



IHACPA

Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2027–28

March 2026

Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2027–28 – March 2026

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Acknowledgement of Country

We respect and acknowledge the Traditional Owners and Custodians throughout Australia and recognise their continuing connection to land, sky, waters and culture. We pay our respect to people, communities and Elders today and those who walk in spirit.

Artwork by Chern'ee Sutton

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Abbreviations

Abbreviations	Full term
ACFR	Aged Care Financial Report
AEST	<i>Australian Eastern Standard Time</i>
Aged Care Act	<i>Aged Care Act 2024</i>
CHSP	Commonwealth Home Support Program
Commission	Aged Care Quality and Safety Commission
Consultation paper	Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2027–28
Department	Department of Health, Disability and Ageing
Government	Australian Government
HCP	Home Care Packages Program
IHACPA	Independent Health and Aged Care Pricing Authority
Minister	Australian Government Minister for Health and Ageing
NHR Act	<i>National Health Reform Act 2011</i>
Pricing framework	Pricing Framework for Australian Support at Home Aged Care Services
QFR	Quarterly Financial Report
SAHCC	Support at Home Cost Collection
SAHCC25	Support at Home Cost Collection 2025
SAHCS	Support at Home Costing Study
STRC	Short-Term Restorative Care Programme



1. Introduction

1.1 About IHACPA

The Independent Health and Aged Care Pricing Authority (IHACPA) is an independent government agency established under the [National Health Reform Act 2011](#) (NHR Act). IHACPA assists the Australian Government by providing evidence-based pricing and costing advice to inform government policy and funding decisions in aged care.

Under the NHR Act, we provide advice on annual aged care pricing and costing matters to the Minister for Health and Ageing, including:

- in relation to methods for calculating amounts of subsidies to be paid for aged care services
- conducting, or arranging for the conduct of, the collection and review of data, costing and other studies, and consultations for the purpose of providing aged care pricing and costing advice.

IHACPA's vision is for a sustainable Australian care system that is accessible, resilient and delivers quality care outcomes for everyone. We use a consultative and data-driven approach to advise on and set fair pricing in the Australian health and aged care sectors, driving better outcomes.

We deliver our annual program of work through transparent consultation and collaboration with the Australian Government and state and territory governments, our advisory committees, in-home aged care participants and their families, carers and representatives, in-home aged care providers, other key stakeholders, and the public.

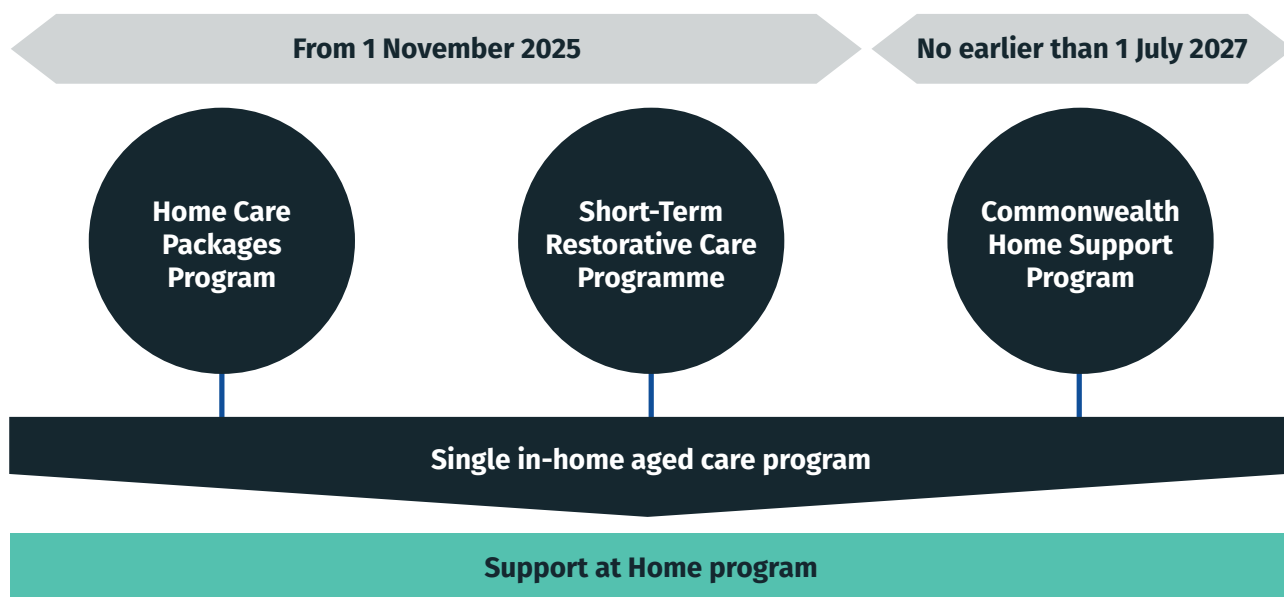
For more information about our work, visit our [website](#).

