



Appendix G – CHSP Selections Framework

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1. About CHSP relinquishments and selections

The Commonwealth Home Support Program (CHSP) Selections Framework (the Framework) sets out the process undertaken by the Department of Health, Disability and Ageing (the department) when a CHSP registered provider advises their Funding Arrangement Manager (FAM) in the Community Grants Hub (CGH) that they intend to cease some or all of their CHSP funded activities. This is known as a ‘relinquishment’.

Registered providers can request to cease some (a partial relinquishment) or all (a full relinquishment) of their services and funding. As the CHSP funding agreement is not a saleable asset the decision on the selection of alternative CHSP registered providers is solely at the discretion of the department’s delegate. A full relinquishment of a CHSP funding agreement will require the signing of a Deed of Termination or a Deed of Novation by the ceasing provider.

To ensure all requests for relinquishments are actioned in a timely manner, CHSP registered providers can **elect to relinquish on either 30 June or 31 December in a financial year**. Only in extreme extenuating circumstances will relinquishment dates vary from these. Plans for CHSP registered providers to merge with or acquire another CHSP registered provider must also align with these dates.

A request to relinquish must be communicated to the FAM at least 5 months prior to the proposed date of exit. CHSP registered providers must ensure continuity of care for clients and adherence to the CHSP Funding Agreement until the relinquishment and selection processes have been completed, and all transition activities have been undertaken.

An outgoing CHSP registered provider’s organisation must assist the department, the CGH, and the incoming CHSP registered provider(s) in the transition of clients and services (including the provision of the goods used in service delivery, where required) to achieve an effective transition.

2. The relinquishment process

When advised that a registered provider is ceasing CHSP activities, the FAM will request a formal notification via email, and the submission of a completed Transition Out Plan. The Transition Out Plan provides the department with information relating to the relinquishing service provision and on the readiness of the registered provider to cease delivery of CHSP services. This includes:

- Information on the registered provider's existing preparations to exit the program
- Whether information on clients, their needs, and services delivered is up to date (this includes information in My Aged Care and Data Exchange 'DEX' reporting)
- The current service delivery profile
- Timeframes and activities for transition
- Assets purchased under the agreement
- Any intellectual property, and
- Any other information relevant to the relinquishment.

3. The selection process

Following the relinquishment process, the selection process manages the reallocation of clients and funding from the outgoing registered provider where applicable, and operates as follows:

1. The FAM provides the Transition Out Plan and any other relevant information to the department.
2. The department reviews the information and confirms the dates, timeframes, impacted clients and service types against the department's records for the registered provider. If any further information is required from the registered provider this is organised through the FAM.
3. The department then conducts a selection process to reallocate the clients and/or funds to another CHSP registered provider (or providers). This includes analysis of alternative incoming registered providers to deliver the services and outputs that are being relinquished.

To be eligible, alternative incoming registered providers must have a current executed CHSP funding agreement in place, except in exceptional circumstances detailed on the next page. The criteria when evaluating alternative incoming registered providers will include reviewing the registered provider's ability to effectively deliver the CHSP services being relinquished, and the capacity to ensure continuity of care for the outgoing registered provider's existing CHSP clients (where relevant). The criteria will include:

- Performance against the relevant service type and/or service level
- Experience in the relevant locations
- Similarity in service models to the outgoing registered provider
- Existing relationships with the outgoing registered provider or their client cohort in the relinquishing area

- Overall performance and compliance with their current funding agreement.
- Registration in the categories required to deliver the services being reallocated

To maintain continuity of care, the criteria will be expanded when necessary to include consideration of:

- In specific circumstances, organisations who have current subcontracting arrangements with the outgoing registered provider
- CHSP registered providers currently not delivering in the relevant locations, or delivering through different service models
- In exceptional cases where no alternative contracted CHSP registered providers are able to deliver required CHSP services in a required location, registered providers delivering similar aged care services under the Support at Home and/or residential care or other aged care programs, may be considered by the department.

4. Selection decision, finalisation and monitoring

The selection process is completed through the following activities:

1. The delegate for the department approves making an offer to the selected alternative incoming registered provider(s), with the CGH then notified of the selection decision.
2. The CGH will then contact the selected incoming registered providers with offers, which confirm acceptance of clients, funding and outputs.
3. Once all offer negotiations are completed, the department formally notifies both the outgoing and incoming registered provider(s) of the outcome as appropriate, and other relevant stakeholders (such as the Aged Care Quality and Safety Commission).
4. The CGH then monitors the transfer of clients with the outgoing registered provider and incoming registered provider, including periodic reporting until the transfer is completed.

5. Transfer of client records

The *Aged Care Act 2024* (section 149) requires outgoing providers to transfer client records to incoming providers on request within 28 days as part of the relinquishment process.