

New Aged Care Act start update

Frequently asked questions

The Australian Government has announced that the start date of the new Aged Care Act will be briefly deferred to 1 November 2025.

This is a once-in-a-generation reform, transforming the whole aged care sector to put older people at the centre of aged care. We are committed to reforming aged care and want to ensure all operational, digital and legislative pieces are aligned.

Why has the government deferred the start of the Act?

Feedback from the aged care sector indicates that providers need more time to prepare their clients, support their workers and get their systems ready for the changes.

It will also give us more time to finalise key operational and digital processes, and for Parliament to consider supporting legislation that will enable the new Act to operate effectively.

Older people accessing aged care services

What does this mean for me?

You will continue to receive your current aged care services.

You will have more time to consider how aged care is changing to make sure you:

- understand how changes impact you
- are aware of your rights and ways to protect them
- are in charge of your decisions
- can make informed decisions
- understand what is expected of your aged care provider and workers.

If you access the Home Care Packages (HCP) Program or Short-Term Restorative Care Programme (STRC), you will continue to receive services until Support at Home starts.

Download resources to help you understand the new Act and Support at Home program.

Will my services change, will I have to pay more?

If you were approved for a HCP on or before 12 September 2024, the 'no worse off principle' means that you will pay the same, or less, in the new Support at Home program as you did in the previous HCP program.

If you are in permanent residential care on 31 October 2025, the 'no worse off principle' means that your fee arrangements will stay the same from 1 November 2025, unless you choose to opt in to the new arrangements.

Older people who are assessed as eligible for a HCP ahead of the start of the new Act will receive an equivalent funding to their assessed package level.

Will HCPs continue to be released before the new Act starts?

The HCP program is currently operating at record levels. By 30 June 2025, there will be around 305,900 people accessing a Home Care Package for support to remain at home as they age.

The HCP program will continue to be available until 31 October 2025. The new Aged Care Act will commence on 1 November 2025 and with it a new program will start - Support at Home.

From now until the new Act commences, we will continue releasing home care packages each and every week to people assessed as needing in-home care.

We acknowledge that although packages will continue to be released, we are likely to continue to see high demand for the HCP program and that waiting to access a HCP has a real impact on older people.

However, people who are assessed as high priority and who need urgent access to home care will continue to receive their HCP within a month. Assessors will exercise their independent judgement about that.

It is important to note that people who are waiting for packages at their assessed level are able to access the Commonwealth Home Support Programme (CHSP), and in 18 per cent of cases, are already receiving support through a lower-level HCP.

The commencement of Support at Home will ensure a higher number of people are able to be supported through a more targeted program and wait times will come down.

I have applied for an assessment to access aged care services. Will I have to wait longer?

No, access to assessments and aged care services in Australia will continue as usual.

If you are assessed as high priority and need urgent access to home care, you will receive a Home Care Package within a month.

I am receiving services through the Commonwealth Home Support Programme (CHSP), what changes for me?

CHSP is being extended from 1 July 2025 to 30 June 2027 and will continue to operate as normal. The introduction of the new Aged Care Act from 1 November 2025 will change the way CHSP services are regulated and delivered.

Learn more about CHSP reforms.

Aged care workers

How will the new ways of working be impacted?

Workers now have more time to understand, prepare and learn about the new Act and what it means for them. It also means your employer will have more time to ensure you can access appropriate training.

What resources are available for workers?

Workers can use the extra time to complete the <u>eLearning module for workers</u> to prepare for the changes.

Download resources and fact sheets to understand the <u>new ways of working in aged care</u>.

Aged care providers

What does this mean for my organisation?

Programs to start under the new Act will be deferred to 1 November 2025, including:

- Support at Home
- regulatory model and associated obligations
- strengthened Aged Care Quality Standards
- new funding model.

Systems and processes changes for Support at Home will be deferred until 1 November 2025, with providers continuing to submit claims for existing Home Care Packages until the new Act starts.

Other changes to aged care programs scheduled to start from 1 July 2025 that are not related to the new Act or Support at Home will still occur on that date. For example, CHSP 2025-27 grant agreements will start on 1 July 2025, including planned changes to the service list.

<u>Access training packages and resources</u> to get ready for the new Act and Support at Home changes.

Does this change how providers and workers are regulated?

The Aged Care Quality and Safety Commission will continue to regulate providers and workers under current legislation, using the Regulatory Strategy 2024-25 principles.

The Commission will also continue to empower older people to make complaints and embed restorative outcomes and open disclosure in the complaints process.

Will the deferral impact the financial viability for some residential aged care providers?

Some changes under the new Act will improve the financial viability of residential aged care providers. The deferral will mean providers will have to wait for the Refundable Accommodation Deposit (RAD) retention improvement.

However, the increase in the maximum room price from \$550,000 to \$750,000 took effect from 1 January this year, and the annual indexation of that price will proceed on 1 July this year.

There is more work to be done on financial viability through the independent Accommodation Pricing Review. The timing of this review is legislated to report to Parliament by 1 July 2026.

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How will in-home aged care providers be impacted?

The HCP Program and STRC Programme will operate as normal until 31 October 2025.

The deferral means providers have more time to prepare for the Support at Home changes, including:

- service agreements and care plans
- service list, prices and contributions to non-clinical services.

Software vendors

Are the government's digital systems ready for the new Act?

Our digital systems have been designed, built and tested in-line with the new Act implementation plans.

We are working closely with aged care providers and software vendors to support the sector's preparation of their digital systems.

The brief deferral will enable all providers to have their systems in place and ready for an orderly transition on 1 November 2025.

Download the data and digital roadmap.

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