

Changes to Support at Home pricing arrangements

The Australian Government has announced that price caps on services under the new Support at Home program will begin from 1 July 2026.

What is changing?

The government is staging the introduction of price caps on services in the new Support at Home program. From 1 July 2026, government set price caps will apply.

From 1 July 2025, the first year of the program, in-home aged care providers will continue to set their own prices for Support at Home services, as currently occurs in the Home Care Packages (HCP) Program.

The government will introduce additional consumer protections to monitor prices and to ensure pricing is fair during the transition year. The government will consult with older people, consumer advocates and the sector on the development of these measures from January 2025.

This will be in addition to the existing <u>Consumer Confidence Protections</u> announced, including banning of entry, exit and other hidden fees, the no worse off principle, lifetime cap of \$130,000 on co-contributions, and a strong financial safety net for people who cannot afford to make co-contributions to the cost of their aged care.

What isn't changing?

The Support at Home program will still begin from 1 July 2025.

A pooled approach to care management, based on 10% of ongoing Support at Home classification funding, will still commence from 1 July 2025.

There will be no caps on gardening and cleaning services under Support at Home.

Why are price caps being staged?

Price caps will be staged to provide the Independent Health and Aged Care Pricing Authority with more time to undertake further consultation and provide expert advice to inform these pricing arrangements.

This change will:

- ensure continuity of care for Support at Home participants
- provide advice on fair pricing
- support service continuity and market stability by ensuring price caps for Support at Home are based on a robust data set
- reduce the impact of transitioning to the Support at Home program for providers.

What do these changes mean for providers?

In early 2025, the Department of Health and Aged Care will conduct a survey of providers to seek information about their prices under Support at Home.

Providers will continue to:

- agree to any price changes from 1 July 2025 with their participants, as is the case for the current HCP Program. The government expects that providers will begin discussions with participants around service agreements for Support at Home, including pricing, from April 2025
- provide participants with monthly financial statements, which show the units of each type of service that has been delivered and the corresponding price.

From 1 July 2025, providers will need to start:

- sharing their Support at Home pricing information with the department. This will be published on the My Aged Care website's <u>Find a Provider</u> tool
- publishing their full schedule of their prices published on their website.

In March 2025, the government will publish further information for the aged care sector and older people, families and carers.

The department will monitor prices charged in the first year of the Support at Home program. Program assurance activities will include engagement with providers who charge prices that appear inappropriate to seek to understand the reasons why.

Thin markets grants will be available to support providers in rural and remote areas to support their financial viability.

What will this mean for older people?

Any price changes need to be fair. The government will undertake assurance activities for this purpose.

Under Australian Consumer Law, all businesses have certain obligations to uphold consumer rights. The government will introduce additional consumer protections to monitor prices to ensure providers prices are fair.

The government is exploring additional requirements to ensure prices for Support at Home services are fair and will consult on these with older people, their families and carers, and the aged care sector in the new year.

Older people in receipt of Support at Home have the right to an independent aged care advocate to assist them with raising issues with their agreement and pricing. They are also able to lodge a complaint with the <u>Aged Care Quality and Safety Commission</u>.

More information

The department will share further guidance for Support at Home prices with the aged care sector and older people, families and carers from March 2025.

If you would like to learn more about Support at Home, please visit <u>health.gov.au/support-at-home</u>