1.2 Support at Home program

The [Aged Care Act 2024](#) (Aged Care Act) commenced on 1 November 2025, putting the rights of older people at the centre of the aged care system. The Aged Care Act includes the introduction of a Statement of Rights within the strengthened [Aged Care Quality Standards](#).

The Aged Care Act established the Support at Home program, which replaced the Short-Term Restorative Care (STRC) Programme and Home Care Packages (HCP) Program from 1 November 2025. The Commonwealth Home Support Program (CHSP) will transition to the Support at Home program no earlier than 1 July 2027 (**Figure 1**).

Figure 1: Transition of the HCP, STRC and CHSP to the Support at Home program



The Support at Home program supports older people to remain at home for longer. It provides:

- upfront supports to maintain independence, such as assistive technology and home modifications
- new classification and budget levels to meet a person's aged care needs
- participant contributions based on an assessment of income and assets.

The [Support at Home service list](#) specifies the range of government funded services participants can access under the program.

On 12 December 2024, government announced that price caps on services under the Support at Home program will begin from 1 July 2026. Until then, Support at Home providers will continue to set their own prices for Support at Home services. After 1 July 2026, providers will be able to set service prices at or below government set price caps.

More information about Support at Home is available on the Department of Health, Disability and Ageing's [website](#).

1.3 About this consultation paper

We conduct annual public consultations to develop the pricing framework. This is to ensure our pricing methodology is informed by a broad range of stakeholders across the in-home aged care sector.

The Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2027–28 provides us with the opportunity to hear from the in-home aged care sector. It enables you to share your views and help inform the pricing framework and our pricing advice to government.

The pricing framework is developed annually and outlines the principles, scope and methodology we use in developing pricing advice for the Support at Home service list. The pricing framework supports transparency and accountability for Support at Home pricing by making the decisions and pricing principles we use publicly available.



Have your say

Submissions close at **5pm AEST on Friday 10 April 2026**.

How to make a submission:

- complete an online submission form
- download a submission form and email to submissions.ihacpa@ihacpa.gov.au
- mail to PO Box 483 Darlinghurst NSW 1300



Enquiries

If you have a question or enquiry about this consultation, please contact us at submissions.ihacpa@ihacpa.gov.au.

All submissions will be published on [IHACPA's Engagement Hub](#), except where respondents have requested their submission be kept confidential due to commercial or other reasons.

Supporting documents

This consultation paper builds on previous work in IHACPA's work program. It can be read alongside the following documents:

- [Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2026–27](#)

1.4 IHACPA's pricing advice development process

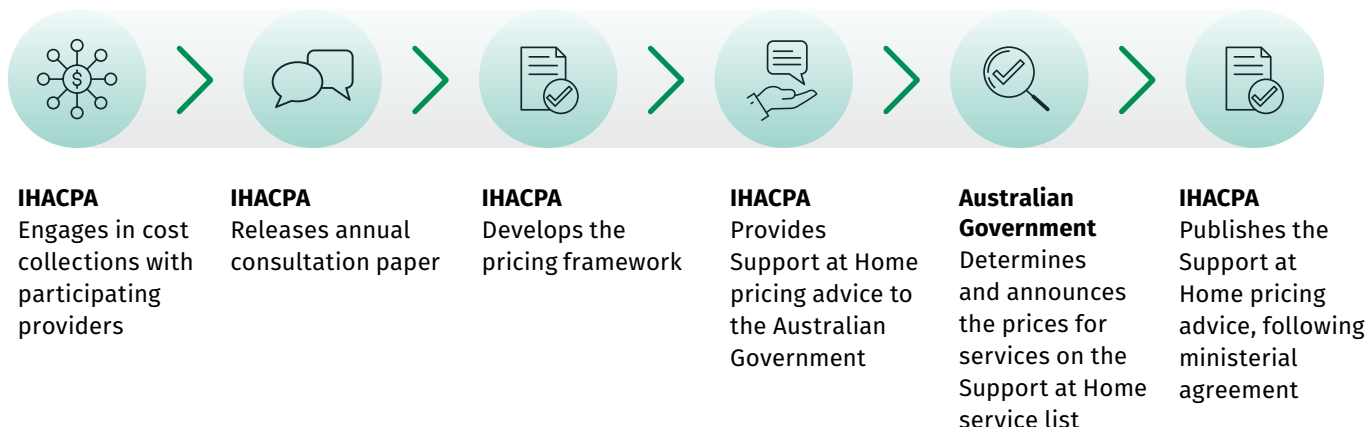
The minister has requested pricing advice from IHACPA for services on the [Support at Home service list](#).

