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Inspector-General of Aged Care

SUBMISSION

Inquiry into the Support at Home Program

Community Affairs References Committee

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Contents

Introduction

The Inspector-General of Aged Care's (Inspector-General) primary objective is to see the Australian Government realise its stated ambitions for Support at Home, and for aged care reform more broadly. The observations in this submission are made in that spirit: not as a critique of those ambitions, but as a contribution to their successful achievement.

The government's stated objectives ought to be commended. The program aims to help older people to continue living independently as they age, supporting them to maintain their physical and cognitive capacity, their connections to community, and age with dignity and agency. That intent is entirely consistent with the rights-based premise of the *Aged Care Act 2024* (Aged Care Act).

It also aligns with older peoples' desire to continue living in their own homes and communities for as long as possible.

However, the Support at Home program is not yet delivering on this intent. In fact, key elements of the program's design and administration may, in some instances, be undermining it. Rather than supporting older people to age in place, the consequences of the program's current settings - including lengthy wait times for assessments and services, flaws in the Integrated Assessment Tool (IAT), the structure of co-payments, increases in service prices and over-reliance on hardship processes - are all too often accelerating decline and fast-tracking peoples' entry into residential aged care and/or admission to hospital.

These consequences not only result in poorer outcomes for older people and their families. On the current trajectory, they are at real risk of applying unsustainable pressure on the finite aged care budget - pressure that is increasingly magnified by the demands of an ageing population.

Central features of the Support at Home program need to be recast to uphold the Aged Care Act's promise of a rights-based system that is also economically sustainable now and into the future. To achieve this, the program must prioritise early investment in supports that prevent frailty, slow decline and maintain older people's capacity to live safely and independently.

This submission details how aspects of Support at Home's current design and administration are undermining rights, equity and prevention. It explains how moving to a preventive model of care is not only essential for older peoples' wellbeing and ensuring the sustainability of the aged care system, but can also be achieved without re-designing the entire program from the beginning.

The submission is structured as follows:

- **Section 1 - Executive summary**: The executive summary provides an overview of the key points outlined in this submission. For ease of reference, it contains a list of the Inspector-General's recommendations for improving the program to deliver greater value - both for the people who receive Support at Home services and for the Australian economy.
- **Section 2 - Terms of reference**: In the second section, the submission addresses each of the Community Affairs References Committee's terms of reference for this inquiry in turn. The Inspector-General's recommendations are listed within each term of reference. In some cases, case studies have been included to illustrate the points made.
- **Section 3 - Conclusion**: The final section summarises the overarching intent of the Inspector-General's recommendations in this submission.

Section 1: Executive summary

The Royal Commission into Aged Care Quality and Safety (Aged Care Royal Commission) called for a new rights-based aged care system, underpinned by a new Act which would place older people and their needs and wellbeing at the centre of the system for the first time.[1]

In response, the Australian Government enacted the Aged Care Act, which has several mechanisms that collectively anchor the Aged Care Act's rights-based premise[2], including the:

- Statement of Rights, which sets out the rights intended to protect older people seeking or receiving aged care, with obligations imposed on providers
- Statement of Principles, which places obligations on the government to design a person-centred aged care system. Aspects of the principles are especially important in the context of Support at Home, as they require the government's aged care system to support individuals to remain in their own home, if they so choose[3]
- principle of 'high quality care', which is designed to further the needs, aspirations and preferences of older people. Among other requirements, services are deemed to be of high quality where they 'uphold the rights of the individual under the Statement of Rights', and where they prioritise 'kindness, compassion and respect for the life experiences, self-determination, dignity, quality of life, mental health and wellbeing of individuals' as well as 'the timely and responsive delivery of services to the individual'.[4]

Despite this, several key features of Support at Home's design and implementation are undermining the Aged Care Act's promise of this rights-based framework.

The central concern raised in this submission is that Support at Home has become increasingly focused on managing demand and rationing finite resources rather than functioning as a preventive system designed to help older people maintain their independence and remain at home. While many of the program's features were introduced with legitimate policy objectives, their combined effect is often to delay, deter or limit timely access to care. Lengthy waits for assessments and services, shortcomings in assessment and prioritisation processes, co-payment arrangements that fall heavily on people with the greatest care needs, barriers within the Assistive Technology and Home Modifications (AT-HM) scheme and increasing service costs are all too often pushing people towards deterioration before support is available.

These concerns are not merely operational. They go to the heart of whether Support at Home is delivering the rights-based vision of the Aged Care Act. A system intended to support older people to exercise choice and remain living safely and independently at home should not require people to wait many months for assistance, navigate hardship processes to access essential care, challenge algorithmic

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[1] Royal Commission into Aged Care Quality and Safety, *Final Report: Care, Dignity and Respect*, Vol. 1: Summary and recommendations, p.79.

[2] The Objects of the Act, strengthened Aged Care Quality Standards, and conditions of registration, which require registered providers to demonstrate an understanding of the rights of individuals under the Statement of Rights, and have practices in place designed to ensure the delivery of services are compatible with those rights, also support the Act's rights-based framework.

[3] See section 25(3) of the *Aged Care Act 2024*.

[4] See section 20 of the *Aged Care Act 2024*.

decisions that do not reflect their needs, or withdraw from services because they have become unaffordable. When these things occur, the result is not only poorer outcomes for older people, but increasing pressure on hospitals, residential aged care and the broader aged care budget.

