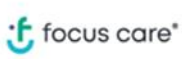

EXECUTIVE SUMMARY

As representatives of eight CHSP and Registered Aged Care providers, we appreciate the opportunity to contribute to the inquiry into the CHSP transition to Support at Home (SAH). While we support responsible reform, we are concerned about potential unintended consequences and the significant challenges posed by the large-scale transition planned for 2027.

We recommend the following:

- The Department to engage and consult with CHSP providers and consumer groups collectively about the practical implications to consider in the transition plan without delay.
- The Department to communicate in plain English with the sector and older people on the final state of Support at Home.
- Delay and stage the transition of CHSP clients to Support at Home to protect low-cost, preventative CHSP supports during system stabilisation and workforce ramp-up.
- Review and respond to issues arising from the Single Assessment and implement a clinically led assessment framework that incorporates expert clinical judgment, streamlines decision-making and enables clinicians to override algorithm-based results.
- Encourage and back a sustainable sector by establishing a sustainable funding model. Develop a funding structure for CHSP providers that guarantees timely payments, minimises debtor risks, and covers the costs of new regulatory requirements. Transition funding should be prioritised to support smaller providers that play a critical role in their communities.
- Publish a CHSP-to-Support at Home fiscal impact statement for the transition of 800,000 current CHSP participants prior to finalising transition timelines, including modelling of per-participant costs, aggregate budget exposure, and downstream health system impacts.
- Retain or hybridise block-funded models, particularly for low level care services such as transport, respite, group social support, plus review home maintenance and home modifications funding structure, where market failure would otherwise occur.
- Leverage technology for administration: Adopt the Aged Care GPMS system as a central portal to consolidate provider information, reporting, and compliance documentation.
- Review and amend the proposed $15,000 lifetime cap on home modifications, replacing it with a needs-based or staged funding approach that reflects:

  - progressive ageing and functional decline,
  - regional construction cost variability, and
  - the demonstrated role of home modifications in falls prevention, hospital avoidance and delayed entry to residential aged care.
- Recognise CHSP as a preventative investment, not a cost inefficiency, acknowledging that early, low-cost interventions reduce higher downstream expenditure in hospitals (including bed blocking), residential care and emergency services.
- Mandatory transition support to safeguard client wellbeing and continuity of care, there must be a guarantee that services will not be interrupted during the transition period.
- Explicit consent should be obtained from all clients prior to any consolidation of providers, upholding their rights and choice throughout the process. It is also advised that a minimum transition period, such as 12 to 24 months is established, allowing adequate time for adjustment and ensuring that both clients and providers are well-prepared for the changes ahead.

Failure to adopt these measures risks replacing a proven, low-cost community-based program with a significantly more expensive and administratively complex system that places unsustainable financial and operational pressure on Support at Home providers, exacerbates existing workforce shortages, accelerates provider exit in thin and regional markets, and undermines the volunteer-supported service model that underpins things like transport, social support and community connection. The decline of volunteers would further impact service capacity, increase reliance on paid labour, drive up costs, and ultimately increase pressure on hospitals, the federal aged care budget and taxpayers.

ABOUT THE ALLIANCE

We are a collective of small to mid-sized in-home care providers with over 160 years of combined experience supporting older Australians and their communities. United by a commitment to advocate for meaningful, people-focused reform, we strive to ensure diverse community needs are considered in shaping the future of aged care. We believe every older person deserves accessible, high-quality local care, and recognise the crucial role providers play in making this possible.

Transition considerations:

Support at Home commenced on 1st November, and although it is too early to provide a complete precis on program effectiveness in meeting the intentions of the Royal Commission Recommendations, there are early signals reflected in this response.

It is anticipated that no fewer than 800,000 older Australians will move from the Commonwealth Home Support Program (CHSP) to the Support at Home Program, with this transition set to occur no earlier than July 2027. In contrast, approximately 280,000 individuals transitioned from Home Care Packages (HCP) to Support at Home over an 18-month period. The significantly larger number of CHSP clients, combined with the lessons learned from the smaller HCP transition, underscores the need for careful consideration of both the timeline and the potential impacts associated with this change. The scale and pace of the transition must remain central to decision-making to ensure a smooth and effective implementation.