Our pricing advice will include:

- 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).

Informed by IHACPA's pricing advice, the government is responsible for determining price caps for Support at Home services (**Figure 2**). The government is also responsible for the timing of announcements for prices for services on the Support at Home service list.

Figure 2: IHACPA's Support at Home pricing advice development process

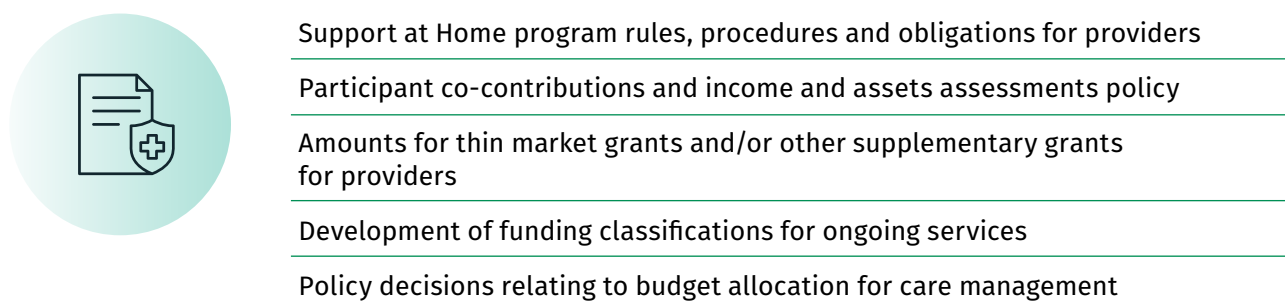


The role of the Department of Health, Disability and Ageing

The department is the aged care system governor and retains responsibility for aged care subsidies, supplements and grants, policy setting, broader aged care funding, and system management. These responsibilities are outside the scope of IHACPA's pricing and costing advice.

The department is responsible for overall Support at Home policy and funding, including the areas listed in **Figure 3**.

Figure 3: Department of Health, Disability and Ageing responsibilities



Although the above elements of the Support at Home program are out-of-scope for IHACPA's pricing and costing advice, we will reflect any feedback from the sector on these areas in our pricing framework and consultation report. In addition, we work closely with the department to reflect the impact of any policy changes as part of the development of our pricing advice. Stakeholder feedback received through our public consultation process is also provided to the department to help inform decision making.

For more information about the department's role in aged care, visit their [website](#).

The role of the Aged Care Quality and Safety Commission

The Aged Care Quality and Safety Commission is the national regulator of government-funded aged care services and responsible for a range of aged care functions outside the scope of IHACPA's pricing and costing advice. The Commission is responsible for the functions outlined in **Figure 4**.

Figure 4: Aged Care Quality and Safety Commission responsibilities



Safeguarding and upholding the rights of older people under the Statement of Rights

Registering providers to deliver aged care

Resolving complaints about aged care providers, workers and responsible persons

Monitoring and investigating registered providers, aged care workers and responsible persons

Responding to notifications of reportable incidents

Regulating aged care workers, volunteers, responsible persons and providers under the Aged Care Code of Conduct

Further information about the Commission's role in aged care is available on their [website](#).



2. Pricing principles

IHACPA balances a range of Australian Government policy objectives when developing pricing and costing advice for the Support at Home service list. Our pricing principles underpin our commitment to government policy objectives, while providing transparency and evidence-based decision making on the development of Support at Home pricing advice.

In response to feedback received in previous Support at Home public consultations, we outlined our revised pricing principles and suggested further refinements. Stakeholders were supportive of these refinements and advocated for the development of additional pricing principles to promote flexible and responsive pricing.

The pricing principles in **Figure 5** incorporate the following refinements based on stakeholder feedback:

- the **Quality care and services** principle was refined, in alignment with the *Aged Care Act 2024*, to include a reference to culturally safe, culturally appropriate, trauma-aware and healing-informed care
- the **Efficiency** principle has been updated to incorporate a reference to quality care
- the **Evidence-based** principle has been amended to address responsiveness to changes in the aged care sector.

We acknowledge the extensive feedback that has been provided on the pricing principles in our previous public consultations. We will consider future opportunities for review and refinement of the pricing principles. This ensures the principles continue to provide up-to-date and appropriate guidance for the development of our pricing advice.

Figure 5: The Support at Home pricing principles



The pricing principles

Access to services

Pricing should support timely and equitable access for those assessed as needing in-home aged care services.