The submission therefore argues for a fundamental recalibration of Support at Home around prevention. The Inspector-General's view is that prevention should become the organising principle of home care policy. This requires more than additional funding. It requires policy settings that actively encourage timely access to support, investment in services that preserve functional and cognitive capacity, greater transparency around program performance and decision-making, and a stronger focus on whether the system is helping people remain independent for longer. Getting this right is not simply a human rights imperative. It is also one of the most important opportunities available to improve the long-term sustainability of Australia's aged care system.

A recurring theme throughout this submission is the need for far greater transparency. It is difficult to assess whether Support at Home is achieving its objectives when key information about its operation, reach and impact is either unavailable or difficult to access. Similarly, there is limited publicly available evidence explaining the rationale for major program settings such as co-payment rates and service classifications. A rights-based and sustainable aged care system depends on robust public accountability, transparent evidence and the routine publication of clear data that allows government, Parliament and the community to determine whether the program is working as intended.

Design and administrative issues with Support at Home

Undermining of the rights-based intent of the Aged Care Act

Many of Support at Home's design features are intended to achieve specific policy objectives. For example, the IAT and its underlying algorithm are intended to deliver consistency in the assessment of care needs. The requirement that Support at Home participants contribute to the cost of their care through co-payments is intended to improve system sustainability by ensuring those who can afford to pay for care do so, to ease the burden on those who cannot. Administrative requirements attached to the AT-HM scheme seek to establish additional safeguards and assurances that public funds are used appropriately. However, many of the program's design features have resulted in unintended consequences. It is the Inspector-General's view that they also operate as mechanisms for rationing access and limiting Commonwealth expenditure.

In practice, Support at Home's policy settings create barriers to timely care. The settings delay, deter or prevent access to the supports older people need to remain safe, independent and connected at home. The consequence of this is an increased risk of avoidable decline, and additional pressure on residential aged care and hospitals.

This is inconsistent with the Statement of Rights, under which older people have the right to make their own decisions and have control over their aged care services, and to be treated with dignity and respect. More broadly, key features of Support at Home are incompatible with the provision of kind, compassionate and timely high-quality care, and with the government's obligation under the Statement of Principles to establish an aged care system that supports older people to live at home if they wish.

Insufficient pathways for older people to assert their rights

Rights have limited practical value if older people lack accessible and effective mechanisms to assert them. In practice, Support at Home participants have few avenues when the rights promised under the Aged Care Act are not delivered. Their principal means is to lodge a complaint to the Aged Care Quality and Safety Commission's Complaints Commissioner.

A complaints-based mechanism is not a sufficient mechanism to ensure rights are met. It places an undue burden on older people, particularly those who are vulnerable, have experienced trauma or institutionalisation, or lack the confidence, support or capacity to navigate a formal complaints process. For some, the process may be re-traumatising, recreating the power imbalances the rights-based framework is intended to address.

A truly rights-based, person-centred system should not rely on older people having to complain after harm has occurred. It should have incentives to deliver rights and disincentives to denying them. It should be responsive to risk and address deficiencies before they result in deterioration, crisis or loss of independence.

In addition, the application of the Statement of Rights is limited. The Aged Care Royal Commission intended that rights apply both to providers and government.[5] Under the Aged Care Act, however, the Statement of Rights imposes obligations only on providers. There is no equivalent, explicit obligation on government when setting policy parameters. While the Statement of Principles requires government to develop an aged care system that recognises individual rights under the Statement of Rights, there are no specified consequences should those obligations not be met. This is not merely a technical limitation in the Aged Care Act. It exposes a gap between the rights promised under Support at Home - and, indeed across the broader aged care system - and the program's capacity to deliver on those rights in practice.

The most vulnerable are the most disadvantaged

The burdens created by Support at Home are not falling evenly.

Around three-quarters of the program's participants are recipients of a full- or part Age Pension. Nearly 1 in 4 older Australians are living in poverty, with those people experiencing a significantly lower quality of life, social isolation, poorer physical and mental health, and greater difficulties accessing support.[6] Fewer than a quarter (23%) have any significant savings or investments on which to draw.[7]

Older people who are experiencing cognitive decline, have low digital literacy, limited capacity to navigate bureaucracy, institutional trauma and/or limited family support, are at greater risk of experiencing poverty in their advancing years.[8] Increasingly, older women are more likely to experience these disadvantages than older men.[9]

The Inspector-General and her Office have heard that Support at Home can compound these disadvantages. When people live week to week, have limited savings and/or live in insecure housing, co-

[5] Royal Commission into Aged Care Quality and Safety, *Final Report: Care, Dignity and Respect*, Vol. 3A: The new system, p.17.

[6] COTA, *State of the Older Nation 2025,* p.7.

[7] COTA, *State of the Older Nation 2025,* p.11.

[8] COTA, *State of the Older Nation 2025,* p.13.

[9] COTA, *State of the Older Nation 2025,* p.13.

payments can make aged care unaffordable. The impact is exacerbated when people need greater levels of support because they have higher care needs.

When care becomes too expensive or too difficult to access, the Inspector-General has heard that people disengage. Put simply, the program's design is turning peoples' vulnerability into deeper disadvantage.[10]

Co-payments are built on a defensible idea: ask more from those who can afford it, so we can ask less from those who cannot. However, in the Inspector-General's view, the way in which co-payments have been designed and implemented in the Support at Home program is a significant driver of disadvantage. Co-payments place a greater cost burden onto older people with higher care needs, rather than align contributions primarily with peoples' capacity to pay. For older people with limited means (such as full pensioners), higher care needs can mean higher out-of-pocket costs, making essential preventive supports unaffordable and pushing people to delay, reduce or forgo care.

