

Multi-Purpose Service Program (MPSP)

Webinar #11

Aged care reforms:
Impacts on the MPSP & providers

16 September 2025
Thin Markets Branch



What do we intend to cover today?

Agenda Item	Speaker
Introduction and acknowledgement of country	
MPSP Reforms update <ul style="list-style-type: none">• Act and Rules update• Communication products• Transitionals• Reforms Trials	Cathy Milfull Acting Assistant Secretary Thin Markets Branch
Introducing the new MPSP Policy Manual	Kate Harkins Director, MPSP section
Update on Thin Market review work underway	Cathy Milfull Acting Assistant Secretary Thin Markets Branch
Question & Answers	Panel

Future webinar topics

Month	Items under consideration
October	MPSP reform updates Final preparations for 1 November 2025 Presentation by the My Aged Care team New Act implementation – feedback and queries
November	MPSP reform updates New Act systems: more hints and tips Transitionals - final outcomes and outstanding issues Outcomes of MPSP direct care targets trial
December (TBC)	MPSP funding model review update, including deep dive outcomes

Other ideas? Your suggestions are welcome!

MPSP reforms update

Cathy Milfull, Thin Markets Branch



Aged Care Act update

- The *Aged Care and Other Legislation Amendment Bill 2025* has now passed through parliament.
- This amended the *Aged Care Act 2024* and *Aged Care (Consequential and Transitional Provisions) Act 2024*.
- Changes are largely technical amendments and editorial corrections.
- No impacts for the MPSP from November 2025.



Subordinate legislation update

- The Aged Care Rules 2025 can now be finalised, with final adjustments being made now ready for commencement on **1 November 2025**.
- This will include adjustments to:
 - obligations on MPSP providers around service agreements and care plans, which aim to simplify compliance and clarify entry pathways for MPSP providers
 - ✓ **New clients:** 28-day period to establish agreements and plans for all individuals
 - ✓ **Existing clients:** plan for transitional provisions to cater for a 6-month transition period
 - MPSP subsidy provisions to increase the base rate for a residential care place by the same amount as the current Outbreak Management Support Supplement (OMSS), which ceases on 30 September 2025*
 - ensure no MPSP providers are negatively impacted by the implementation of the Modified Monash Model (MMM) 2023, with a “no-losers” approach.
 - ✓ These changes ensures no decrease in subsidy payments from 1 November 2025
 - ✓ Similar amendments have also been made to the existing [Aged Care \(Subsidy, Fees and Payments\) Determination 2014](#) to cover the period from **1 to 31 October 2025**.
- Transitional Rules are still being finalised – we will provide advice on these at the next webinar.



Communication products

- A suite of communications products will be available to support providers ahead of the **1 November 2025** changes:
 - Updated MPSP website
 - Readiness checklist
 - Fact sheets
 - Service Agreement template
 - MPSP Policy Manual



Reminder regarding key data collection dates

Transitional arrangements for older people in your care

Final client data workbooks due on **31 October** to:

- ensure any updates are covered
- include client data for any resident who commenced services with/at or through a MPS between May and September 2025



Annual Reporting for 2024-25

Sent to providers by **4 July 2025**.

- Income and Expenditure Report due **31 October 2025**
- Data is required by other areas within the department to calculate occupancy rates and publish other data sets (the Report on the Operation of the Aged Care Act 1997 [ROACA](#)) and the [MPS Factsheet](#).



Finalising arrangements for transitional clients

- We are currently identifying any issues that will delay matching client data you have provided with existing My Aged Care records or the creation of new records.
- You will be informed of any issues impacting your MPS in early October.
- Providers are reminded to seek any **outstanding client consents** ahead of 31 October and submission of their final data workbooks.
- Clients included in your final workbooks should not need to experience any service disruption.
- We will also provide you with a **letter** to confirm their status under the new Act as soon as possible in November/December 2025.
- We will need you to help us case manage any clients who choose to leave the MPS to commence mainstream services before this confirmation is received. More information on this at our next webinar!

Reforms trials update

24/7 registered nursing (RN) trial

- Providers currently collecting 24/7 RN data for the September reporting period.
- Government approval to extend until 30 June 2026 being sought.

Direct Care Trial

- Time-in-motion study information distributed to all providers – with 34 sites agreeing to participate.
- It is not too late – please contact: MPSReforms@health.gov.au.
- We are also collecting information on:
 - mandated staffing ratios across jurisdictions, and
 - how these may apply to aged care beds within Multi-Purpose Services.