Quality care and services

Pricing should support the delivery of evidence-based care and services that are person-centred, culturally safe, culturally appropriate, trauma-aware and healing-informed, and meet the Aged Care Quality Standards.

Pricing equity

Prices should be fair and equitable, and account for cost variations faced by some providers in delivering care and services, including in thin markets.

Evidence-based

The development of pricing advice should be based on the best available information and be responsive to changes in the aged care sector.

Transparency

All steps in the development of pricing advice for in-home aged care services should be clear and transparent.

Efficiency

Prices should promote efficiency in the delivery of quality in-home aged care services over time and optimise the value of the public investment in the aged care sector.

Sustainability

Pricing should consider the sustainability of the in-home aged care sector now and into the future.

Administrative efficiency

Pricing arrangements should promote effective and efficient processes and should not unduly increase the administrative burden on in-home aged care providers.

Minimising undesirable and inadvertent consequences

Pricing should minimise susceptibility to gaming, inappropriate rewards and perverse incentives.

Innovation

Pricing arrangements should respond in a timely way to the introduction of evidence-based, effective new technologies and support innovations that improve participant outcomes and service efficiency.



3. Support at Home data collections

3.1 Activity and cost data sources

IHACPA uses activity and cost data to develop Support at Home pricing and costing advice. We collect this data in our annual cost collections, from a representative sample of in-home aged care providers. This representative sample ensures that our pricing advice reflects the range of service providers, as well as the variation in participant requirements.

The data we collect covers 3 key areas, including the:

- cost of resources to deliver in-home aged care services
- number of service events delivered as per the service list to participants utilising Support at Home services
- administrative information about participants and service providers.

IHACPA's annual cost collections enables our pricing advice to reflect changes in costs and care delivery models over time, in line with the Australian Government's program and policy setting for the Support at Home program.

We also use activity and financial data from existing collections to inform our pricing advice, as reported by registered providers through the [Aged Care Financial Report \(ACFR\)](#) and the [Quarterly Financial Report](#).

3.2 IHACPA's costing studies and cost collections

The [Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2026–27](#) asked for feedback on ways to further improve IHACPA's cost collections.

Stakeholders recommended future cost collections focus on allied health services and consider differences in service delivery model, subspeciality and regulatory requirements for these services. Feedback recommended cost collections consider challenges of workforce shortages and travel distances as issues that generate complexity and create additional costs for service delivery in rural and remote locations.

Feedback also suggested co-design of cost collection tools and processes with the in-home aged care sector. Stakeholders advocated for publication of IHACPA's cost data reports to improve feedback loops and provide an accessible data resource for the sector.

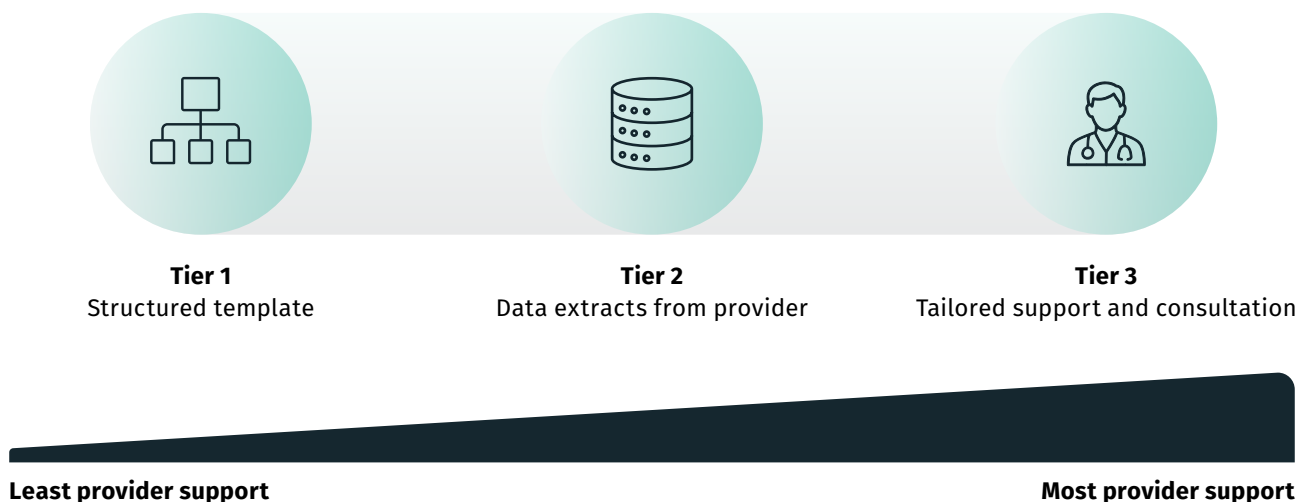
Support at Home Cost Collection 2025

In 2025, IHACPA undertook the Support at Home Cost Collection 2025 (SAHCC25). The scope of the SAHCC25 included cost and activity data from Home Care Packages Program and Short-Term Restorative Care Programme provider outlets.

