



# Improvements to how your home care funds are paid to your provider

## Care Recipient Fact Sheet – February 2022

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### What is changing?

The Australian Government (Government) is committed to improving the Home Care Program for care recipients.

From **1 September 2021** the Government changed the way the provider of your Home Care Package (your provider) is paid.

These changes provide you with a clearer picture of your [home care package](#) and [unspent funds](#).

Providers are paid only for the care, services and goods (the services) they actually delivered to you. This means that the maximum amount of your package will go towards supporting you to remain in your own home for as long as possible or will be held for you by Government until you need it.

These changes implement a key recommendation of the Royal Commission into Aged Care Quality and Safety.

**You do not need to do anything.** These changes mean:

### Your provider is now paid only for the services they deliver to you

Instead of paying your Government home care package funds to your provider in full each month, the Government will only pay your provider for the services they **actually** delivered to you, **after** they were delivered. Fees for these services must be reasonable and agreed to by you and your provider in your Home Care Agreement.

### Unspent funds are still available for you to use

If your monthly Government home care package funds are more than what was actually spent on delivering your services in a month, these unspent funds are held in a **Government home care account** for you until you need them. **The Government home care account is set up for you by Services Australia.**

Your **home care account** cannot go into negative. You will need to discuss options with your provider if you need care or services that exceed your available funds.

### You have greater transparency of your unspent funds

Your provider can now report the balance of funds they are holding for you and the balance of funds held in your **Government home care account**.

### Over time, your provider will use the unspent funds they hold for your care

Your provider may start using the unspent funds they already hold for you, before making a claim for additional Government home care package funds from Services Australia. If your provider does this, your monthly Government home care package funds will be credited to your **Government home care account** to be held in that account until you need them.

### What stayed the same?

- Your provider will continue to deliver the services in your [care plan](#).
  - The same payment or funds (in your home care package) that have always been available to pay your provider for your services, are available to you.



## Australian Government

### Department of Health

- Regardless of who is holding your unspent funds, the funds **continue to be available** for you to use and to pay your provider for your care and services.
- Your **home care fees**, as agreed and documented in your home care agreement, **remain unchanged**.
  - If your provider has been not collecting all or part of your income tested care fees, because you are not using all of your package, this can continue as long as they hold unspent funds on your behalf. Once the unspent funds that your provider holds for you have been used, or if you do not have unspent funds, you will need to start paying your assessed income tested care fee. Your provider cannot seek to collect fees that they have not been collected in the past. Paying your assessed income tested care fee means you are contributing to your care so that you can access the full value of your package. Your assessed income tested care fee is automatically deducted from the payment your provider receives from Services Australia.
  - If you have agreed to pay an exit fee and your provider is holding unspent funds on your behalf, you must do so. If your provider does not hold unspent funds on your behalf, the provider will not be able to charge you an exit fee.
  - Your provider can cease to provide home care to you if you are not paying home care fees as agreed in your home care agreement for a reason within your control, and you have not negotiated an alternative arrangement with your provider. All providers must provide security of tenure to all care recipients, however refusal to pay agreed fees without a valid reason is grounds for a provider to cease care. If you are experiencing financial hardship you can apply for hardship assistance via Services Australia and you should speak to your service provider.
- Where you need to make a large purchase, please speak to your provider to discuss what options you may have. This may include considering leasing arrangements, where appropriate, or delaying the purchase until you have sufficient available funds in your package budget. All expenditure needs to be mutually agreed and reflected in your Home Care Agreement before purchase.
- If you have existing arrangements with your provider to pay for large purchases you have received, these arrangements can continue. Your provider cannot demand payment of existing debts from you unless expressly agreed in the Home Care Agreement.
- You are still be able to **change providers** and take your unspent funds with you.
- You can continue to self-manage your package if you have reached an agreement with your provider to do so. We recommend you speak to your provider to ensure your invoicing/payment arrangements with them are in line with the new claiming process.
- Your provider's obligations to you, and all other provider requirements under legislation that support safe and high-quality services, remain unchanged.

### Further information

Further information about these changes can be found on the Department of Health's [website](#).

You have the right to speak to an aged care advocate. You can access free, confidential and independent aged care advocacy through the **Older Persons advocacy Network** (OPAN) on 1800 700 600 or visit [www.opan.org.au](http://www.opan.org.au)