

Professor Kathy Eagar AM
Honorary Professor
School of Clinical Medicine
Faculty of Medicine and Health
University of New South Wales
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Submission from Professor Kathy Eagar AM

Introduction

This is a submission to the Community Affairs References Committee on The Transition of the Commonwealth Home Support Program to the Support at Home Program. This introduction summarises my professional and academic background. The following sections then address the substantive issues.

I am an Honorary Professor of Health Services Research at the University of New South Wales and Adjunct Professor at the Queensland University of Technology. I am also the Director of my own consulting, evaluation and advisory company.

I was the inaugural Professor of Health Services Research and Foundation Director of the Australian Health Services Research Institute (AHSRI) at the University of Wollongong, positions I held from 1997 until my retirement from the University of Wollongong at the beginning of 2023.

In 2008 I was awarded an Honorary Life Fellowship of the Australasian Faculty of Rehabilitation Medicine for my contribution to the development of rehabilitation in Australia. In 2010 I was awarded an Honorary Life Membership of the Australian Healthcare and Hospitals Association for my contributions to the Australian health system. In 2015 I won the Professional Award of the Health Services Research Association of Australia and New Zealand for my services to the profession of health services research.

I am a Member of the Order of Australia for my contribution to the community through my research and development work. I am on the Board of NSW Meals on Wheels and on the NSW Older Women's Network.

I have undertaken extensive work in the aged care system over the last two decades. I designed the national funding model for residential aged care (the AN-ACC) and worked as an adviser to the Aged Care Royal Commission.

I have authored over 600 articles, papers and reports on wide-ranging health service and health system issues including health care management, health outcomes, information systems and funding of the Australia and international health and community care systems.

I am internationally recognised in particular for my work in funding system design, consumer/patient reported outcome measurement and value-based health and social care. I am well known for my cutting-edge work in palliative care, rehabilitation, mental health and aged care.

I believe that my broad experience of over more than 40 years, in combination with the specialist work I have done in aged care, makes me qualified to provide an expert opinion on the matters under consideration.

I make the following comments for the consideration of the committee.

The timeline for the transition of the Commonwealth Home Support Program (CHSP) to the Support at Home (SAH) Program after 1 July 2027

The name of the Committee and the narrative in most submissions suggests that the transition of CHSP to SAH is a done deal. Based on this, most submissions focus on how to make the most of what I consider to be a bad decision.

This submission takes a different starting point. My view is that the initial decision to close CHSP and fold it into SAH is not the right approach and my central recommendation is that the government abandons this plan and adopts a different approach going forward.

The CHSP sector (both care recipients and providers) is very unsettled by threats to abolish CHSP and force all older people into SAH. Minister Butler has given an assurance that CHSP will be maintained until “at least 2027”. This was an excellent decision on his part. But it does not go far enough. Care recipients need to know what their longer-term options will be. Further, CHSP providers need to be able to do long term planning and make strategic capital investments.

The decision on the long-term future of CHSP cannot wait until 2027 and beyond. The current uncertain future of CHSP is already doing damage and now represents a significant risk to the sustainability of CHSP going forward. Letting CHSP whither on the vine through neglect is not an option. A decision giving CHSP a firm future needs to be made and announced as soon as possible.

Why CHSP should not be transitioned to SAH at any time

I have seven reasons why I think CHSP should not be transitioned to SAH. They are:

- 1) CHSP is a Labor legacy after being introduced 40 years ago by the Hawke government. It is largely delivered by not-for-profit community aged care providers such as Meals on Wheels, community transport, and state and local government services such as neighbourhood centres and community nursing. It is the only part of the aged care system which has consistently performed well over the last four decades, with the only criticisms ever being that it is underfunded and neglected by successive governments. The first principle of program reform is ‘Only fix what is broken’. Getting rid of a long-established and highly effective program that continues to work very well simply makes no sense.
- 2) Having SAH as the sole community aged care program would make SAH the only lifeboat in the ocean for people who wish to stay in their own homes. While SAH has some strengths, making it the only lifeboat simply repeats a major system design error in the parallel NDIS. The government now recognises this error in the design of the NDIS and is proposing to establish a new program – Thriving Kids – as a primary level disability program. It now needs to do the same in aged care by maintaining CHSP and transforming it into the primary care level of the aged care system.
- 3) The design of the Support at Home program is fundamentally flawed. Consumer co-payments are too high, assessment is a bottleneck, package wait times post-assessment then create a further bottleneck and there is not sufficient capacity to flex services up and down in response to changing needs. While some of the problems seen over the last three months can be dismissed as teething problems, most are not teething problems. Most are problems that reflect the faulty

design of the program itself. It is inevitable that, without the continuation of CHSP, demand for both public hospitals and residential aged care will continue to increase at an unsustainable rate.