As part of the SAHCC25, we targeted underrepresented provider characteristics from past cost collections and providers who were previously unable to participate due to data constraints. This included engaging with providers who deliver services to people in rural and remote locations, Aboriginal and Torres Strait Islander peoples, and people with diverse backgrounds and life experiences. We also implemented a tiered approach to data collection to ensure providers received appropriate levels of support to engage in our data collection. As outlined in **Figure 6**, this involved 3 tiers of support, including:

- **Tier 1** for providers able to extract data and complete the data collection template
- **Tier 2** for providers able to submit a data extract from their systems
- **Tier 3** for providers requiring a high level of support to provide data.

Figure 6: Tiered data collection methodology



In further efforts to support providers to participate in our cost collections, we aligned our activity and cost data requisition specifications with ACFR cost data in the SAHCC25.

Priorities for upcoming cost collections

An ongoing priority for IHACPA is the alignment of our data collection methodology with practices outlined in the [Framework for Governance of Indigenous Data](#). Consideration will also be given to a co-design project with the in-home aged care sector, to improve the accessibility and representativeness of future cost collections. For more information on IHACPA's aged care costing work program, please visit our [website](#).

We continue to strive to improve participation in our cost collections, particularly from small providers, providers that deliver services for people from Aboriginal and Torres Strait Islander communities, and other people with diverse backgrounds and life experiences. In addition to this, we are focused on supporting the collection of data from Aboriginal and Torres Strait Islander health practitioner and health worker services in the Support at Home Cost Collection 2026. This helps ensure adequate data is available to develop our pricing advice.

We welcome feedback about how we can continue to improve our engagement and collection methods, particularly for under-represented groups. We are also interested in hearing about how our cost collections could be simplified, in order to support greater participation.



Consultation question

1. What further strategies or measures could IHACPA implement to simplify and help providers contribute to our cost collections?



Consultation question

2. How can IHACPA better support participation in our cost collections, particularly from:
 - small providers
 - providers delivering services for people from Aboriginal and Torres Strait Islander communities
 - Aboriginal and Torres Strait Islander health practitioner and health worker services
 - providers delivering services for people with diverse backgrounds and life experiences.



4. Developing pricing advice

IHACPA is required to provide advice to the Minister for Health and Ageing on unit prices for services on the Support at Home service list. Our pricing advice is based on the cost per unit of service, such as per hour or per meal, calculated using registered providers' total in-scope costs and the volume of services delivered. Our pricing advice is intended to cover all in-scope elements of care, including labour costs, travel, consumables and administration costs.

Our Support at Home pricing advice includes:

- unit prices for each service on the Support at Home service list, differentiated by time of delivery (during normal working hours and outside normal working hours) and day of delivery (weekdays, Saturdays, Sundays or public holidays)
- delineation of unit prices for care management into clinical and non-clinical care management, as well as a separate combined price for team-based care management
- information about the confidence intervals around the unit prices and distribution of costs observed.

4.1 Methodology

We use cost and activity data from our annual cost collections, supplemented by existing data collections such as the Aged Care Financial Report (ACFR) and the Quarterly Financial Report, which are collected by the Department of Health, Disability and Ageing, and other relevant data sources, to inform the development of unit prices.

The data sources provide a basis for calculating the various cost components associated with the delivery of in-home aged care. For each provider and service type, we calculate the in-scope unit cost by dividing the total in-scope cost by the total activity. Indexation is then used to inflate these costs to estimate the costs of service delivery in the pricing year.

We apply sample to population weights to improve the representativeness of cost data across provider and participant characteristics. This includes remoteness, provider type (for profit, not-for-profit and government) and organisation size.

Stakeholder feedback to the [Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2026–27](#) included feedback on the challenges associated with the introduction of price caps. Responses also recommended the inclusion of preventative, reablement and wellness services to the Support at Home service list, to help reduce long-term health care costs.

Several stakeholders noted challenges with delayed funding for care management, including subsequent time-intensive activity when onboarding new participants for Support at Home providers.

Stakeholders also noted challenges of proposed participant co-contribution, and the downstream impacts of this model to participants. It is noted that decisions relating to these issues, are the responsibility of the department. This feedback received through the public consultation has been provided to the department, to help inform policy considerations for the Support at Home program.

