

OPAN

submission on

**Pricing Framework for Support at Home Services
2027–28**

Table of Contents

About OPAN.....	3
Introduction.....	4
Transparency.....	6
Impact of co-contributions.....	8
Transition issues.....	8
Thin markets.....	8

About OPAN

The Older Persons Advocacy Network (OPAN) is the national peak body for individual aged care advocacy support. OPAN contains a network comprised of nine state and territory organisations that have been successfully delivering advocacy, information and education services to older people across Australia for over 30 years. Our members are:

ACT	ACT Disability, Aged and Carer Advocacy Services	SA	Aged Rights Advocacy Service (ARAS)
NSW	Seniors Rights Service (SRS)	TAS	Advocacy Tasmania
NT	Darwin Community Legal Service	VIC	Elder Rights Australia (ERA)
NT	CatholicCare NT (Central Australia)	WA	Advocare
QLD	Aged and Disability Advocacy Australia (ADA Australia)		

OPAN receives funding from the Australian Government to deliver the National Aged Care Advocacy Program (NACAP). OPAN aims to provide a national voice for aged care advocacy and promote excellence and national consistency in the delivery of advocacy services under the NACAP.

OPAN’s free services support older people and their supporters to understand and address issues related to Commonwealth funded aged care services. We achieve this through the delivery of education, information and individual advocacy support. In 2024-25 OPAN provided 52,206 instances of advocacy and information support, an increase of 18 percent since 2023-24.

OPAN is always on the side of the older person we are supporting. It is an independent body with no membership beyond the nine members. This independence is a key strength both for individual advocacy and for our systemic advocacy.

OPAN works to amplify the voices of older people seeking and using aged care services and to build human rights into all aspects of aged care service delivery. OPAN acknowledges the knowledge, lived experience, wisdom and guidance provided by older people and advocates in preparing this submission.

Introduction

OPAN welcomes the opportunity to provide a brief submission to the Independent Health and Aged Care Pricing Authority (IHACPA) on the Pricing Framework for Australian Support at Home Aged Care Services 2027–28.

OPAN has received a large volume of feedback on the pricing structure for the Support at Home program compared to the former Home Care Packages program since the new program commenced on 1 November 2025. Older people have urged us to continue to strongly advocate for better protections against unreasonable price increases and price gouging in the Support at Home program.

As an organisation focused on the rights of older people accessing aged care services, we supported replacing the Short-Term Restorative Care (STRC) program and Home Care Packages (HCP) program with Support at Home. Support at Home provides improved access to additional funding for Assistive Technology and Home Modifications (AT-HM), restorative care, and end-of-life care.

Older people consistently provided feedback to us that there were often insufficient funds remaining in their package for direct care services after providers had deducted care management and package management fees. Even after these fees were capped at 20 percent and 15 percent of the package respectively, providers increased the hourly rate charged for direct care services, negating any increase in funds available.

The restructuring of Support at Home charges into all-inclusive unit pricing has not improved the situation, and in fact seems to have decreased pricing transparency.

In our advocacy case work, we have seen many cases of:

- Older people reducing individual services due to the significantly higher unit prices charged to their budget by their provider
- Overcharging and non-compliant charging practices by registered providers, particularly for third party or associated provider delivered services.

"I've become aware of serious pricing irregularities from one provider, where they are loading a 25% charge onto every service, resulting in a provider-induced overspend, severely decreased care and services to the older person, with a massive negative impact on them and their carer. For example:

Physiotherapy

Base cost: \$209.00

25% loading: \$52.25

Total charge: \$261.25

Oxygen consumables

Base cost: \$126.00

25% loading: \$31.50

Total charge: \$157.50

Cabcharge card

Base cost: \$300.00

Cabcharge admin fee 10% + 25% loading applied

Total charge: \$412.50

I am supporting the older person's carer to pursue this with the Aged Care Quality and Safety Commission."

-Financial Advocate

OPAN provides this feedback acknowledging IHACPA's role is limited to providing pricing advice and the Department of the Health, Disability and Aged Care is responsible for overall Support at Home policy and funding, including:

- Program rules, procedures and obligations for providers
- Participant co-contributions and income and assets assessment policy
- Amounts for thin market grants and other supplementary grants for providers
- Development of funding classifications for ongoing services
- Policy decisions relating to budget allocation for care management

We urge IHACPA to develop the 2027–28 pricing framework with a strong emphasis on the following pricing principles:

- Pricing should support timely and equitable access to services for older people assessed as needing them
- Prices should be fair and equitable
- Pricing should minimise susceptibility to gaming, inappropriate rewards and perverse incentives

Transparency

One of IHACPA’s pricing principles is transparency – *that all steps in the development of pricing advice for in-home aged care services should be clear and transparent.* We restate that IHACPA only provides advice to government and that it is a decision of government whether to make this advice public.

OPAN further recognises that, unlike in the health system, where it makes national efficient price (NEP) determinations for public hospital services, the role of IHACPA in the Support at Home program is limited to advice on:

- unit prices for each service on the Support at Home service list
- for each service, unit prices differentiated by time of delivery (during normal working hours and outside normal working hours) and day of delivery (weekdays, Saturdays, Sundays or public holidays).

We note that IHACPA developed its first Support at Home Pricing Framework and provided its first Support at Home Pricing Advice 2025–26 to the Minister in February 2025. However, IHACPA is only able to publish pricing advice following agreement from the Minister. None of this has been made public, making it difficult for stakeholders to provide feedback on the 2027–28 framework without reference to earlier advice or pricing frameworks.