- 4) There is no possibility that the Government will achieve its target to reduce waiting times for SAH unless the Government maintains and develops the CHSP.
- 5) Older people should have a genuine choice about the funding arrangement that will best meet their needs. Providing older people and their families with a genuine choice is essential to both meeting their needs and reducing waiting times for SAH. While some older people will elect SAH if given the choice, others will not. The mantra of 'choice and control' for older people needs to become a reality. At the moment it is little more than a hollow slogan.
- 6) Being a transactional fee for service system, SAH is necessarily more expensive than aged care delivered by CHSP non-profit aged care services and funded by government grants. This cannot be simply dismissed on the basis that SAH providers are greedy. The structural reality is that SAH is designed to be a very inefficient program. The empirical evidence backs up this statement. SAH is significantly more expensive per hour of service than an equivalent hour of CHSP service. The cost per hour of SAH is approximately 30%-50% more expensive than an equivalent hour of a CHSP service.¹ It simply makes no sense to destroy an efficient program in favour of one that is significantly less efficient.
- 7) The demand for care and support at home will rapidly increase year on year over the next decade as the baby boomers move into their 80s. The average age that a person begins to need support at home is 80, with many people needing more comprehensive support at home by their mid 80s. In 2035, just nine years away, there will be more than two million people aged 80+ in Australia. This is a 60% increase in a decade. The simple fact is that, even after massively increasing consumer charges, the government does not raise sufficient taxes to provide everyone who needs one with a SAH package. CHSP is a well-established program and is highly efficient. It needs to be valued and developed as an essential component of a sustainable aged care system into the future.

Summary

While initially proposed for closure and amalgamation in 2025, the demolition of CHSP and its amalgamation with Support at Home is now not planned to occur until "*at least 2027*". With the reason to demolish it now lost in history, and with evidence that Support at Home is up to twice the cost, it is time for the government to change its position on the future of CHSP.

This is particularly the case because we are in a time of strict fiscal austerity and because the impact of abolishing CHSP would be fully felt right as the tsunami of baby boomers hit old age. Just as the health system would be dysfunctional and much more costly without a strong primary health care tier, so aged care would be without a strong primary aged care tier. CHSP needs to be maintained and further developed as the primary aged care tier with close links to primary health care.

¹ This 30%-50% is an average and is based on estimates by service providers I have consulted. The other source of evidence for this statement is information produced by the Department which I have included at the end of this submission. Exhibit 1 shows the National Unit Price Ranges for CHSP while Exhibit 2 shows the summary of SAH hourly rates. As just one example, an hour of CHSP domestic assistance is \$55.91-\$67.81 while an hour of SAH domestic assistance is \$95.00. Likewise, an hour of CHSP personal care is \$59.40-\$75.60 while an hour of SAH personal care is \$100.00.

Recommendations

Recommendation 1: That the government give a commitment in this financial year to maintain and significantly expand CHSP as a program separate to, and complementing, SAH.

Recommendation 2: A new CHSP policy be introduced that defines CHSP as a program that has three distinct but overlapping roles:

1. A support program for people with entry or low level needs, defined as people requiring six hours or less a week of support.
2. A support program for people with higher level needs and who are waiting to access SAH.
3. A program for people whose needs increase beyond six hours a week but who wish to continue to receive services via CHSP and not be transferred to SAH. This requires that care recipients are given a genuine choice, that CHSP service hours be uncapped and that CHSP can provide a case management service for those who require it.

Recommendation 3: Older people with low-level needs should be able to be referred directly to local service providers without having to navigate My Aged Care and without having to undergo a full aged care assessment. Instead, CHSP providers would undertake service specific assessments and simply register them with My Aged Care.

Recommendation 4: A new CHSP funding model be introduced to reflect this broader role.

Recommendation 5: CHSP funding be significantly increased for 2026/27 and ongoing commensurate with this broader role.

Exhibit One CHSP unit prices

2. CHSP National Unit Price Ranges and reasonable client contributions

The table below indicates the 2025-26 CHSP National Unit Price Ranges and reasonable client contributions.