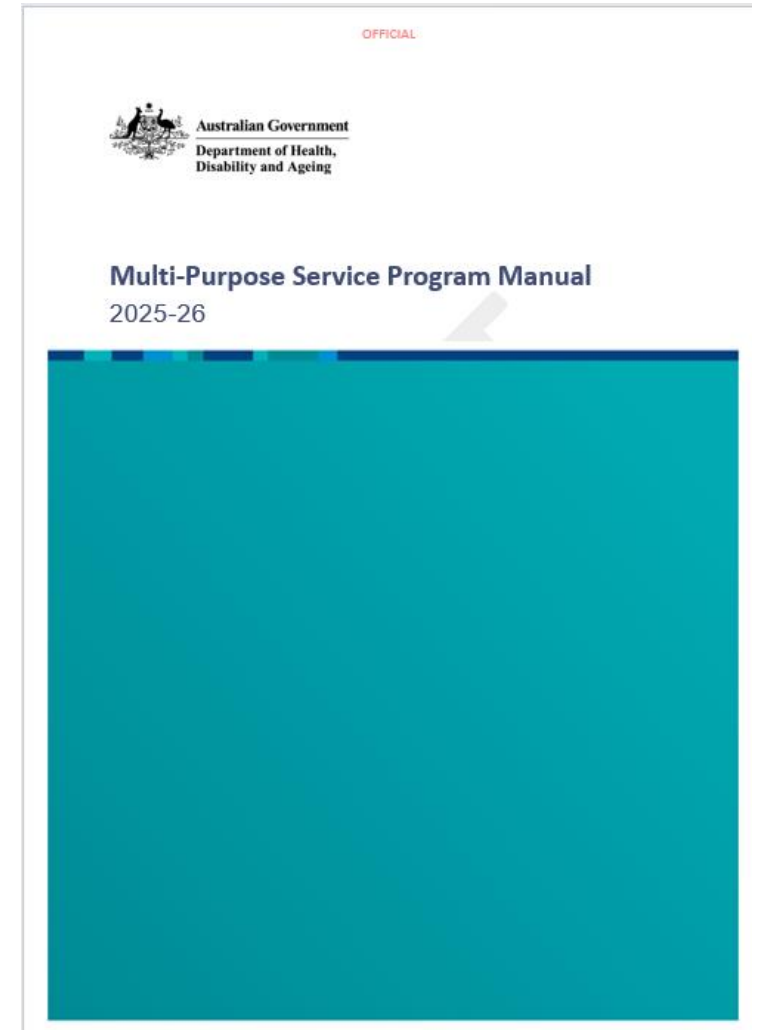
Introducing the new MPSP Policy Manual

Kate Harkins, Thin Markets Branch



Introducing the MPSP Manual

- This will be published on the Department's website to coincide with the commencement of the *Aged Care Act 2024* on 1 November 2025.
- It has been developed in collaboration with the MPSP Working Group.
- This presentation outlines:
 - the purpose of the manual
 - how the manual works
 - topics covered
 - next steps



Purpose of the Manual

- Provides comprehensive policy and operational guidance for delivering aged care services under the MPSP.
- Aims to ensure clear and consistent messaging on MPSP and expected arrangements under the MPSP
- Explains the Australian Government's policy context and requirements.
- Intended for program officers, government managers and service providers.
- Not legal advice — should be read alongside the *Aged Care Act 2024* and related legislation.
- Comments on the manual (once published) to MPSAgedCare@health.gov.au.

How the Manual Works

- Structured into thematic sections covering all aspects of MPSP operations.
- Designed to be updated regularly with 1st update expected mid 2026.
- Providers are welcome to provide comments and suggestions which will be reviewed and incorporated into the updated 2026 version.

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Topics covered in the manual

- Introduction & Overview
- Accessing Services
- Provider Requirements
- Service Delivery
- Funding & Subsidies
- Fees & Payments
- Place Allocations
- Provider Obligations
- Regulation & Oversight
- Reporting Requirements
- Innovation & Reform



Key content outlining changes for 1 November includes...

Client processes

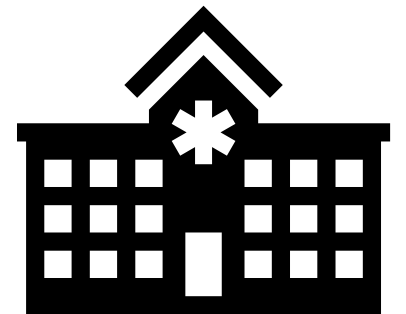
- summarises new application and assessment processes under the new Act, including alternative entry arrangements
- provides advice about what services you can deliver to older people, and where you can find this information for each person
- explains how older people will be referred to your MPS
 - *System demo coming at next webinar!*
- explains what type of agreements and plans are required and when they must be finalised
- explains what happens where a person moves from the MPSP to mainstream services



Key content outlining changes for 1 November includes...

