

In-home aged care

How the new Aged Care Act will affect what you pay for



The new **Support at Home program** will replace the Home Care Packages (HCP) program and the Short-Term Restorative Care program from 1 November 2025. The Commonwealth Home Support Programme (CHSP) will transition to the Support at Home program no earlier than 1 July 2027.

The Support at Home program will have 8 funding classifications, ranging from approximately \$11,000 to \$78,000 annually. Recipients will receive a budget aligned with their assessed funding classification. Existing HCP recipients will be allocated a budget that matches their current HCP budget.

Recipients will work with their aged care provider to allocate their budget across **3 broad service categories**, tailored to their needs:

- **Clinical supports**, such as nursing and physiotherapy
- **Independence services**, including personal care, respite care, transport, and social support
- **Everyday living services**, such as cleaning, gardening, and meal delivery

The government will cover the full cost of **clinical supports**, but all recipients will be required to make contributions toward their **independence** and **everyday living services**. These contributions will replace the basic daily fee and income-tested care fee currently paid by some HCP recipients.

Contributions will vary depending on the service category and the recipient's income and asset assessment by Services Australia. For pensioners, Services Australia will use the information provided for their pension assessment.

Participant contributions

Independence services	Participants will pay 5–50% of the cost
Everyday living services	Participants will pay 17.5–80% of the cost
Clinical supports	Fully funded by government

Additional short-term funding

Eligible older people can access separate funding for:

- assistive technology and home modifications (up to \$15,000 each)
- restorative care (12–16 weeks and up to \$6,000)
- end-of-life care (12–16 weeks and up to \$25,000).

Price caps

The Independent Health and Aged Care Pricing Authority (IHACPA) will set a cap on the prices aged care providers can charge for services from 1 July 2026.

Providers will continue to set their own prices (inclusive of administration costs) until 1 July 2026 as a transitional arrangement.

Lifetime cap

There will be a lifetime cap of \$130,000 (indexed annually) on income and asset tested contributions across both Support at Home and residential aged care. Once an older person has reached that threshold, they will no longer pay contributions for independence and everyday living services.

Gardening and cleaning services

Gardening and cleaning services will not be capped. There is no limit on the number of hours an older person can access from the approved service types in their support plan within their Support at Home budget.

Care management

There will be a pooled approach to care management from 1 November 2025. This means that 10% of each recipient's quarterly budget will be allocated to their aged care provider to deliver care management. The remaining 90% will be allocated to services the older person is assessed as needing.

Financial hardship

Hardship arrangements in place before 1 November 2025 will carry through to Support at Home. Older people who cannot afford to pay for their aged care can apply for financial hardship assistance through Services Australia.

No worse off

The government is applying 'no worse off' arrangements so older people who were in the aged care system on 12 September 2024, when the Aged Care Bill was tabled in Parliament, will not be financially disadvantaged.

The 'no worse off' arrangements will apply to people already receiving an HCP, people approved and waiting for their HCP to be allocated in the National Priority System (wait list), and people assessed as eligible for an HCP.

- People who were receiving their HCP on 12 September 2024 will transition to Support at Home on 1 November 2025 with their current HCP budget and any unspent funds.
- People who are full rate pensioners paying no fees towards their HCP as of 12 September 2024, will never pay fees under Support at Home.
- People who were required to pay means tested fees towards their HCP as of 12 September 2024, will pay the same or less under Support at Home.

For free and confidential information
call our Aged Care Advocacy Line:



1 800 700 600



Older Persons
Advocacy Network

open.org.au

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