



Home Care (Pillar 1 of the Royal Commission response) – Enhanced program oversight in Home Care Packages

In response to the Aged Care Royal Commission, the Australian Government will invest an additional \$18.4 million over 4 years in measures that put downward pressure on home care administrative costs through improved program integrity and pricing transparency. This action will ensure senior Australians receive full value for money and are not charged unreasonable or excessive administration charges.

This investment is critical to empowering consumers to exercise choice through better visibility of pricing information. There will also be:

- an annual risk-based program of assurance reviews of home care providers
- a focus on assuring value for money of home care package funds
- funding of continuous improvement of providers through a community of practice, and
- funding for enhanced fraud management and investigation capability within the Department of Health.

This measure will benefit the almost 170,000 home care recipients currently receiving a package, as well as all new care recipients who will receive home care packages from now on.

Why is this important?

Increasing numbers of Australians are choosing to remain within their own homes as they age, and there is rising demand for home care services to support this choice. The Department will work with service providers through an ongoing annual program of reviews of a maximum of 500 providers per year, to guarantee prices being charged are justified, fair and consistent with the care recipient's funding agreement.

This is essential to ensure the maximum possible amount of the Government's subsidy for home care packages goes towards directly supporting senior Australians to remain in their own homes for as long as possible.

Care recipients will be empowered, through enhanced pricing transparency through the My Aged Care website, to be better informed and take action about home care charges they are not satisfied with. At present, all providers are required to report their pricing schedule through My Aged Care, where care recipients can compare the price of a particular service with up to three providers. New tools on My Aged Care will include a cost calculator and pricing comparator against like services for all relevant providers at a geographic level.

A community of practice will be established in recognition of the importance of supporting home care providers to deliver better value for money and continuously improve. This will allow providers to engage with each other and the Department, to share lessons learnt, including from the annual program of reviews, share best practice, and better understand and deliver to program requirements.

This measure will also provide increased dedicated in-house staffing to address fraud in home care, as well as funding to support procurement of expert advice to build best practice program assurance capabilities and strengthen the Department's approaches to home care fraud.

These measures build on the Government's existing work to improve transparency and comparability of home pricing information. Together, these new and existing measures should drive unfair costs out of the system, minimise fraud risks, support providers to deliver to program requirements and engender better services for our senior Australians.

This measure supports *Recommendations 27, 115 and 118* of the Royal Commission's final report.

Who will benefit?

This measure will benefit all current and future care recipients under the program; there are currently just under 170,000 people receiving a home care package.

Care recipients will benefit from increased cost transparency and value for money for their package funds. They will be empowered through information to secure the best value for money for their individual needs, or change providers to achieve a better pricing outcome. The Australian taxpayer will benefit from more value for money from the Government's investment on their behalf in the Home Care Program.

These changes will also benefit the entire industry, by improving community confidence in the many home care providers offering quality and safe services with fair costs and administration charges.

How much will this cost?

The Australian Government is committing \$18.4 million over 4 years, from 2021–22.