Increasing choice for older Australians

2015 Budget

As Australians age, it is important that they can access an aged care system that meets their needs and puts them in control of their own care. The Government is changing aged care in Australia to reduce regulation and allow home care funding to follow the individual.

What was announced in the 2015 Budget?

The Australian Government has committed $73.7 million over four years to change the way that home care services are delivered to older Australians.

These changes will give older Australians greater choice in deciding who provides their care, and will establish a consistent national approach to prioritising access to care.

From February 2017, Australians receiving home care packages will be able to choose their service provider, and have the flexibility to change their provider.

Importantly, there will be increased competition, leading to enhanced quality and innovation in service delivery, and reduced regulation and red tape for providers. These changes are a key step in moving to a less regulated, more consumer-driven and market-based aged care system.

From July 2018, the Government intends to integrate the Home Care Packages Programme and the Commonwealth Home Support Programme (CHSP) into a single care at home programme.

These changes represent a significant shift in how care and support is delivered to older Australians and will involve consultation with stakeholders on the implementation and transitional arrangements.

This investment will allow the $7.5 billion provided over four years for Home Care Packages to be used by older Australians to pay for the services they need to remain in their own home for longer.

These changes will assist the more than 850,000 Australians who receive a Home Care Package or Commonwealth Home Support Services each year.

Flexibility and increased options for consumers

Funding for a home care package will be attached to the consumer, rather than to a place allocated to an individual aged care provider.

In 2013-14 more than 80,000 Australians received a Home Care Package.
Eligible consumers will be able to select any approved provider to deliver their care, with funding for the package paid to the approved provider selected by the consumer.

Packages will be portable, allowing consumers to change their service provider, including where the consumer moves to another location.

Once these changes come into effect, providers will no longer have to apply for home care places through the Aged Care Approvals Round, significantly reducing red tape for businesses. This will increase competition in the home care sector, allowing more consumer focused and innovative providers to expand their business to meet local demand and consumer expectations.

There will be a consistent national approach to prioritise consumers who have been assessed as eligible for a home care package.

Key facts

- $73.7 million has been committed over four years.
- This is part of a $7.5 billion investment in home care.
- From February 2017, eligible consumers will be able to select any approved provider to deliver their care.
- Consumers will have more choice about what services they receive, and who delivers them.
- Packages will be portable, moving with the consumer.
- From July 2018, the Government intends to integrate the Commonwealth Home Support Program and Home Care Packages into a single program.
- Red tape for business will be reduced.

More information

For more information about this measure and other Department of Social Services' Budget measures, visit the Department of Social Services website (www.dss.gov.au).

For information about the 2015 Budget, visit the Australian Government budget website (www.budget.gov.au).