Provider processes

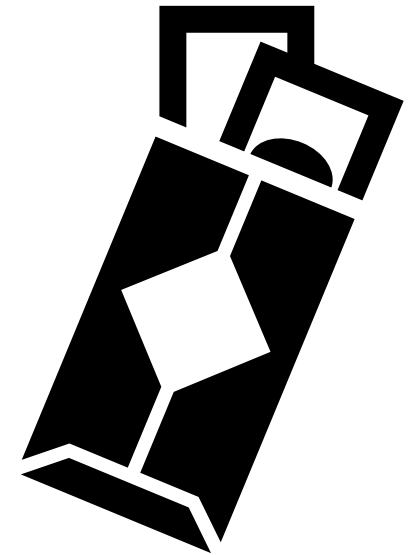
- explains [Integrated Health and Aged Care Services \(IHACS\) Module](#) arrangements
- summarises:
 - registration requirements
 - key obligations under the new Act and the Rules
 - reporting obligations
 - compliance requirements
- explains the role of different government agencies in regulating MPSP providers
- outlines MPSP reform activities currently underway



Key content outlining changes for 1 November includes...

Places, fees and subsidies

- explains:
 - how places will be allocated under the new Act
 - when places will be in and out of effect
 - what conditions will be imposed on allocated places
- provides more guidance around how MPSP subsidies are calculated and what funding can be used for
- summarises what fees older people can be charged under the MPSP
(noting that this is different to mainstream aged care programs)



Next steps – what do you need to do?

- Review the MPSP Manual when it is published on 1 November on the Department's website.
- Provide any feedback or suggestions to MPSAgedCare@health.gov.au.
- Use the manual as a reference when needing to look up something on the MPSP.
- Ensure staff are familiar with the manual's guidance and updates.
- Check the online version regularly to ensure you are using the most current version.

Aged Care Modified Monash Model (MMM) Review

Cathy Milfull, Thin Markets Branch



Project status



Consultation process



Online survey

- **270** responses – 66% providers
- 8 separate submissions



Over 50 consultations in:

- St Helens – Tas
- Mildura – Vic
- Whyalla & Port Augusta – SA
- Bowen – Qld
- Katherine – NT
- Scoping sites – Kalgoorlie & Broken Hill



Key informant discussions x11:

- peak bodies
- non-government organisations
- government agencies

Key messages

1. The MMM is a useful but limited tool for aged care

2. Understanding the local context is everything in regional, rural and remote locations

3. More information is needed to inform allocation of support and funding in aged care

Developing a framework to improve aged care services delivery in regional, rural & remote Australia

Cathy Milfull, Thin Markets Branch



Why do we need a new framework?

The Government is committed to ensuring accessible, safe and quality aged care services **regardless of where a person lives** – with this goal reflected in the *Aged Care Act 2024*.

Despite significant Commonwealth investment and funding adjustments to reflect the costs of aged care service delivery in **regional, rural and remote areas**, concerns remain that entrenched service delivery and viability problems are not being addressed.

