	-\$15,484,443
Cumulative balance	-\$7,898,865	-\$21,002,211	-\$34,565,077	-\$50,049,520

* The 'Total expenses' detailed in this table include costs associated with business processes required for charging activities, but for which the Commission is not charging (such as triage assessment and the additional effort related to refusal of registration, renewal and variation). These total expenses will, therefore, not align with the total 'Estimated total cost (\$)' detailed in the table at section 3.4 Cost recovery revenue, which exclude these costs.
Note: Figures are rounded to the nearest dollar. As such, some totals may not sum due to rounding.



6.2 Financial outcomes

Financial outcomes for the fee structure in [section 3.3.1 Fees](#) will be provided from 2026-27 onwards. Financial outcomes are not available for 1 November 2025 to 30 June 2026 or prior because these activities do not commence until 1 November 2025.

The financial outcomes related to the Commission's previous charging arrangements are available on the CRIS for [applications for aged care approved provider status](#) and [accreditation services](#).



7. Non-financial performance

Output description	Total output volume	1 Nov 2025 - 30 Jun 2026	2026-27	2027-28	2028-29
Provider registration applications	Actuals				
Provider registration applications	Estimated	273	402	402	1,269
Provider renewal applications	Actuals				
Provider renewal applications	Estimated	529	819	827	714
Provider variation applications	Actuals				
Provider variation applications	Estimated	289	44	86	175
Registration audits	Actuals				
Registration audits	Estimated	273	402	402	575
Renewal audits	Actuals				
Renewal audits	Estimated	443	710	739	661
Variation audits	Actuals				
Variation audits	Estimated	3	4	4	5



8. Key dates and events

Event	Date
Review of fees and apply annual indexation for the 2026-27 financial year	By June 2026
Annual financial outcomes and non-financial performance update for the 2025-26 financial year	November 2026

9. CRIS approval and change register

Date of change	CRIS change	Approver	Basis for change
Monday 8 September 2025	Certification of the Cost Recovery Implementation Statement for provider registration, renewal of registration and provider-initiated variation of registration	Commissioner	New CRIS required for new charging arrangements under the Aged Care Act 2024
Wednesday 24 September 2025	Agreement of the Cost Recovery Implementation Statement for provider registration, renewal of registration and provider-initiated variation of registration	Minister for Aged Care and Seniors	New CRIS required for new charging arrangements under the Aged Care Act 2024



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