Financial hardship provisions are often held up as the program's safety net. Early data, however, suggests hardship processes are at serious risk of becoming a structural feature of Support at Home, as opposed to a 'safety net'. In the first 2 months of the reforms, hardship applications rose by 88%.[11] Hardship assistance processes, as they are currently administered can be difficult to navigate and hard to satisfy. Further, the shame of admitting to experiencing financial difficulty can deter people from applying for hardship assistance in the first place.

The result is predictable. The Inspector-General has heard that some people respond by withdrawing from services or delay engaging with the system altogether. Their isolation, deterioration and risk are amplified. They are pushed towards hospital or residential care sooner than necessary.

This suggests the system itself is generating hardship.

Complexity and navigation barriers

Support at Home is a difficult program to understand and navigate.[12] The Inspector-General has consistently heard that older people and their families struggle with the program's complexity and its mechanics.

These concerns have recently been reinforced by a national survey conducted by the Retirement Village Residents Association (RVRA).[13] Drawing on 2,451 survey responses and more than 8,800 written responses from retirement village residents across Australia, the survey found widespread confusion about available services, support levels, service costs, eligibility, as well as how to access Support at Home services. Residents also reported long waiting times, uncertainty regarding application and approval processes, increased out-of-pocket costs, reductions or changes in services following a transition from the Home Care Packages (HCP) program, difficulty finding available providers and situations where services were simply unavailable.

Access to care through Support at Home should not depend on an older person's ability to navigate a complex system. When people cannot readily understand how to access services, what support they are

[10] This was discussed at the Support at Home Summit convened in Sydney on 29 and 30 April 2026.

[11] See Caroline Egan, *Latest on financial hardship applications for Support at Home*, The Weekly Source, 18 February 2026.

[12] These difficulties were canvassed in detail in the Inspector-General's *My Aged Care Review*.

[13] See Retirement Village Residents Association, *Support at Home Survey - 2026*.

entitled to receive, or how much it will cost, complexity itself becomes a barrier to timely intervention. It risks delaying access to the supports that help older people maintain their independence, remain connected to their communities, and continue living safely at home.

Lack of policy coherence

The concerns outlined above point to a lack of policy cohesion underpinning Support at Home. Several key elements of the program appear to have been developed in isolation, without an overarching theory of change to articulate how the program's individual components are intended to work together to support independence, maintain capacity and improve outcomes for older people over time.

Take the design of the co-payment regime. There is little evidence to suggest co-payment amounts have been tested against the program's core objectives, or whether they discourage access to services people need to maintain their independence and functional capacity. Nor is it clear that sufficient consideration has been given to the cumulative impact of co-payments on people with multiple care needs, who may face the highest costs despite having the greatest need for support. Similarly, the AT-HM scheme does not appear to be well integrated into the broader program architecture.

In her 2025 Progress Report on the implementation of the recommendations of the Royal Commission into Aged Care Quality and Safety (2025 Progress Report), the Inspector-General emphasised the importance of major reforms being underpinned by sound policy logic or a theory of change. She commented that there was no evidence that such an approach had informed the broader reforms to the aged care system following the Royal Commission.[14]

The absence of clear evidence that a project logic or theory of change was developed for Support at Home raises governance concerns about the Department of Health, Disability and Ageing's (the Department) approach to program design and implementation. The number of changes the government has made to Support at Home since implementation illustrate this.

The Inspector-General recognises that reform of this scale will inevitably require refinement and a willingness to be responsive to problems. As a result, she welcomes the government's willingness to address problems identified by the sector and through the lived experience of older people. However, the scale and significance of changes required so soon after Support at Home's commencement suggests more than routine adjustment. They point to more fundamental design flaws arising from the absence of a coherent underpinning policy logic. Public criticism of Support at Home has been widespread. Crucially, most of these criticisms have been directed towards the design and implementation of these reforms, rather than their intent.

As a result, older people, their families, providers and the broader sector must navigate a program that continues to evolve in substantial ways, months after its introduction.

The practical consequence of this lack of policy coherence is that different parts of the program can work against one another. Rather than supporting timely access to care, some settings create additional barriers, increase complexity and make it harder for older people to obtain the supports they need to remain safely and independently at home.

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[14] Inspector-General of Aged Care, *2025 Progress Report: Implementation of the Recommendations of the Royal Commission into Aged Care Quality and Safety*, p.17.

Lack of accessible data

Clear and transparent data about the program is lacking. The operation of key aspects of Support at Home, including the program's reach and its impact, are difficult to assess in the absence of easily understood public information. For instance, when government announces the release of Support at Home places, it is difficult to determine how many of these places are genuinely new, how many are 'recycled', and how many have been brought forward from existing forward estimates. Equally, it is difficult to find out how many applications for hardship have been lodged, how quickly they are processed and what the outcomes are.

There is limited information on the public record to substantiate decisions government has taken on major program features. For example, as mentioned above, there is no publicly available modelling to justify the co-payment rates being charged. Nor is there evidence of detailed work having been done to assess their impact on older peoples' continued access to, and use of, care services.

The case for a preventive reset

The issues outlined above are not merely operational problems. They reflect a deeper failure to embed prevention in Support at Home's design. Taken together, they show why Support at Home must be reconceived not simply as a mechanism for rationing finite services and Commonwealth funding, but as an investment in prevention.

