

# 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 will still begin from 1 July 2025. This means that if you receive ongoing services, you will have 10% of your quarterly budget pooled with your provider to deliver care management.

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

#### Why are price caps being staged?

Price caps are an important protection for older people in the aged care system.

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 protections will be in place for older people, families and carers?

Providers will need to agree any price changes from 1 July 2025 with their participants, as is the case for the current HCP Program.

Under Australian Consumer Law, all consumers have certain rights and protections. The government will introduce additional consumer protections to monitor aged care prices during the transition year to ensure providers prices are fair.

There will be a number of protections in place for participants under the Support at Home program. This will help you make decisions about which Support at Home provider you choose.

The government is continuing to deliver our <u>Consumer Confidence Protections</u> including:

- continuing to ban entry, exit and other hidden fees. You can choose to change providers at any time without paying a fee
- if you are a full rate pensioner paying no fees under your HCP as at 12 September 2024, you will never pay fees under Support at Home
- maintaining the no worse off principle through grandfathering arrangements, so if you were required to pay fees under your HCP as at 12 September 2024, you will pay the same or less under Support at Home
- maintaining the \$130,000 lifetime cap of co-contributions
- a strong financial safety net for people who cannot afford to make co-contributions to the cost of their aged care
- the government will remain the majority funder for aged care costs for Support at Home. For every \$1 dollar an older person co-contributes to their care, the government will contribute around \$7.80.

You have access to free and confidential information and advocacy support by independent aged care advocates through OPAN and the Aged Care Advocacy Line (1800 700 600 or opan.org.au). The independent aged care advocate can assist you with information to help you discuss your Support at Home agreement or pricing with your provider, or to speak to them on your behalf.

If you have a complaint about your Support at Home agreement or pricing, this will be managed by the <u>Aged Care Quality and Safety Commission</u> and they will be able to investigate and take regulatory action where required.

The government will consult with older people, their families and carers, and the aged care sector on the development of additional consumer protections to ensure pricing is fair.

#### What price will I have to pay for my services next year?

If you were already receiving a Home Care Package, or assessed as eligible for a package on 12 September 2024, you will make the same financial contributions, or lower, than you would under the HCP Program. For example, if you were a full rate pensioner receiving a home care package at that time, or approved for a package, you will pay no contribution to your Support at Home services.

The Department of Health and Aged Care will begin a survey of prospective provider prices from January 2025. We will share further information on pricing with older people, families and carers as well as the aged care sector in March 2025.

From April 2025, the government expects that providers will begin discussions with participants around service agreements for Support at Home, including pricing, ahead of the new program commencing from 1 July 2025. Participants will need to agree to any changes to prices.

From 1 July 2025, providers will also need to share their Support at Home pricing information with the Department of Health and Aged Care. This will be published on the My Aged Care website's <u>Find a Provider</u> tool.

Subject to finalisation of the Aged Care Act 2024 rules, providers must also have the full schedule of their prices published on their website.

You will receive monthly financial statements from your provider, which show the units of each type of service that has been delivered and the corresponding price. This is the same as what currently occurs in the HCP Program.

#### **More information**

The department will share further information about the staging of Support at Home price caps 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>