



Australian Government
Department of Health



myagedcare

Introduction to home care changes

About Increasing Choice in Home Care

The Australian Government is improving the way home care services are delivered to older Australians. These changes are important for a sustainable and quality aged care system that is more consumer driven, market based and less regulated.

What is changing?

From 27 February 2017, home care packages will change in three main ways:

1. Funding will follow the consumer

Home care package funding will follow the consumer, allowing them to choose and direct package funding to the provider that best meets their needs, and giving home care providers the opportunity to expand their businesses to meet local demand and consumer expectations. This replaces the current system where home care places are allocated directly to approved providers.

2. Access to home care packages

A consistent national system for prioritising access to home care will be established through a national prioritisation system managed by My Aged Care. The way consumers are prioritised will take account of their relative needs and circumstances and the time they have been waiting for care. This will allow for a more equitable and flexible distribution of packages, regardless of where consumers live.

3. Reduced red-tape for providers

The process for becoming an approved provider will be streamlined. Approved providers of residential care and flexible care will be able to 'opt-in' to providing home care rather than going through a full application process.

Once approved provider status has been granted it will no longer lapse, whether the approval is for home care, residential care or flexible care.

Overview of key changes

Changes from 27 February 2017...	Replacing current arrangements....
Funding for a home care package will follow the consumer, allowing them to direct funding to the provider of their choice.	Home care places are allocated to Approved Providers of home care through the Aged Care Approvals Round (ACAR), a resource intensive and highly competitive process with many unsuccessful applicants each year.
Home care packages will be portable for consumers, allowing them to change providers if they wish. If they choose to change providers, any unspent funds (less exit amount) within their package will follow them to the new home care provider.	Home care packages are not portable as the places are allocated to an approved provider and unspent funds are retained by that provider if the consumer leaves their care.
Aged Care Assessment Teams will approve consumers for home care at a specific package level – 1, 2, 3 or 4.	Consumers are approved for home care in broad bands – level 1/2 or level 3/4.
A new national process will deliver a consistent national system for assigning home care packages to eligible consumers and will be managed by My Aged Care.	Eligible consumers need to find a provider with an available home care package at an appropriate level of care. This causes significant variation in waiting periods for packages across Australia, with no systematic way of addressing the variation.
The process for becoming an approved provider will be streamlined and focussed on the ability of the organisation as a whole to deliver quality care.	There are 53 mandatory criteria that must be considered in assessing each application, which applicants find time-consuming and difficult to address.
Approved providers of residential care and flexible care will be able to 'opt-in' to providing home care rather than going through a full application process.	There is duplication in the application process for becoming an approved provider in residential care, home care and flexible care.

Approved provider status will no longer lapse after two years.	Approved provider status lapses after two years if the provider does not hold an allocation of places.
Approved providers will no longer need to apply for home care places through an ACAR and can adjust the services they offer to meet demand across different service areas and home care package levels.	Approved providers are restricted to the number of home care places they can offer through an ACAR.

What is NOT changing?

- Existing home care consumers will continue to receive services at their current package level.
- There will be no changes to current fee and income testing arrangements.
- Claims and payments will still be made through the Department of Human Services Aged Care Payment System.
- Home care subsidy and supplements will continue to be paid to approved providers, not directly to consumers.
- Packages will continue to be delivered on a consumer directed care basis.
- Approved providers must continue to meet relevant quality and accreditation standards.
- The total number of home care packages across the country will still be capped.

When do the changes to home care start?

The changes start on 27 February 2017.

Transition provisions are included in the legislation to ensure existing home care consumers continue to receive care and services at their existing package level.

What can I do to prepare?

If you haven't already done so, make sure you are set up correctly on the My Aged Care portal to connect with assessors and consumers. For more information about setting up your business on the My Aged Care portal, go to: www.myagedcare.gov.au



FURTHER INFORMATION

- visit the department's website <https://agedcare.health.gov.au/increasing-choice-in-home-care>; or
- subscribe to receive electronic updates at <https://agedcare.health.gov.au/ageing-and-aged-care-news-and-updates/advice-to-the-aged-care-industry>; or
- email agedcarereformenquiries@health.gov.au.