There are 2 primary reasons for this:

1. **The human dimension**. Lengthy wait times for assessments and services, inappropriate assessments, co-payments and increases in service prices limit and deter timely access to care. For older people, the consequence is not merely delay. It is the avoidable progression towards frailty and physical and cognitive decline, with corresponding loss of independence, dignity, choice, safety and connection to their homes and communities. Sometimes it is untimely death. This is contrary both to the intent of the Aged Care Act and to Support at Home's very purpose: to enable older people to age in place for as long as possible.
2. **The economic dimension**. By delaying low-cost supports until older people have experienced significant decline, Support at Home transforms manageable care needs into more costly crisis responses, including entry into residential aged care and hospitalisation. Residential care is the most expensive setting in the aged care system and is already under considerable strain, with national occupancy rates of over 94%. Despite recent government investments directed at increasing capacity, serious questions remain about whether residential care will be able to meet future demand.

Viewed through this lens, the Inspector-General maintains that the case for a stronger preventive approach to Support at Home is compelling. Current settings which channel older people towards the most expensive parts of the system do not represent an effective or efficient use of the Commonwealth's $43.8 billion aged care budget[15] and impose very significant human rights impacts. The consequences are felt not only in public expenditure, but in the disruption, distress and loss of choice experienced by many older people and their families.

[15] See page 35 of the *Parliamentary Budget Office 2026-27 Medium-Term Budget Outlook*.

A stronger preventive approach would allow the aged care system to direct its finite resources towards supporting more people earlier rather than responding to avoidable decline, delivering stronger health, economic and rights-based outcomes for older people.

To support the move to a more preventive approach, greater transparency around the operation of Support at Home is needed. Government and the broader public need to know whether care is being delivered in a timely manner to help older people maintain their independence for longer, and whether demand for more intensive and costly forms of care is being reduced.

The economic and human benefits of prevention

The debate about aged care sustainability is traditionally framed as a choice between improving outcomes for older people and maintaining fiscal responsibility. However, evidence shows that these are not competing objectives. Rather, this is one of those rare moments in public policy where the human answer and the economic answer are the same.

As the Inspector-General emphasised in her address to the National Press Club on 15 July 2026, when older people receive preventive supports early, they maintain functional and cognitive capacity and the ability to live independently for longer - greatly improving their wellbeing and quality of life, and that of their carers and families. Fewer people reaching the point of crisis translates into fewer people needing residential aged care, and later admissions when they do. Similarly, the likelihood of hospital admissions is significantly reduced.

The economic benefits of prevention are undeniable. On the government's own published data, residential aged care costs the taxpayer around $123,000 per person each year, compared with around $30,000 to support a person to remain independent at home.[16] Every policy setting that delays, deters or prices people out of home support risks pushing them towards the most expensive parts of the aged care and health systems.

That is not budget discipline. It is cost shifting.

Early economic analysis commissioned by the Inspector-General's Office indicates that recalibrating Support at Home around timely, coordinated and assessment-led support could generate avoided residential aged care expenditure measured in the billions.

As noted in term of reference (b), the veterans' aged care model in Australia provides a practical example of how coordinated assessment, care management and targeted support have kept people independent for longer and delayed their entry into residential care by almost 13 months compared with the general older population's analogous home care pathway. Applied across the broader home care population, this points to almost $2 billion in avoided residential aged care expenditure each year.

The international evidence for a stronger preventive approach is equally clear. As the Inspector-General has observed, a meta-analysis spanning 283 studies found that the strongest evidence for reducing both

[16] These figures have been calculated using information reported for home care and residential care in the Department's *Quarterly Financial Snapshot for the Aged Care Sector, Quarter 1, 2025–26*.

the number of people and the time they spend in residential aged care, lies in multifactorial interventions that address both social and clinical needs.[17]

This demonstrates that the rights-based promise of the Aged Care Act and the long-term sustainability of the aged care system point in the same direction. Prevention should therefore be treated as a core feature of Australia's aged care infrastructure, not discretionary expenditure. The question is not whether Australia can afford to invest earlier in Support at Home, it is whether the system can afford to keep funding preventable decline.

Recommendations

The Inspector-General supports the objectives of Support at Home. The recommendations below are directed towards improving the program's capacity to achieve the

m. For this reason, the recommendations and content in thus submission aim to be constructive and solution-focussed.

The Inspector-General recognises the government's willingness to improve Support at Home, including by fully funding showering, dressing and continence support, establishing an urgent pathway for older people with Motor Neurone Disease, reconsidering total reliance on algorithm outcomes under the IAT and reviewing its prioritisation mechanism.

More, however, needs to be done. Older people are currently at risk of escalating deterioration under Support at Home. The program needs to be recast so that its design is grounded in older peoples' rights and its value as a preventive investment is embedded in its core settings.

To do this, the Inspector-General has the following recommendations, listed below with the corresponding term of reference of this inquiry.

Term of reference (a): Ability for older Australians to access services to live safely and with dignity at home

Recommendation 1:

The Inspector-General recommends the Australian Government procure independent economic modelling of the extent to which current and alternative funding arrangements support the preventive objectives of aged care policy. The results should be released publicly, and in full -regardless of whether those findings support or challenge existing policy settings.

The modelling should:

- identify which forms of care and support have the greatest impact in maintaining independence, preserving functional capacity and enabling people to remain living at home for longer
- assess the costs and benefits of co-payment settings for older people with different levels of income, assets and care needs - including impacts on residential aged care, hospital utilisation and broader government expenditure

[17] Joseph E. Gaugler, Rachel Zamora, Colleen M. Peterson, Lauren L. Mitchell, Eric Jutkowitz, Sue Duval, *What interventions keep older people out of nursing homes? A systematic review and meta-analysis*, Journal of the American Geriatrics Society, Vol. 71, Issue 11, pp. 3609-3621.