IHACPA will continue to conduct annual cost collections and public consultations to ensure our pricing advice is based on the best available data and information. We will endeavour to describe the pricing methodologies used, in an easily understood and transparent manner for participants, providers and other stakeholders.

Further detail about our pricing advice development process and methodology is outlined in IHACPA's [Aged Care Pricing Policy](#).

4.2 Indexation

As IHACPA's approach to developing pricing advice is based on historical data, indexation is required to inflate underlying costs to align them with the expected cost of care delivery in the relevant pricing year.

We use a range of Australian Bureau of Statistics indexes relevant to the aged care sector, to separately index the labour and non-labour components of unit prices.

In addition, we make adjustments to account for decisions made by the Fair Work Commission relating to work value cases and annual wage reviews. Adjustments are also made for superannuation guarantee increases when indexing labour costs for Support at Home services.

In developing future pricing advice, ongoing refinements to our indexation methodology will be informed by our cost collections and time series cost data collected through the ACFR, reflecting cost growth over time. This will be further informed by feedback from our advisory committees and public consultation.

4.3 Allied health and other therapeutic services and nursing services

IHACPA's pricing advice is underpinned by annual cost collections, which are designed in alignment with the Support at Home service list. For the Support at Home Cost Collection 2025, this involved the collection of cost and activity data to support the development of a single unit price for allied health and other therapeutic services and nursing service list items, inclusive of both direct and indirect activities.

On 7 October 2025, the department announced updated guidance allowing distinct time-based billable units for face-to-face ('direct') activities and for related indirect activities for allied health and other therapeutic services and nursing services. Due to the timing of the announcement, IHACPA did not have the necessary cost and activity data available to support the development of separate unit price recommendations for direct and indirect activities for these services in the Support at Home Pricing Advice 2026–27.

IHACPA's pricing advice contained a single, fully absorbed, unit price for each allied health and other therapeutic service and nursing service on the service list, inclusive of both direct and indirect activities. Our recommended unit prices for these services cannot be used to determine separate prices for direct and indirect activities.

IHACPA will consider the department's policy change on separate unit prices for direct and indirect allied health, and other therapeutic services and nursing service list items, in the design of future cost collections and public consultations.

To ensure the newly defined direct or indirect components of service for allied health, and other therapeutic services and nursing services, are adequately captured in a full year of cost collection data and ACFR data, IHACPA anticipates providing this cost-based pricing advice by 1 July 2028.

4.4 Commonwealth Home Support Program

In the 2026–27 consultation paper, IHACPA requested feedback regarding data requirements and the pricing approach for the transition of the Commonwealth Home Support Program (CHSP) to the Support at Home program.

Stakeholders recommended IHACPA consider the differences between the CHSP, the Home Care Packages Program and the Short-Term Restorative Care Programme, including the CHSP's strong reliance on volunteers and community-focused approach.

Stakeholder responses also identified the diversity and range of CHSP participant needs as a key consideration for IHACPA's pricing approach. Feedback highlighted cost related factors for CHSP services including the location of service delivery, transport costs and workforce recruitment, training and retention.

Feedback from stakeholders recommended data requirements for CHSP cost collections be realistic, simple and aligned to the services that are being delivered. Some stakeholders also suggested implementation of an outcomes focused data approach.

IHACPA will continue to consult broadly with the in-home aged care sector to ensure key factors relating to the transition of CHSP to Support at Home no earlier than 1 July 2027, will be considered in the development of our pricing advice. IHACPA will also collect data from CHSP providers in its 2026 cost collection. This will assist in understanding the cost differences between the 2 programs in our pricing analysis.



Consultation question

3. What cost pressures and supporting data and evidence should IHACPA consider when developing the pricing approach for the transition of the CHSP to the Support at Home program?



5. Pricing adjustments

Within the in-home aged care sector, there may be cost variations experienced by Support at Home providers for delivering similar services, based on the characteristics of the people receiving care or provider-related factors. IHACPA uses the best available evidence to support the development of pricing advice and consideration of pricing adjustments to account for these cost variations.

In the [Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2026–27](#), we asked for feedback on the following priority areas, as requested by the Minister for Health and Ageing:

- any recommended pricing adjustments for services provided in rural and remote areas
- any recommended pricing adjustments for services provided for Aboriginal or Torres Strait Islander persons, including those from stolen generations, and other people with diverse backgrounds and life experiences included in Section 25(4) of the *Aged Care Act 2024* (Aged Care Act).

5.1 Services provided in rural and remote areas

Some providers operating in rural and remote areas can face substantial cost differences in the delivery of services. In rural and remote areas, there may be inadequate services for people requiring care, or an inadequate number of people requiring care to drive efficiency. This means services may not be sustainable in current market conditions.