OPAN recommends that:

- The Minister grants IHACPA permission to publish the pricing framework developed following their consultation in 2025.
- IHACPA emphasises the pricing principle of transparency in their advice.

OPAN reiterates our recommendation that the Minister expands IHACPA’s role to include advice on Assistive Technology and Home Modifications (AT-HM) list pricing.

Another of IHACPA's pricing principles is that of minimising undesirable and inadvertent consequences. OPAN recommends that IHACPA's pricing framework include a robust approach to minimising gaming by providers and the susceptibility of Support at Home services to price gouging.

As the sector transitions to Support at Home, the current approach to pricing is contributing to unfair charges, limited consumer choice, and barriers to equitable access for older people. Some provider's approach to Support at Home pricing has not been principled or justifiable, nor consistent with the intent of the Statement of Rights.

Older people having to make a complaint to the Aged Care Quality and Safety Commission about a provider's unreasonable price increases is not an accessible or responsive mechanism to ensure fair and equitable pricing. OPAN considers that providers should be held promptly to account by the Department and the Commission for unconscionable price increases, overcharges and surcharges.

"An older person receiving third party delivered meals was charged an \$18 service fee per item, including when providers split multi packs (e.g., a four pack of yoghurt charged as four separate fees). Although meals were delivered as a single soup-main-dessert meal, the provider charged three separate service fees. The provider claimed they were mirroring the meal delivery service's itemised pricing, despite this contradicting the Support at Home manual, which states only one fee can be charged per multi-course meal.

Email correspondence revealed the provider was using these charges to "cover the loss of package management fees." The older person calculated that continuing meal deliveries would cost \$25,692 per year from their Support at Home budget (excluding the 30% food contribution)."

-Financial Advocate

Impact of co-contributions

Based on the pricing principle of access to services, OPAN recommends that IHACPA include within their pricing framework consideration of the impact of participant contributions being set as a percentage of the unit price for Independence and Everyday Living supports, with no upper limit on the total amount payable.

Transition issues

During this transition period, providers are supposed to justify any rapid price increases, and the Department can use their program assurance powers to investigate 'outlier' pricing. Complaints regarding misleading, deceptive, or excessively high fees can also be reported to the Australian Competition and Consumer Commission (ACCC).

OPAN network member advocates have identified the following key issues impacting older people in the transition from Home Care Packages to Support at Home:

- Loss of the rural and remote supplement and lack of access to thin market grants to compensate
- Loss of the dementia supplement for people with higher needs and their carers
- Registered providers setting high associate provider prices, especially for clinical services (nursing, allied health and Aboriginal and Torres Strait Islander health practitioner and health workers)
- Delivered meals pricing that far exceeds the cost of the service
- Self-management surcharges of up to 10 percent on each invoice

Thin markets

The consultation paper asks many questions about pricing for service delivery to:

- people from Aboriginal and Torres Strait Islander communities
- people with diverse backgrounds and life experiences
- people living in rural and remote locations

And about provision of clinical services in comparison to non-clinical services.

OPAN has been advised of one provider charging over \$300 per hour (standard business hours) for Aboriginal and Torres Strait Islander health practitioner and health worker services. In comparison, they charge \$250 per hour for care by a registered nurse and \$220 per hour for care by an enrolled nurse. We consider that providers should be asked to clearly identify and justify the additional costs incurred by them as registered providers in contracting these clinical services from an associated provider to appropriately meet the needs of participants.

The consultation paper also asks what IHACPA should consider when developing the pricing approach for the transition of the Commonwealth Home Support Program (CHSP) to the Support at Home program.

OPAN reiterates our previous recommendation made to the Senate Community Affairs References Committee Inquiry – that IHACPA should be charged with developing a new approach to pricing grant and individual subsidy based funded aged care services prior to any transition of the CHSP.

We further recommend that IHACPA consider that the Australian National Audit Office (ANAO) is due to report this month on its audit assessing the effectiveness of the CHSP. The ANAO will examine:

- Does the CHSP meet community need?
- Are CHSP services delivered effectively?
- Is the CHSP meeting its objectives?

We expect that the audit report will provide relevant supporting data and evidence on CHSP cost pressures related to the diverse populations supported and on provider factors related to service location, transport costs and workforce issues.

OPAN remains highly concerned about Support at Home pricing contributing to unfair and inequitable outcomes for diverse older people. OPAN urges IHACPA to closely monitor provider practice in implementing Support at Home pricing and report evidence from their data collection exercises of excessive prices or unreasonable price increases to the Department and the Commission.

“Self-managed providers can charge 10% care management, and 10% (capped) third party charges. However, the guidelines say that if the self-managed participant is not contributing to any coordination, then the 10% third party charge cap does not apply.

In 2 ongoing cases with one provider, the older person is being charged 20% third party charges and the provider is stating that 10% of this is for coordination. However, the participants are contributing some coordination activities, so the cap should still apply. They are therefore being charged 30% in total overheads.

It is possible that the provider is applying the ‘cap not applying’ principle to some or all participants regardless of their level of input to the management of services, until they question this.

The other issue is that the provider appears to be charging care management on the coordination service that they are already charging – the same service twice.

Neither of the cases have an outcome yet or have progressed to the Aged Care Quality and Safety Commission.”

-Financial Advocate

OPAN member organisations by state or territory:



OPAN is funded by the Department of Health, Disability and Ageing through the National Aged Care Advocacy Program (NACAP).