- examine the cumulative impact of co-payments on people requiring multiple forms of care and support
- evaluate whether current co-payment arrangements may discourage timely access to services and undermine the preventive objectives of Support at Home
- be informed by community consultation and expert advice, including the perspectives of older people and their representatives.

The publication must be accompanied by how the government will respond to the findings.

This work should be completed and publicly released by 31 December 2027.

Recommendation 2:

The Inspector-General recommends that Australian Government retain CHSP as a separate, block-funded prevention program and that it follows the findings of the Australian National Audit Office. In particular, this includes the audit office's call for robust planning that takes into account demand and supply and an evaluation framework to ensure the program's scale, funding and service mix are driven by demonstrated community need rather than historical funding allocations.

Recommendation 3:

The Inspector-General recommends the Australian Government:

- enable clinical assessors to override inappropriate IAT outcomes by 31 December 2026
- act on the findings of the Commonwealth Ombudsman's review into the IAT within 6 months of the review's release
- confirm that the planned evaluation of Support at Home will examine whether people are being allocated appropriate funding based on their full care needs.

Recommendation 4:

The Inspector-General recommends the Australian Government broaden the urgent review of the National Priority System to:

- determine whether the current algorithm appropriately reflects peoples' complexity, cognitive impairment and cumulative care needs
- assess whether the tool consistently allocates sufficient support to meet assessed needs and correctly identifies the urgency of those needs.

The review's methodology, evidence base and findings should be publicly released by 31 December 2026, together with how the government will respond to the required actions.

Recommendation 5:

The Inspector-General recommends the Australian Government commission an independent analysis of the impact of minimum service offers, which:

- includes a cost/benefit analysis of the impact on care recipients and providers
- recommends whether minimum service offers should be retained unchanged, revised or phased out. If they are to be revised, the analysis should consider whether 60% is an appropriate short-term funding level

- is completed and made publicly available by 1 July 2027, together with details on how the government will respond to recommended actions.

Recommendation 6:

The Inspector-General recommends the Australian Government redesign the AT-HM scheme by 31 December 2026 to better support timely access to preventive equipment and home modifications. This should include:

- introducing streamlined approval pathways for simple, low-cost and urgent assistive technology and home modification supports
- ensuring occupational therapist or specialist approval requirements are proportionate to the complexity, cost and risk of the item or modification
- aligning Support at Home and AT-HM assessment processes to reduce duplication and avoidable delay
- publishing 6-monthly data on AT-HM wait times, approval timeframes and delivery outcomes, with historical data on trends under the HCP program included for reference and transparency
- working collaboratively with AT-HM providers to address administrative burden, financial viability and workforce risks.

Term of reference (b): Impact of the co-payment contributions for independent services and everyday living services on the financial security and wellbeing of older Australians

Recommendation 7:

The Inspector-General recommends the Australian Government commission the independent design of a Support at Home means-testing framework that more appropriately aligns individual contributions with financial capacity, rather than the intensity or complexity of care needs.

This work should be informed by extensive economic modelling, expert advice and community consultation, and should examine the equity, behavioural and fiscal impacts of alternative approaches. The completed analysis, together with the government's proposed response, should be publicly released by 31 December 2027. Any agreed reforms should be implemented no later than 1 July 2028.

Recommendation 8:

The Inspector-General recommends that, informed by the modelling and analysis undertaken under Recommendation 1, the Australian Government review the Support at Home service list and associated co-payment settings to ensure that services with a demonstrated preventive impact are affordable, accessible and appropriately incentivised.

In undertaking this review, the government should publicly release the evidence and rationale underpinning its decisions, including:

- the basis on which services have been classified and assigned co-payment rates
- the evidence regarding the preventive impact of different service types
- the anticipated effects of co-payment settings on usage and access
- where existing settings are retained, the evidence supporting the conclusion that they will not discourage access to care or undermine the program's preventive objectives.

Recommendation 9:

The Inspector-General recommends the Australian Government implement, by 31 December 2026, the flexibility in funding determinations recommended by the Aged Care Taskforce, to provide discretion to approve reasonable, needs-based supports that enable older people to age in place.

Term of reference (c): Trends and impact of pricing mechanisms on consumers

Recommendation 10:

The Inspector-General recommends the Australian Government:

- explicitly define 'reasonable' in the Aged Care Rules 2025 in the context of aged care service pricing, by 30 September 2026
- publish clear guidance on what constitutes 'reasonable' Support at Home service pricing on the Department's website and in consumer- and provider-focused fact sheets, including through the quarterly 'National Summary of Support at Home Prices', by 30 September 2026
- collect, and publicly release, quarterly data on the extent of 'unreasonable pricing' under Support at Home, commencing in the fourth quarter of 2026.

Term of reference (d): Adequacy of the financial hardship assistance for older Australians facing financial difficulty

Recommendation 11:

The Inspector-General recommends that, in developing the revised means-testing framework, the Australian Government publicly demonstrate that co-payment settings do not create systemic affordability barriers for cohorts of older people. Where affordability concerns are identified, they should be addressed through the design of the contribution framework itself, rather than through reliance on hardship provisions. Hardship arrangements should be retained as a safety net of last resort for exceptional circumstances.

Term of reference (f): Impact on older Australians transitioning from the Home Care Packages Program

Recommendation 12:

The Inspector-General recommends the Australian Government publicly confirm that the planned evaluation of Support at Home will examine the impact of reforms on grandfathered participants, including whether their access to care has diminished post-1 November 2025.

The evaluation should explicitly consider the consequences of any reduced access to care on individuals, their families and carers.

