



Changes to payments for Commonwealth Home Support Programme (CHSP) providers

What is changing?

Changes to the way the CHSP is funded were announced on 11 May 2021, as part of the Commonwealth Government's response to the Royal Commission into Aged Care Quality and Safety, and the move to a new Support at Home Program.

The new **Support at Home Program** is due to commence in July 2023; and will create one system that brings together:

- The CHSP
- Home Care Packages
- Short-Term Restorative Care
- Residential respite programs.

Under this program, CHSP providers will be paid monthly in arrears, that is, after the delivery of services, rather than the current funding model of quarterly in advance.

| Summary of the changes | |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What | Changes to CHSP payment arrangements and transition to a single Support at Home Program |
| Who | All CHSP Providers |
| Where | Nationwide |
| When | <ul style="list-style-type: none">• From 1 July 2022 – funding will be paid monthly in arrears. Each monthly payment will be a set amount (i.e. 1/12th) of the annual grant value. Reporting will be monthly.• From 1 July 2023 the Support at Home Program commences. Funding will be based on unit prices and quantity of services delivered, paid monthly in arrears. |
| Support available for smaller providers | <ul style="list-style-type: none">• Rollover of unspent funds from 2021-22 to 2022-23• Cashflow assistance funding. |



Changes to grant funding and unit pricing for 2022-23

Being paid in arrears is a significant change for CHSP providers. To allow time to adjust, the **funding for existing CHSP service providers is being extended until June 2023**. Grant agreements will be retained with a fixed funding amount based on price and outputs. The Department of Health (Health) has advised that in most cases, funding for 2022-23 will be the same as 2021-22, indexed for inflation.

Where necessary, outputs will also be adjusted to ensure funding levels are unchanged for 2022-23. Providers will receive a letter from Health this month (November 2021) outlining the specific impact for them, if any. This is something to look out for in the letter of offer.

Currently there is a unit price per activity for each Aged Care Planning Region (ACPR). This will change to **one unit price per activity for each specific CHSP provider** – based on the average across all the ACPRs they deliver services in.

For 2022-23 all CHSP providers will transition to payment in arrears. Payments will be a monthly fixed amount based on 1/12 of the total grant value. The July 2022 payment will be in advance; however, from August 2022 monthly payments will be at the start of the following month.

Understanding your own costs will help in this transition. Western Sydney Community Forum is developing modules to assist with this.

2022-23 CHSP National unit price ranges

As part of the move to payment in arrears, Health contracted ACIL Allen Consulting to develop a **National Unit Pricing Policy** for CHSP. The finalised unit price ranges to be used in grant agreements for 2022-23 were released on 29 October 2021 and are broadly consistent with historical funding. Except for meals and transport, unit price ranges are on an hourly basis. Understanding which of your costs are fixed or variable will be very important in moving to unit price estimates and activity-based funding.

Goods Equipment and Assistive Technology (GEAT) and Home Modifications will not have national unit price ranges and will continue to be funded on a cost basis.

The **unit price ranges do not include client contributions**. It is likely these contributions will become more important in meeting actual costs. This will mean CHSP providers will need to consider their pricing policy for client contributions.



There are a range of unit costing tools being developed by numerous organisations. Each of these come with their own costs and consultancy fees, some are subsidised while others are entirely free of charge.

Assistance with the transition

At its webinar on 17 November 2021, Health advised that the support available may include:

- **Round 1** - all providers - roll over of unspent funds (excluding SSD) from 2021-22 to 2022-23 (up to a maximum of one month's worth of funding).
- **Round 2** - targeted transition funding to assist with cashflow for smaller providers.

This transition assistance is intended for smaller providers with low cash reserves. Health will provide details of the application process and criteria to access this support in coming months. Eligible providers will be able to apply for transitional assistance in March 2022.

Changes to compliance and reporting requirements

From July 2022, CHSP providers will be required to report monthly on services delivered. This will be through Data Exchange (DEX) and must be submitted within 10 business days after the end of the month.

Health will provide more information in the next few months about targeted training and support materials to assist with the transition to monthly DEX reporting.

Compliance checks will be every 4 to 6 months, with the first one scheduled for November 2022.

Changes to arrangements for other CHSP service types

Navigation services (Advocacy and Assessments) provided under the **Assistance with Care and Housing (ACH)** will move out of the CHSP and become part of the new Care Finder Program on 1 January 2023.

- ACH providers will be fully funded until 1 January 2023 when Care Finder starts.
- From 1 January 2023, only the Hoarding and Squalor component of ACH will continue to be part of the CHSP.



Given these changes, unit prices for ACH services may not be adjusted as part of the CHSP extension.

CHSP ACH providers were required to complete a survey for Health by 3 November 2021 to inform the arrangements.

Specialised Support Services (SSS) will be reviewed by Health to consider whether they should be funded under the Support at Home Program from 1 July 2023 or other Aged Care programs. SSS Providers were required to complete a survey for Health by 9 November 2021.

Sector Support and Development (SSD) 2021-22 Activity Work Plans are currently being reviewed by Health. SSD providers who also deliver direct CHSP services are being reclassified.

What is WSCF doing to help with the transition?

We host regular community care forums, such as the Western Sydney Community Care Forum and the Western Sydney Community Care Leaders Mixer, which provide an opportunity to discuss issues related to aged care, including the changes to payment arrangements for CHSP providers. We will continue to host these forums to assist providers to navigate the upcoming changes.

We have developed training modules to further assist CHSP providers in transitioning to being paid in arrears and the National Unit Pricing Policy. We will continue to update these modules as more information becomes available.

These modules will simplify the information from Health and step providers through the changes with unit pricing and how to manage the risks associated with the transition to payment in arrears.

We will continue to provide in-house consultation and tailored solutions to all service providers. As with all our services, there are subsidised rates for WSCF members. We are committed to ensuring our service fees are equitable and affordable to all. Please contact our team for any assistance, or if cost is an issue.



Next steps

- **Early November 2021** CHSP service providers will receive a letter from Health with an indicative service offer and funding proposal. Excludes ACH, SSS, and SSD service types.
- **17 November 2021** Department of Health webinar – an opportunity for CHSP providers to ask questions about the changes and the impact on them. Note: the recording and transcript of the webinar will shortly be available on Health's website.
- **Late December 2021/early January 2022** ACH, SSS and SSD providers will receive an indicative service offer and funding proposal.
- **Early 2022** CHSP providers will receive draft grant agreement for consideration
- **March 2022** eligible providers can apply for transition assistance to manage cashflow.
- **1 July 2023** Transition to Support at Home Program

For more information

Western Sydney Community Forum

Phone (02) 9687 9669

Email info@wscf.org.au

See also

Australian Government, Department of Health factsheets and website:

- [Commonwealth Home Support Programme News](#)
- [Commonwealth Home Support Programme \(CHSP\) – Payment in Arrears and Unit Pricing – October update](#), 29 October 2021.
- [Commonwealth Home Support Programme \(CHSP\) – Payment in Arrears and Unit Pricing Fact Sheet](#), July 2021.