CHSP Service Type 2025-26	Unit Price Range 25-26		Client contributions 25-26	
	Lower	Upper	Lower	Upper
Domestic assistance	\$55.91	\$67.81	\$7.06	\$13.40
Home maintenance and repairs	\$61.73	\$83.38	\$9.41	\$22.30
Meals – Meal delivery	\$9.59	\$15.86	\$4.71	\$13.40
Meals – Meal preparation	\$29.11	\$45.58	\$4.71	\$13.40
Social support and community engagement	\$45.42	\$66.71	\$4.71	\$8.90
Social support and community engagement – Group social support	\$19.80	\$30.01	\$2.35	\$4.50
Transport	\$21.16	\$40.41	\$2.35	\$13.50
Personal care	\$59.40	\$75.60	\$7.06	\$13.40
Therapeutic services for independent living	\$110.65	\$138.96	\$5.83	\$16.78
Home or community general respite	\$31.45	\$74.48	\$2.35	\$8.90
Community cottage respite	\$32.61	\$58.92	\$2.35	\$6.75
Nursing care	\$125.56	\$148.66	\$4.71	\$11.15
Allied health and therapy services	\$110.65	\$138.96	\$5.83	\$16.78
Specialised support services	\$88.52	\$131.19	\$3.58	\$13.40
Sector support and development				
Hoarding and squalor assistance				
**Home adjustments				
**Equipment and products				

Note: These prices exclude MMM loadings and the Fair Work Commission (FWC) CHSP Base Funding Grant amounts applied from 1 January 2025. Price ranges and client contributions have been increased in line with the standard program indexation approach. The 10% meals indexation boost came into effect from 1 January 2025 for all Meals providers. The FWC aged care nurses award wage increase came into effect for all Nursing providers from 1 March 2025 and is reflected. **While Home adjustments and Equipment and products are excluded from the CHSP National Unit Price Range, client contributions for these service types are not excluded from the National CHSP Client Contribution Framework.

Reference: *Appendix E – CHSP National Unit Price Ranges and Guide to the National CHSP Client Contribution Framework* https://www.health.gov.au/sites/default/files/2025-10/appendix_e_-chsp_national_unit_price_ranges_and_guide_to_the_national_chsp_client_contribution_framework.pdf. Accessed 21/1/2026

Exhibit Two

Support at Home Unit Prices

	Unit	National median price	Range (lower)	Range (upper)
Nursing care	Hour	\$150	\$125	\$179
Registered nurse	Hour	\$160	\$144	\$186
Enrolled nurse	Hour	\$140	\$120	\$163
Nursing assistant	Hour	\$110	\$92	\$143
Allied health and other therapeutic services	Hour	\$195	\$160	\$220
Allied health therapy assistant	Hour	\$122	\$105	\$167
Counsellor or Psychotherapist	Hour	\$208	\$160	\$225
Dietitian or Nutritionist	Hour	\$200	\$165	\$219
Exercise physiologist	Hour	\$190	\$165	\$219
Occupational therapist	Hour	\$200	\$174	\$220
Physiotherapist	Hour	\$185	\$160	\$210
Podiatrist	Hour	\$180	\$153	\$208
Psychologist	Hour	\$228	\$210	\$250
Social worker	Hour	\$200	\$163	\$238
Speech pathologist	Hour	\$208	\$187	\$236
Care management	Hour	\$120	\$80	\$150
Restorative care management	Hour	\$150	\$120	\$173
Personal care	Hour	\$100	\$85	\$115
Social support and community engagement	Hour	\$99	\$82	\$110
Therapeutic services for independent living	Hour	\$165	\$140	\$220

Summary of indicative Support at Home prices

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	Unit	National median price	Range (lower)	Range (upper)
Remedial masseuse	Hour	\$150	\$134	\$206
Respite	Hour	\$99	\$85	\$112
Transport	Trip	\$70	\$40	\$97
Domestic assistance	Hour	\$95	\$83	\$109
Home maintenance and repairs	Hour	\$103	\$85	\$120
Meal delivery	Meal	\$15	\$11	\$22
Meal preparation	Hour	\$97	\$82	\$110

Reference: *Summary of indicative Support at Home prices October 2025*

<https://www.health.gov.au/resources/publications/summary-of-indicative-support-at-home-prices?language=en>