Term of reference (g): Thin markets including those affected by geographic remoteness and population size

Recommendation 13:

The Inspector-General recommends the Australian Government commission an independent review of the Support at Home Thin Markets Grant and related thin market policy settings.

This review should determine whether:

- funding is being directed to areas of greatest need
- current arrangements are effectively addressing service gaps in regional, rural and remote communities.

The review must be finalised and made publicly available by 1 March 2027, with all recommendations implemented by no later than 1 December 2027.

Recommendation 14:

The Inspector-General recommends the Australian Government review transport funding and contribution arrangements within Support at Home to ensure that older people are not disadvantaged by the additional costs of receiving care in regional, rural, remote and thin-market communities.

The review should be informed by economic modelling and should examine whether current arrangements are consistent with the principle that an individual's access to care should not depend on where they live. It should be completed by 1 July 2027.

Term of reference (h): Impact on First Nations communities, and culturally and linguistically diverse communities

Recommendation 15:

The Inspector-General recommends the Australian Government demonstrate that it has implemented discrete mechanisms specifically designed to ensure, wherever possible, that aged care assessments of Aboriginal and Torres Strait Islander people are conducted by assessors who are themselves Aboriginal or Torres Strait Islander people.

Options the government should pursue to deliver this commitment include:

- funding the establishment of Aboriginal and Torres Strait Islander assessment teams in planning regions with more than 1,500 Elders
- requiring Aboriginal or Torres Strait Islander assessors to be employed in mainstream assessment teams in regions with fewer Elders
- co-designing a regional assessment infrastructure, for implementation by 30 June 2031
- establishing an Aboriginal and Torres Strait Islander assessor workforce development strategy, implemented by 1 July 2027.

Recommendation 16:

The Inspector-General recommends the Australian Government urgently amend the Support at Home means-testing arrangements to exempt Stolen Generations redress payments by 31 December 2026.

Recommendation 17:

The Inspector-General reiterates her call in the 2025 Progress Report for urgent action to progress the development of a genuinely co-designed Aboriginal and Torres Strait Islander aged care system.

Work on co-designing the pathway should commence in 2026.

The government should report on progress by 1 July 2028 and work towards implementation of a 10-year transformation plan in line with the Interim First Nations Aged Care Commissioner's recommendation and informed by the 5-year plan developed by ACCOs.

Term of reference (i): Any other related matters

Recommendation 18:

The Inspector-General recommends the Australian Government investigate the extent to which providers may be limiting peoples' access to services towards the end of a quarter.

Findings from this investigation should be publicly released by 31 December 2026 and any response implemented by 1 July 2027.

Recommendation 19:

The Inspector-General recommends the Australian Government improve the clarity and transparency of data on Support at Home places. From 1 January 2027 publicly available data should identify:

- the number of places made available in each quarter over the preceding 2 years
- whether those places are new, recycled, or brought forward within existing forward estimates
- whether places are fully funded or a minimum service offer
- where places have been released, including by Modified Monash Model location
- the classification level of released places
- the National Priority System classification attached to released places
- the number and type of places forecast for release in each quarter over the coming 2 years, including whether they will be fully funded or a minimum service offer.

Where places are initially a minimum service offer, the data should identify the average proportion of funding being allocated and the average time before full funding is granted.

Section 2: Terms of reference

(a): Ability for older Australians to access services to live safely and with dignity at home

Support at Home is not an easy program for people to access. It presents older people with significant barriers to accessing the care they need to live safely and with dignity at home. Delays in assessments and service commencement, deficiencies in assessment processes, co-payments that disproportionally impact the frailest and most vulnerable, reliance on minimum service offers, and bottlenecks within the AT-HM scheme are all putting older people at greater risk of avoidable decline and pushing people towards residential aged care and hospital.

Support at Home must function as preventive infrastructure

Over the next decade, the proportion of Australians aged 80 years and over will go from 4.9% to 6.6%, an increase in real terms of around 35%.[18]

Over the same period, the Parliamentary Budget Office forecasts that government expenditure on aged care will grow from 1.4% of GDP in 2026-27 to 1.5% of GDP in 2036-37.[19] That equates to an increase in real terms of only 7%. Put simply, the population aged 80 years and over - those most likely to require aged care - is expected to grow around 5 times faster than aged care expenditure.

Against this backdrop, helping older people access the support they need to continue living safely and independently in their homes and communities is both a human rights imperative and an economic necessity.

The government's response to growing demand has relied heavily on releasing Support at Home places. This includes, most recently, the additional 32,000 places announced in the 2026-27 federal Budget.[20]

The government has committed to increasing Support at Home places to 420,000 by mid-2027 - almost 3 times the number of Home Care Packages available in 2020.[21] The Inspector-General welcomes that commitment and recognises that substantially more older people now have access to home care than was the case five years ago.

That progress should, however, be understood in context. While the number of available places continues to increase, the rate of growth has slowed considerably. Five years ago, available HCP packages were increasing by around 25% each year.[22] By contrast, growth in available places was approximately 16% in the last year and is projected to fall to around 10% in 2026-27.

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[18] See the Australian Government, Centre for Population, *2025-population-statement*.

[19] Parliamentary Budget Office, *Medium-Term Budget Outlook*, Table B-2: Comparison of expense programs.

[20] Hansard, Community Affairs Legislation Committee, Senate Estimates, 2 June 2026, p.64.

[21] Budget 2026-27: Health, Disability and Ageing Portfolio Budget Statements: Outcome 3, p.98.

