

Commonwealth Home Support Programme (CHSP) provider update – May 2025

This update provides further information on the CHSP 2025-27 extension.

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CHSP 2024-25 grant agreements

The current grant agreement will cease on 30 June 2025. Any unspent funds from the 2024-25 financial year will be recovered through a Debtor Tax Invoice (DTI) process and will not be allowed to be carried over into the 2025-26 financial year.

In line with the Australian Government's decision to support the Fair Work Commission's 6 December 2024 decision on the Aged Care Work Value Case for further increases to award wages for aged care nurses, CHSP providers funded for Nursing services received an indexation boost from 1 March 2025 via a Notice of Change to their existing grant agreements. This is then automatically calculated into monthly payments for Nursing care services in the new 2025-27 agreements.

CHSP providers funded in 2025-27 for Nursing services will receive a Notice of Change to their grant agreement from 1 October 2025 and 1 August 2026. Read more about <u>better and fairer wages for aged care workers</u>.

The 10 per cent cost-of-living top-up of CHSP 2024–25 Meals funding to alleviate cost pressures and manage service delivery has also been included in the 2025-26 unit pricing. This additional funding supports CHSP Meals providers to deliver nutritious and quality meals to older people in their homes.

CHSP 2025-27 extension

The CHSP 2025-27 extension process has commenced. The CHSP 2025-27 extension grant opportunity (GO7466) opened on 22 January 2025 and closed on 30 April 2025. Providers received an Invitation to Apply outlining the services, funding and outputs across Aged Care Planning Regions that will be included in the new agreements.

The formal grant agreement offers will be sent from May 2025.

The new grant agreement will be valid for 2 years from 1 July 2025 to 30 June 2027. There is no reduction in funding, with annual indexation applied. Indexation for 2026-27 will be applied through a Notice of Change to the grant agreement.

From 1 July 2025, all grant funding remains block funding. Providers funded for direct service delivery services will continue to receive funding at the end of each month. Sector Support and Development providers will continue to receive quarterly upfront payments.

CHSP providers in scope for the Fair Work Commission's Stage 3 decision under the Aged Care Work Value Case with aged care workers whose award wages increased from 1 January 2025, will receive an uplift in indexation from 1 October 2025 to support both the 1 January 2025 and the 1 October 2025 award wage increases. This is consistent with funding provided across other aged care programs.

Price loading for 2025-27

CHSP providers delivering 50 per cent or more of a service type in Modified Monash Model (MMM) 6 and 7 areas may request a loading of up to 40 per cent, depending on the remoteness of the area. Providers in MMM5 have been invited to request a loading of up to 20 per cent for service types delivered.

Child Safety Annual Statement of Compliance

This compliance activity requires organisations to comply with state, territory and Commonwealth laws relating to employing, engaging or instances where there is incidental contact with children. CHSP providers will complete an annual statement of compliance. Further information will be available in the CHSP 2025-27 Manual once published.

CHSP and the Aged Care Act 2024

The *Aged Care Act 2024* (the Act) comes into effect from 1 July 2025. This will change in-home aged care, including the CHSP.

Under the CHSP 2025-27 extension, there will be changes to the way that services are regulated and delivered. These changes will help ensure providers are compliant with the new Aged Care Act from 1 July 2025.

Draft Aged Care Rules

The Act will result in major changes across the aged care system, including in the CHSP. The purpose of the Draft Rules is to provide further detail and instruction on how the Act will work and what they will mean for the CHSP.

The publication of the Rules has been staged to allow the community and aged care sector time to provide feedback.

Some of the Draft Rules and provider requirements will be new to CHSP providers. There are changes to reporting, service agreements, care and support plans and worker screening.

To prepare for the changes, CHSP providers should engage with the Draft Rules and review their existing provider systems and processes to ensure alignment with the Act requirements and their registration category.

We will support providers with further guidance material and other information once the Rules are finalised. The resources will be available under <u>CHSP Reforms</u> and in the final CHSP Manual to be published prior to 30 June 2025.

Further details are available under Aged Care Act consultations.

CHSP provider regulation

From 1 July 2025, universal provider regulation will be introduced. Existing CHSP providers will be deemed as registered providers in categories 1 to 5, depending on the type of services they are contracted to deliver.

A CHSP provider will need to be both registered in the relevant registration category and have a grant agreement in place to deliver their CHSP services. The deeming process is being managed in stages to help providers with the transition.

Existing CHSP providers will be automatically deemed into the relevant categories unless they are only delivering Sector Support and Development or Specialised Support Services. We will advise providers of the registration period, registration category and applicable conditions. This deeming process will transition providers to the new regulatory model and will not disrupt the delivery of services in the transition to the Act.

