



**Australian Government**

**Department of Health and Aged Care**

**Deputy Secretary**

[Correspondent Name]

[Correspondent Street]

[CORRESPONDENT SUBURB] [CORRESPONDENT STATE] [CORRESPONDENT POSTCODE]

Dear <Mr/Ms/Mrs/Dr/Professor> <Surname>

I am writing to you as a Home Care Package (HCP) care recipient (or the representative of a HCP care recipient) with information about the Australian Government's support for an additional award wage increase for some aged care workers.

This award wage increase recognises the value of aged care workers and the important work they do. Better, fairer pay will help attract and retain a workforce to deliver safe, consistent, high-quality aged care services for care recipients.

The Government is investing \$3.8 billion to support this award wage increase, including \$356 million to increase the HCP subsidy. This builds on the \$11.3 billion investment in 2023 to support the previous 15% award wage increase.

The HCP subsidy increase will occur in two stages with a 0.93% increase starting 1 January 2025 and an additional 0.44% increase from 1 October 2025.

**What does this award wage and HCP subsidy increase mean for you?**

Firstly, you will continue to receive the same services and hours of care that you currently receive from your provider. However, for your aged care workers to get their award wage increase, your provider may need to increase what they charge for your care and services. The Government's increased HCP subsidy will be sufficient to cover price increases arising from the award wage increase, so there should be no reduction in the services or hours of care you currently receive.

For your provider to change what they charge against your HCP budget they must update your Home Care Agreement. This cannot be done without your consent. Your provider must discuss any changes to your Home Care Agreement with you and seek your agreement before putting the changes in place. Your provider will need to explain any proposed changes, why they are making them, and when these changes will take effect.

More information about providers making changes to your Home Care Agreement is available in the enclosed fact sheet in relation to this change, or more generally via [www.agedcarequality.gov.au/resource-library/what-can-i-do-if-my-provider-changes-my-home-services-arrangement-consumer-guidance-fact-sheet](http://www.agedcarequality.gov.au/resource-library/what-can-i-do-if-my-provider-changes-my-home-services-arrangement-consumer-guidance-fact-sheet).

### **What is a reasonable price increase?**

Providers need to cover their costs to deliver the care and services you receive from them. Wages are one component of the costs that go into calculating your service price, so it is reasonable for providers to increase their prices to cover the increase in award wages. The percentage of costs that providers spend on award wages will vary between providers. Other costs may include:

- paid leave and superannuation for their workers
- necessary business overheads including fuel, marketing, and administration costs.

While this can make it hard for you to know whether the price charged is reasonable or not, your provider should be able to explain the increase in prices. If you think the price is too high, I encourage you to talk to your provider so they can explain their prices or seek advice from My Aged Care or an Aged Care Specialist Officer at Services Australia. The Older Persons Advocacy Network (OPAN) and the Aged Care Quality and Safety Commission are also available to assist you with any concerns you have about pricing. Contact details are included at the end of this letter.

### **What if I don't agree to the price increases proposed by my provider?**

Before making any decisions, you should ask your provider to explain the price increases and their justification for them. Remember, the Government is increasing the HCP subsidy to cover any price increases, so there should be no reduction in the services or hours of care you currently receive.

If you are satisfied that the price changes are reasonable and are connected to the award wage rise, I encourage you to agree to the proposed price increases.

If you do not agree to the price increases, it may make it harder for your provider to keep giving you the care and services you need.

### **What happens if my package is currently fully spent each month?**

If you are using up your entire HCP budget, I recommend talking to your provider to arrange a reassessment to determine if you are eligible for a higher level package.

### **Support at Home program**

The new Support at Home program is scheduled to replace the HCP Program and Short-Term Restorative Care Programme from 1 July 2025.

You do not need to do anything to retain your in-home care and services under

Support at Home. From 1 July 2025, with the commencement of Support at Home, people with a HCP, or approved for a HCP package, will receive a Support at Home budget that aligns to their current HCP package level (or their approved level when a package becomes available). They will also retain access to any HCP unspent funds under the Support at Home program.

A "no worse off" principle will apply if you are already receiving (or have been approved for) a HCP on or before 12 September 2024, so you won't make a higher contribution to your care.

We will provide more information to you about your transition to Support at Home in the lead up to the new program's launch on 1 July 2025. If you would like to know more in the meantime, information is available at <https://www.health.gov.au/our-work/support-at-home>.

**Where can I go if I have further questions?**

- Talk to your provider in the first instance so they can explain their prices.
- Visit the My Aged Care website at [www.myagedcare.gov.au](http://www.myagedcare.gov.au)/or call the My Aged Care contact centre on 1800 200 422.
- Book an appointment with an Aged Care Specialist Officer on 1800 227 475 for face-to-face help with aged care matters.
- Visit the Department of Health and Aged Care website at [www.health.gov.au/our-work/hcp/funding/subsidy-increase](http://www.health.gov.au/our-work/hcp/funding/subsidy-increase)
- Contact the Older Persons Advocacy Network (OPAN) on 1800 700 600 for information about your rights and to request support to talk to your provider or visit [www.opan.org.au](http://www.opan.org.au) to learn more about how OPAN can help you.
- Contact the Aged Care Quality and Safety Commission on 1800 951 822 or visit [www.agedcarequality.gov.au](http://www.agedcarequality.gov.au)/ to learn more about how the Commission can help you.

Yours sincerely

Michael Lye  
Ageing & Aged Care  
7 November 2024