[22] See, for example, *AIHW, GEN Home Care Packages Program Data Report*, 1 April – 30 June 2021, p.3. It was reported that, at 30 June 2021, 195,699 people had access to an HCP. This represents a 25.8% increase since 30 June 2020.

Care should also be taken when interpreting reported place-release figures. In its *Support at Home Program Data Report, Quarter 3 2025-26*, the government reported that 79,145 places had been released. However, only 21,500 of these were additional places. The remaining approximately 58,000 places reflected the reallocation or recycling of existing places rather than an increase in overall system capacity.

Notwithstanding the above, improving access to care is not simply a matter of increasing the number of places available.

As the Inspector-General has stated publicly - including during her appearance before this Committee on 24 June and in her speech to the National Press Club on 15 July - the most effective and economically sustainable way to improve access to care in the face of increasing demand is to invest earlier in the supports older people need to maintain their independence and age in place. Timely access to robust and effective assessments, services that help people age in place, assistive technologies and home modifications are all critical to achieving this goal.

The Productivity Commission's recent report - *Delivering quality care more efficiently* - reinforces these points.[23] The report emphasised that 'investment in prevention and early intervention can produce significant benefits to government and the community'.[24] It identified that such investments are critical to slowing expenditure and improving health outcomes.

The implications from those findings are clear. Prevention should not be treated as a secondary objective of the aged care system. It must become its central organising principle. To do that, Support at Home needs to be recast as preventive infrastructure. Its success should be judged not simply by the number of places it provides, but by whether it helps older people access the care they need to live independently for longer, delays avoidable deterioration, and reduces demand for more intensive and costly forms of care. That should be the benchmark against which Support at Home is measured.

Recommendation 1:

The Inspector-General recommends the Australian Government procure independent economic modelling of the extent to which current and alternative funding arrangements support the preventive objectives of aged care policy. The results should be released publicly, and in full -regardless of whether those findings support or challenge existing policy settings.

The modelling should:

- identify which forms of care and support have the greatest impact in maintaining independence, preserving functional capacity and enabling people to remain living at home for longer
- assess the costs and benefits of co-payment settings for older people with different levels of income, assets and care needs - including impacts on residential aged care, hospital utilisation and broader government expenditure
- examine the cumulative impact of co-payments on people requiring multiple forms of care and support
- evaluate whether current co-payment arrangements may discourage timely access to services and undermine the preventive objectives of Support at Home

[23] Productivity Commission, *Delivering quality care more efficiently*, Inquiry Report No. 112, 10 December 2025, p.57.

[24] Productivity Commission, *Delivering quality care more efficiently*, Inquiry Report No. 112, 10 December 2025, p.57.

- be informed by community consultation and expert advice, including the perspectives of older people and their representatives.

The publication must be accompanied by how the government will respond to the findings.

This work should be completed and publicly released by 31 December 2027.

CHSP is a vital part of the aged care system's preventive infrastructure

In conjunction with improving Support at Home's preventive focus, it is vital that the Commonwealth Home Support Program (CHSP) be retained and strengthened as a key pillar of the aged care system's preventive infrastructure.

The CHSP should not be treated as a legacy program waiting to be absorbed into Support at Home. It is the system's largest early-intervention program, supporting more than 860,000 older people[25] to remain living in their homes and communities, representing around 65% of all aged care recipients. Despite that scale, only around 8% of the aged care budget is directed to the program. While further evaluation is needed to fully understand its effectiveness and preventive impact, its reach and comparatively modest cost warrant serious attention as government considers how best to support older people to remain independent for longer.

This Committee's report on the transition of the CHSP to Support at Home, released on 23 June 2026, recognised this role by recommending the retention of CHSP as a separate block-funded program.[26] The Inspector-General agrees with the Committee's recommendation.

Despite the strength of the case for retaining the CHSP, the Australian National Audit Office's recent audit of the program highlighted significant limitations which will need to be addressed to maximise its preventive potential.[27] While most surveyed CHSP clients were satisfied with their services, the audit office cautioned that many people experience difficulty obtaining services when they want them. It also found that the Department has not collected sufficient information to demonstrate whether CHSP is meeting demand or being delivered effectively. Despite CHSP operating since 2015, the Department has not undertaken a comprehensive evaluation of whether the program is meeting its objectives, and has not established a methodology for measuring and monitoring unmet demand.[28]

These findings point to a clear conclusion - namely, that the CHSP should be retained as a separate, and strengthened, block-funded program. Its existing limitations must, however, be addressed. In particular, a robust evidence and evaluation framework must be established to ensure that its funding and delivery is scalable and targeted towards meeting individuals' needs.

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[25] Senate Community Affairs References Committee, *The transition of the Commonwealth Home Support Program to the Support at Home Program*, June 2026, p.119.

[26] Senate Community Affairs References Committee, *The transition of the Commonwealth Home Support Program to the Support at Home Program*, June 2026.

[27] Australian National Audit Office, *Effectiveness of the Commonwealth Home Support Program*, Auditor-General Report No. 31, 2025-26.

[28] See, for example, Australian National Audit Office, *Effectiveness of the Commonwealth Home Support Program*, Auditor-General Report No. 31, 2025-26, pp.78-80.

Recommendation 2:

The Inspector-General recommends that Australian Government retain CHSP as a separate, block-funded prevention program and that it follows the findings of the Australian National Audit Office. In particular, this includes the audit office's call for robust planning that takes into account demand and supply and an evaluation framework to ensure the program's scale, funding and service mix are driven by demonstrated community need rather than historical funding allocations.