The final Support at Home model is yet to be disclosed:

In late 2024, the Department of Health and Ageing released the SAH design outlining a two-part process:

i. Single provider – implementation state of Support at Home
ii. Multi provider – final state of Support at Home

Uncertainty persists around the multi-provider model's structure and rollout schedule, which is especially concerning for CHSP clients who depend on several organisations for vital services, given capped funding and previous delays in accessing home care packages. Without clear direction on the preferred SAH model from the Department, organisations are unable to plan and adequately inform older people of the changes. More importantly, how do you grandfather a system where funding is not attached to a client?

If CHSP clients must move to a single provider, they may lose existing support workers, reducing choice, control and safety causing distress. CHSP providers will also have to pick between becoming a registered or associate provider, but more information about Support at Home pricing is needed to make this decision.

A multi provider model would be a direct replica of NDIS, which is publicly known to have downsides for participants, placing increased coordination and administration on the older person or their family.

Pricing, Co-Contributions & Economic Disparities

Delivery of CHSP under the current model is known to be cheaper to taxpayers when compared to Home Care Packages and now Support at Home. For eg:

Program	**CHSP**[i]	**Support at Home** [ii]
Domestic Assistance	$55-$67 p/h	$105 average p/h
Personal Care	$59.40-$75.60p/h	$110 average p/h

CHSP is a lower per unit hourly rate, as it does not require the additional administration of package management like Support at Home. It is reasonable to expect based on the current Support at Home model, that these hourly rates will increase. It is unclear how this will be funded.

Client Contribution

CHSP and Support at Home have different rules for client contribution. Although there is a need to unify the contribution model to minimise confusion. The example below outlines older people will be required to contribute more. This means the government is contributing up to 50% less p/hour.

CHSP: Single fee set by CHSP provider

SAH: Determined by Services Australia based on pension status as a % of unit price.

Example comparing the co-contribution rate.

Program	**CHSP**[iii]	**Support at Home**	**Pension Status**[iv]
Domestic Assistance (everday living category)	$7.06- $13.40	$18.37	Full pensioner
		$18.37- $84 .00	17.5% - 80% for part pensioner
		$84 .00	Self-funded retiree
Personal Care (independence category)	$7.06- $13.40	$5.50	Full pensioner
		$5.50 - $55.00	5%- 50% - part pensioner
		$55.00	Self-funded retiree

Of particular concern is the stark increase in contribution for people requiring personal care, such as necessities like showering. This alliance wrote to Minister Wells and then Minister Rae outlining the risks of co-contributions in early 2025. While the Royal Commission prioritised equitable access to aged care, the co-contribution model introduces financial barriers disproportionately impacting vulnerable Australians. Inability to pay will result in consumers forgoing essential services such as personal care, increasing risks of infections, falls, dehydration, and premature residential entry leading to more hospital admissions and long-term costs for taxpayers.

It was alarming to hear in Senate Estimates[v] that the Department had not modelled the impact of pricing on older people's purchasing power, especially following calls from the sector and health economists to reconsider the co-contribution model, ahead of the start of Support at Home.

Many older Australians remain on CHSP due to its lower fees and simpler model, worsening funding caps and limiting access for those with lower needs. At the same time, higher fees under Support at Home deter those with greater needs from transitioning, suggesting that people who choose CHSP for affordability may forgo needed services as their needs grow.

Implications of the Transition on Older People

It is imperative that the needs of CHSP clients are prioritised throughout the transition. Robust safeguards must be established to ensure clients are protected, including guaranteed continuity of service, the provision of clear and accessible information in plain English, opportunities for direct engagement beyond online webinars, explicit consent protocols, and sufficiently extended transition periods to minimise disruption and distress.