A Provider Registration Preview is available from 1 April 2025 to 1 June 2025, giving providers an opportunity to review their registration details and categories. The final grant agreement may not be reflected in the Provider Registration Preview until the CHSP agreements are executed between providers and the Commonwealth.

Further details are available in the <u>New aged care regulatory model – Guidance for CHSP</u> providers.

Changes to CHSP services

There are changes to the CHSP service list from 1 July 2025 to align with the new Act and Support at Home program. This includes new service type names and descriptions, inclusions and exclusions. These are outlined in the CHSP 2025-27 service list.

As part of the 2025-27 extension process, we have mapped existing services to the new service list. We will continue to work with the CHSP providers to understand the impacts of these changes.

For more information, see the <u>CHSP service catalogue 2025-27</u> and the <u>Changes to CHSP</u> service list from 1 July 2025.

Mapping to Home or community general respite services

From 1 July 2025, Flexible respite and Community and centre-based respite services will be mapped into the new Home or community general respite service. There has been no reduction in overall funding with this mapping exercise and the unit price range incorporates the lowest unit price of Centre-based respite and the highest unit price of Flexible respite.

Whilst there has been an adjustment for providers funded for both services, there has been no reduction in overall funding with this mapping exercise or increase in outputs.

Providers can still report in DEX under Home or community general respite for both Flexible respite or Community and centre-based respite service delivery, allowing for service provision justification against the funding.

CHSP provider consultations

There will be consultations on longer term plans for service changes, including:

- Specialised Support Services providers delivering Dementia advisory services and Vision advisory services will be invited to register for a consultation workshop commencing mid-2025
- Sector Support and Development consultation from mid-2025 on the expansion of service delivery for a new in-home aged care support program
- Meals services continued consultation in 2025-26
- Transport services continued consultation in 2025-26.

Changes to Date Exchange (DEX) reporting

DEX reporting requirements are changing from 1 July 2025 to provide greater assurance that providers are delivering services in line with the Act.

We are updating DEX so CHSP providers can accurately report against the new service list and comply with new reporting requirements under the Act.

These changes are being implemented in stages.

Stage 1 comes into effect on 1 July 2025, where providers will need to ensure their systems are mapped against the new CHSP services. This is primarily naming convention changes.

Providers will be required to capture client My Aged Care IDs against the service delivered. The functionality to record this in DEX will not be available from 1 July 2025 so providers will need to capture this information from 1 July in their own client management systems until these changes are available in DEX.

For more information, see the <u>DEX Exchange toolkit (Stage 1)</u> and the <u>Data Exchange</u> Dictionary (Stage 1).

CHSP client assessments

From 1 July 2025, all CHSP clients need to have been assessed as eligible for the CHSP through a My Aged Care assessment to receive government-subsidised CHSP services.

Guidance documents and templates have been made available to providers who have historically provided CHSP services to unregistered and/or unassessed clients.

We ask for providers' assistance to support clients who receive and need regular CHSP services to complete a My Aged Care assessment by 30 June 2025. Your Funding Arrangement Manager will be available to assist with these changes.

For more information, see the <u>Transitioning CHSP clients under the Aged Care Act</u> guidance material.

CHSP 2025-27 Manual

A CHSP 2025-27 Manual will include further detail about the program changes to support providers to prepare for 1 July 2025. The Manual will be released in draft due to the staged publication of the new Act Rules.

We will be seeking feedback on the content from CHSP providers via an online survey. The CHSP 2025-27 Manual survey will be open after the draft Manual is published and providers will be emailed a copy of the survey link.

Your feedback via an online survey will be used to inform the final CHSP 2025-27 Manual which will be published prior to 1 July 2025 and available under the CHSP 2025-27 extension resources.

Further information

We will keep CHSP providers informed about changes and actions they need to take. There will be further opportunities for information and consultation with providers in 2025. We will publish updates about CHSP reforms on the Department of Health, Disability and Ageing's website.

CHSP webinars

On 13 March 2025, we held a webinar covering upcoming changes to the CHSP 2025-27 extension. View the <u>webinar recording here</u> and read the <u>Frequently Asked Questions</u> document.

A CHSP sector readiness webinar will be held on **5 June 2025** and providers are encouraged to register to attend. Further information is available at <u>aged care webinars</u>.

Fact sheets

This provider update should be read in conjunction with the <u>CHSP 2025-27 extension resources</u> available on the department's website.

To stay up to date, please subscribe to aged care newsletters and alerts.

For enquiries about the CHSP 2025-27 extension, contact CHSPExtension@health.gov.au.

For enquiries about policy changes in 2025-27, contact CHSPservicereform@health.gov.au.

For general enquiries related to the CHSP, contact CHSPprogram@health.gov.au.