In response to the 2026–27 consultation paper, stakeholders provided feedback on cost factors for service delivery in rural and remote locations. This includes distance travelled, vehicle operating costs, worker safety considerations and cost of freight to remote areas for equipment.

Many stakeholders recommended IHACPA consider workforce-related factors, such as costs associated with attracting and retaining workers, as well as challenges associated with ongoing professional development and clinical supervision in rural and remote locations.

Stakeholder responses also highlighted the impacts of geographic isolation on participant complexity. These impacts involve health literacy considerations and difficulty in accessing health services resulting in longer service delivery time, as well as the need for a multidisciplinary approach.

For IHACPA's 2026–27 pricing advice, we did not identify any pricing adjustments that could be applied consistently and equitably at a national level for services provided in rural and remote areas, based on the available data and evidence.

We will continue to investigate the need for pricing adjustments, noting the importance of accounting for potential cost variations. IHACPA will continue to build on and refine Support at Home cost data sets and explore further options for targeted cost data collections for priority areas. This includes services delivered in rural and remote locations. We will also work closely with the Department of Health, Disability and Ageing to address gaps in data collections, through refinements to the Aged Care Financial Report (ACFR) to underpin future pricing advice.

In order to inform our investigation of pricing adjustments, we are interested in stakeholder feedback on any areas of service delivery that consistently attract a higher cost for rural and remote services, compared to services delivered in metropolitan areas. This will inform consideration of pricing adjustments for services provided in rural and remote areas in our pricing advice for 2027–28 and future years.



Consultation question

4. Compared to services in metropolitan areas, what cost pressures and supporting data and evidence should IHACPA take into account when considering pricing adjustments for services provided in rural and remote locations?



Consultation question

5. Do higher costs or different cost pressures associated with services provided in rural and remote locations apply to all service types, or only to specific services? For example, clinical services in comparison to non-clinical services.

5.2 Services provided for people with diverse backgrounds and life experiences

IHACPA acknowledges the need for pricing advice to consider accessible, culturally safe, culturally appropriate, trauma-aware and healing-informed aged care services for older people, regardless of their background and life experiences, as outlined in Section 25(4) of the Aged Care Act.

This may include people who are:

- Aboriginal or Torres Strait Islander persons, including those from stolen generations
- veterans or war widows
- culturally, ethnically and linguistically diverse
- financially or socially disadvantaged
- experiencing homelessness or at risk of experiencing homelessness
- parents and children who are separated by forced adoption or removal
- adult survivors of institutional child sexual abuse
- care-leavers, including Forgotten Australians and former child migrants placed in out of home care
- lesbian, gay, bisexual, trans/transgender or intersex or other sexual orientations or are gender diverse or bodily diverse (LGBTQIA+)
- an individual with disability or mental ill-health
- neurodivergent
- deaf, deafblind, vision impaired or hard of hearing.

In response to IHACPA's 2026–27 consultation paper, stakeholder responses highlighted the higher care needs of Aboriginal and Torres Strait Islander peoples and the importance of delivering culturally safe and trauma-informed care. Additionally, providers raised the importance of hiring and retaining Aboriginal and Torres Strait Islander peoples, to ensure effective engagement and the associated higher costs of recruitment, cultural competency training and ongoing support.

Stakeholders generally agreed that high-quality care must be culturally safe and inclusive, particularly for people with diverse backgrounds and life experiences. This includes people who are experiencing homelessness or at risk of experiencing homelessness, people with dementia and cognitive impairment and people who identify as LGBTQIA+.

For the 2026–27 pricing advice, based on the available data and evidence, IHACPA did not identify any pricing adjustments that could be applied consistently and equitably at a national level for services provided for Aboriginal and Torres Strait Islander peoples and other people with diverse backgrounds and life experiences. IHACPA will explore further options for targeted cost data collections for priority areas, including for services provided for Aboriginal and Torres Strait Islander peoples and other people with diverse backgrounds and life experiences. We will also work closely with the department to address gaps in data collections through refinements to the ACFR to inform future pricing advice.

To support the consideration and development of pricing adjustments, we are interested in stakeholder feedback on any areas of service delivery that consistently attract a higher cost for services provided for people from Aboriginal and Torres Strait Islander communities, and other people with diverse backgrounds and life experiences.



Consultation question

6. What cost pressures and supporting data and evidence should IHACPA take into account when considering pricing adjustments for services provided for people from Aboriginal and Torres Strait Islander communities?



Consultation question

7. What cost pressures and supporting data and evidence should IHACPA take into account when considering pricing adjustments for services provided for people with diverse backgrounds and life experiences?