Recent experiences of older Australians moving from Home Care Packages to Support at Home revealed confusion, particularly regarding assurances of being "no worse off", the allocation of 60% funding following the government's release of 20,000 packages, and complexities around care management and pricing structures. As further changes take effect in the coming months, confusion is expected to intensify. It is the providers who bear the brunt of this confusion and frustration, placing the workforce at increased psychological risk and turnover.

To mitigate these risks, we recommend implementing mandatory transition support for CHSP clients, guaranteeing uninterrupted access to services, enforcing explicit consent requirements prior to provider consolidation, and establishing minimum transition periods of 12 to 24 months to ensure a stable and informed transition process.

Assessment and Re-Assessment Bottlenecks

Reports from across the sector highlight that assessment processes under Support at Home are beset by bottlenecks and extended wait times. Further, the assessment algorithm currently in use is delivering outcomes that lack the necessary clinical judgment and expertise. With over 800,000 individuals currently accessing CHSP and an additional 100,000 awaiting assessment, it is evident that the prevailing assessment framework is failing to deliver reliable, scalable, and clinically sound results.

Home Modifications $15,000 Lifetime Cap

Providers offering CHSP home maintenance and modifications are concerned that the proposed $15,000 lifetime cap is clinically and practically insufficient. A single major modification, like a bathroom upgrade or access ramp, can consume the entire allocation, leaving nothing for future needs. The cap fails to recognise that older Australians are living longer and require ongoing, complex modifications to maintain

mobility and safety. These changes are essential, not optional, for safe ageing at home. The cap ignores rising building costs, the complexities of heritage and strata properties, and the need for staged modifications as disabilities progress.

NDIS or Aged Care

The Aged Care sector has persistently opposed the adoption of the NDIS model, citing unsuitability and risks. Support at Home closely mirrors the NDIS framework, raising concerns among CHSP providers about its sustainability. The NDIS has been marred by inadequate pricing, policy-driven instability, and insufficient market oversight, exposing vulnerable people to substandard and unsafe practices. The transition from CHSP to Support at Home must uphold service quality and provider integrity and not replicate the NDIS shortcomings.

CHSP Provider Readiness & Sustainable Business Model

CHSP providers need a funding model that guarantees financial stability and lessens administrative load. While the Royal Commission called for sustainability and quality, the client co-contribution model's delayed payments and debtor risks threaten providers, risking reduced services or market exits.

Current CHSP unit pricing does not meet new regulatory requirements from the Aged Care Quality and Safety Commission.

Providers, including those offering transport and meals, now operate within a fragmented system of CHSP and Associate Providers, increasing administrative work to satisfy stricter standards and multi-organisation reporting. Using the Aged Care GPMS as a central portal for associate provider information is recommended to streamline this process.

The transition to Support at Home is a costly investment for CHSP providers. There must be transition funding available to support and sustain smaller providers with minimal equity, but high community trust.

Conclusion

Marketising aged care shifts support from trusted relationships to profit-driven transactions. Efficiency becomes the focus, at the cost of attentive listening, dignity, and ongoing care. Personalised support suffers, especially for those with complex needs, as business priorities override equity. Navigating the system is overwhelming for vulnerable people, and standardised care diminishes compassion and professional judgement. As financial aims overshadow social values, community accountability wanes, risking the treatment of older people as commodities rather than a shared responsibility.

An alliance member is available to discuss these issues, share our CHSP and aged care provider experience, and help develop effective solutions for older people and the sector.

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Signatories:

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[i] CHSP National Unit Price Ranges and Client Contributions

[ii] Your Side Australia SAH Price Comparison Table - average unit price for general house cleaning (weekday) and assistance with self care (weekday).

[iii] 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

[iv] https://www.health.gov.au/sites/default/files/2025-10/support-at-home-program-participant-contributions.pdf

[v] https://www.theweeklysource.com.au/govts-no-worse-off-pledge-for-home-care-under-scrutiny/