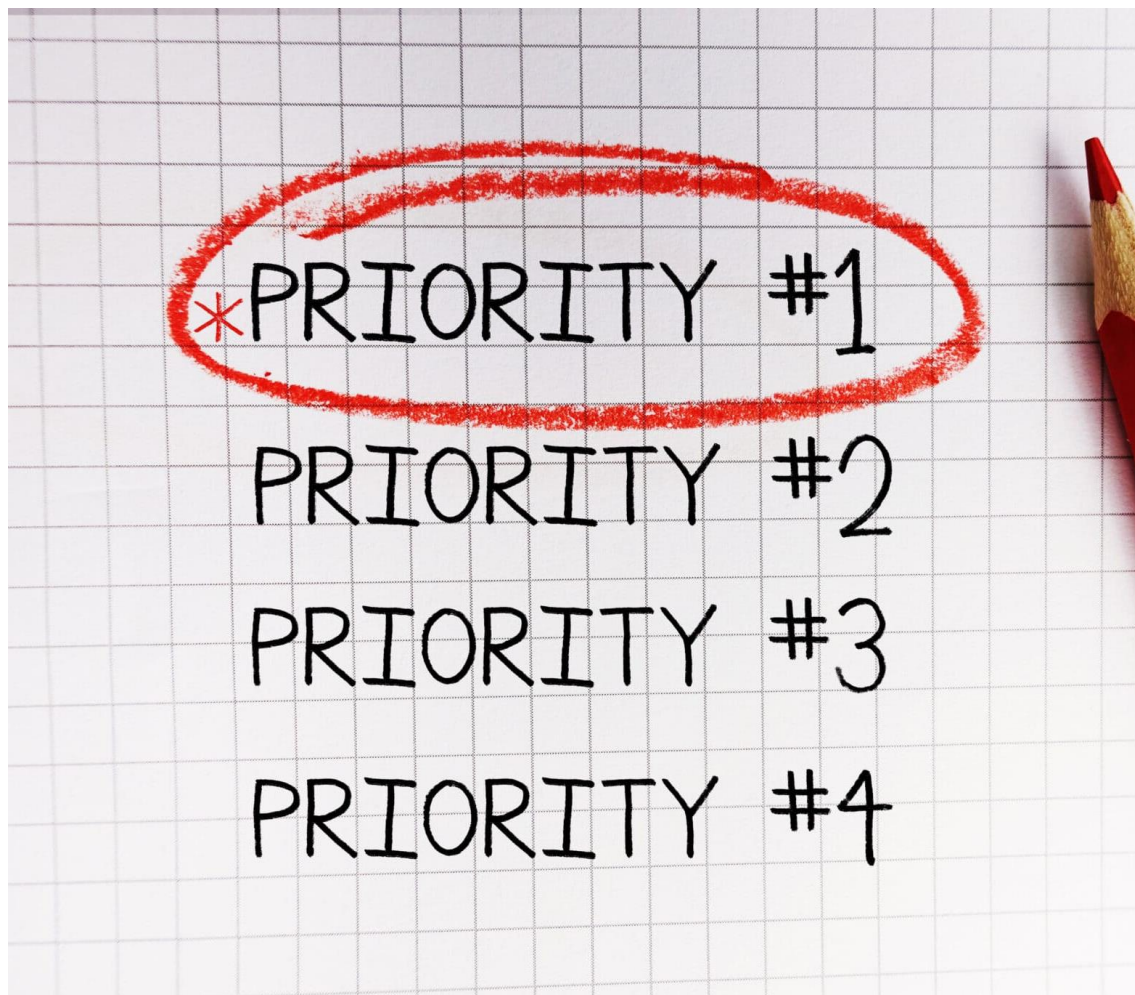
Some stakeholders indicate available supports are still not appropriately targeted or reaching particular communities in need.

Common concerns remain the ability to recruit and retain aged care staff, and the impacts of different regulatory and systems arrangements in place for aged care and the broader health and care sector – increasing complexity and compliance costs.

Community and sector stakeholders are also anxious for integrated care solutions, considered critical to address long term service delivery challenges in thin markets, to move beyond limited trials and ‘mainstreamed’.

Where significant thin markets reforms are being considered, it is critical this is not done in isolation, and they are planned and effectively implemented to avoid disruptions to service delivery.

What do we want to achieve?



- A **consistent thin market narrative and policy approach** that:
 - supports improved services for older people in regional, rural and remote Australia
 - recognises that one size doesn't fit all
 - is integrated with other initiatives/ approaches across the care sectors
 - incorporates innovative place-based solutions co-designed with communities and stakeholders
 - is evidence based and takes into account diverse external perspectives
- A **transparent work plan** outlining further work underway and proposed reforms:
 - with work packages prioritised to ensure maximum impact.

**What are the
key blockers to
sufficient
access to
viable, quality
and safe
services?**



Policy levers & solutions at our disposal



Flexible funding solutions

- Block funding arrangements
- Additional funding to reflect identified higher costs
- Pooled funding approaches*
- Direct commissioning where available and needed*



Additional targeted funding supports for providers

- Workforce supports
- Professional and viability supports
- Infrastructure grant funding



Regular stakeholder engagement & navigation supports

- Regular engagement with thin markets stakeholders
- Tailored communications materials to connect people and providers
- Additional access and navigation supports



Capacity building & care sector integration activities

- Supporting providers to diversify services and/or support complex individual needs
- Care sector regulatory and pricing alignment activities
- Trials of innovative care models
- Additional care coordination supports



Monitoring of policy settings & required adjustments

- Key principles enshrined in the *Aged Care Act 2024*
- Adjustments to regulatory settings
- Funding reviews and adjustments
- Policy reviews and adjustments

What do we want to focus on now?



Example: expanding streamlined accreditation



- The Minister has signed off on extending streamlining accreditation for integrated health and aged care services beyond the MPSP.
- This aims to reduce duplication and administrative burden for dual-service providers.
- The Department is engaging with the Aged Care Quality and Safety Commission and other regulators to explore implementation arrangements.
- Preparation of provider support materials is underway, including guidance documents.
- Further consultation planned with providers to ensure model is fit-for-purpose and scalable.

Example: MPSP funding review

- MPSP funding review remains a key piece of work that will feature in our reform roadmap
- Deep dive consultations to be completed by the department
- IHACPA consultations complete with 27 providers
- IHACPA costing assessment will start in 2026
- Targeting early 2026 for an initial consultation paper and work-shops to progress policy design work while we await costing information



Questions