Consultation question

8. Do higher costs or different cost pressures associated with services provided for people from Aboriginal and Torres Strait Islander communities or people with diverse backgrounds and life experiences apply to all service types, or only to specific services? For example, clinical services in comparison to non-clinical services.



6. Priorities for future pricing advice

In developing pricing advice for the Support at Home service list, we use evidence-based methodologies and the latest available cost and activity data. We also consider a number of policy objectives, including priorities and focus areas for future pricing advice.

IHACPA's future pricing advice for the Support at Home service list will be guided by the policy priorities set by the Australian Government. It is also informed by improvements in the volume, quality and representativeness of cost and activity data collections.

6.1 Safety and quality in care delivery

The *Aged Care Act 2024* (Aged Care Act) outlines the rights of older people to safe and quality care that values and supports their identity, culture and background. The Support at Home program aims to ensure that people who access aged care services funded by the government are treated with respect and have the quality of life they deserve.

We note the need for pricing advice for the Support at Home service list to reflect the resources required to provide culturally safe and inclusive care. This includes staff training, language services and cultural competency, and for funding to sufficiently cover specialised, person-centred care.

IHACPA considers safety and quality in care delivery to be a longer-term objective in pricing. This is due to the complexities within the in-home aged care sector and the remit of government for program and policy setting. We will consider aged care policies developed by the Department of Health, Disability and Ageing alongside the Aged Care Act when considering safety and quality elements in our pricing advice. We also recognise the role of the Aged Care Quality and Safety Commission and the need for any future pricing considerations to complement and support the Commission's role in the sector.

6.2 Other future priority areas

Stakeholders responding to IHACPA's 2026–27 consultation paper identified several priorities for IHACPA to consider in the development of future pricing advice for the Support at Home service list. It is noted that any policy decisions and implementation of changes are the responsibility of the department. This feedback received through the public consultation has been provided to the department, to help inform policy considerations for the Support at Home program.

Recommendations included:

- a pricing approach focused on value-based care, outcomes and functional improvements
- pricing to support innovation and technology and accommodate varied service delivery methods
- accounting for regional travel differences, provider size related overheads, flexible pricing models, and care type variations
- examination of the impact of participant co-contribution rates
- establishing monitoring processes to identify any inadvertent consequences relating to pricing
- continued consideration of pricing adjustments to enable delivery of culturally safe and appropriate care.

IHACPA will continue to engage with stakeholders as the Support at Home program matures, to determine priorities for consideration in the development of future pricing advice, in consultation with the department.

Glossary

Term	Description
Aged Care Financial Report (ACFR)	<p>The ACFR enables the Australian Government to collect registered provider data (and parent entities where applicable). Support at Home providers report:</p> <ul style="list-style-type: none"> • information on income from providing services, such as fees for the provision of care and package management • information on expenses, including wages and salaries, management fees, care-related expenses and information on labour costs and hours • other financial information, cash and liquid assets • a registered provider level balance sheet, income statement and cash flow statement (non-government providers only) • a Consolidated Segment Report which collects financial information about the registered provider’s ultimate Australian parent organisation (which may include both aged care and non-aged care operations/subsidiaries).
Indexation	<p>Indexation is a way to inflate the modelled costs to a level reflective of the estimated cost of delivering aged care services over a specified period of time.</p>
Quarterly Financial Report (QFR)	<p>The QFR is a mandatory financial report from registered providers of Support at Home services. It includes reporting on viability and prudential compliance, year to date financial statements at the registered provider level and Support at Home labour cost and hours reporting, at the Aged Care Planning Region level.</p>
Registered provider	<p>A registered provider of aged care is an organisation that has been assessed and approved to provide high-quality, safe and consistent care to older people under the <i>Aged Care Act 2024</i>. The Aged Care Quality and Safety Commission is responsible for assessing applications from organisations wanting to become a registered provider.</p>
Support at Home Cost Collection (SAHCC)	<p>IHACPA undertakes the SAHCC annually. The SAHCC includes the collection of cost and activity data from a sample of in-home aged care providers who deliver in-home aged care services.</p>

Term	Description
Support at Home Costing Study (SAHCS)	IHACPA undertook the SAHCS in 2023. The SAHCS 2023 provided advice on both the type and method of data collection for the in-home aged care sector.
Support at Home program	<p>The Support at Home program brings together existing in-home aged care programs, including the Home Care Package (HCP) Program, the Short-Term Restorative Care Programme (STRC) and the Commonwealth Home Support Program (CHSP).</p> <p>The Support at Home program is being delivered across 2 stages:</p> <ul style="list-style-type: none"> • From 1 November 2025, the HCP and STRC programs transitioned to the Support at Home program • From no earlier than 1 July 2027, the CHSP will transition to the Support at Home program.



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