The Single Assessment System is not supporting prevention

The Aged Care Royal Commission called for a nationally consistent, streamlined and transparent assessment pathway, underpinned by independent clinical assessment and regular reassessment as needs change.[29]

The Single Assessment System (SAS) is not delivering on that vision.[30] As the 2025 Progress Report found, the SAS has neither alleviated delays in accessing assessments, simplified assessment processes, nor sufficiently recognised the value of clinical judgment.

The 4 main areas of concern are:

- lengthy wait times for initial assessments, and then between the assessment and service commencement.
- limitations with the IAT, especially the operation of its underpinning algorithm and the removal of true clinical judgment, which has led to inappropriate IAT outcomes.
- the Support at Home priority system which does not accurately or consistently reflect peoples' needs or personal circumstances, necessitating re-assessment and creating further delays.
- the reliance on telephone-based assessments, which limit assessors' opportunities to observe how an older person functions within their living environment.

The consequences of longer wait times

Despite the introduction of the SAS, older people continue to face lengthy waiting times for home care assessments. According to the Department's data, the median wait time across all assessment types from 1 January to 31 March 2026 was 25 days.[31] However, far longer timeframes have been reported, with waiting periods of 3 to 6 months or longer not being uncommon.[32] Some reports state that assessment delays have increased following the rollout of the SAS.[33]

The Productivity Commission's *Report on Government Services* released in January 2026 shows wait times have grown exponentially. Specifically, the median number of elapsed days for assessment

[29] Aged Care Royal Commission, recommendation 28: A single comprehensive assessment process.

[30] An assessment can either be a Home Support Assessment (entry-level services) or Comprehensive Assessment (Support at Home and residential care services), depending on the older person's needs.

[31] Department of Health, Disability and Ageing, *Single Assessment System: Quarterly needs assessment data report, 1 January – 31 March 2026*.

[32] See OPAN submission to the Aged Care Service Delivery Inquiry, p.10.

[33] See Ageing Australia submission to the Aged Care Service Delivery Inquiry, p.4.

following referral in 2024-25 was 27 days, increasing from 14 in 2020-21.[34] Therefore, in the space of only 5 years, wait times for assessments have virtually doubled, underscoring the scale of this issue and the urgency for additional government action.

It is not just the time people wait that is problematic. It is also the volume of people who are waiting. According to the Department, at 31 March 2026, 98,606 'referrals for aged care assessments were on hand'.[35] While this is a slight decline from the 103,527 people waiting at 31 December 2025[36], these numbers are high by historical benchmarks.

In addition to waiting for their assessment, people face a second waiting period for services to commence.

The length of time people wait for services post-assessment depends on how urgently they are considered to be in need of care under the National Priority System. This system, and its limitations, is discussed at length below. Different targets apply to different categories of urgency, ranging from 1 to 7-8 months.

The government has committed to achieving an average post-assessment wait time of 3 months by November 2027. The Department has said it is on track to do so. A 3-month wait is considerably less ambitious than the Aged Care Royal Commission's recommendation of 1 month.

The numbers waiting post-assessment are also high. At 31 March 2026, there were 100,191 people waiting on the Support at Home Priority System for an ongoing place.[37] This is a significant improvement over the preceding 3 months, where the figure was 131,366 at 31 December 2025.[38] While this 25% fall is encouraging, it is worth noting that only 3 years earlier - at 30 June 2023 - there were 28,665 people waiting for a Home Care Package.[39]

The Inspector-General considers that focusing separately on wait times for assessments and then for services, risks obscuring the true experiences of older people seeking support. What truly matters is their journey from the point they seek help through My Aged Care to when they receive services. According to the Department's *Aged Care Act 2024 - Wait Times Report*, released in April 2026, the median wait time between an application on My Aged Care and commencement of Support at Home services at the 'ongoing' classification was almost a year (347 days).[40] This is unreasonably long - and it is a period in which decline will foreseeably and unjustifiably increase.

Making people wait an extended period for care has serious and foreseeable consequences. As the 2025 Progress Report warned, when older people wait too long without sufficient care, it is highly likely they will experience rapid decline, carer burnout, hospitalisation, premature entry into residential care and, in

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[34] Productivity Commission, Report on Government Services 2026, Part F, Section 14: Aged Care Services.

[35] Department of Health, Disability and Ageing, *Support at Home Program: Ongoing services, Data Report, 3rd Quarter 2025-26*.

[36] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, Wednesday 11 February 2026, p.13.

[37] Department of Health, Disability and Ageing, *Support at Home Program: Ongoing services, Data Report, 3rd Quarter 2025-26*.

[38] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, Wednesday 11 February 2026, p.12.

[39] Department of Health, Disability and Ageing, *Home Care Packages Program: Data Report, 4th Quarter 2022-23*.

[40] Department of Health, Ageing and Disability, *Aged Care Act 2024 – Wait Times Report*, p.16. The median wait times for the Assistive Technology, Home Modifications, End-of-Life and Restorative Care classifications were 101, 102, 15 and 163 days respectively.

some cases, death. By that point, the opportunity for early intervention has largely been lost due to a lack of timely preventive support. That is both costly to the individual and the aged care budget.

Sadly, these trends are being borne out in the experiences that older people, their families and Support at Home providers have been sharing with the Inspector-General and her Office.

The IAT is delivering inappropriate assessment outcomes

Media coverage and anecdotal accounts across the aged care sector suggest that the IAT and its underpinning algorithm is delivering inappropriate assessment outcomes.

The Inspector-General has heard many accounts of individuals being allocated funding which is insufficient to meet their care needs and personal circumstances. In these cases, people face an increased risk of hastened decline.

This is not consistent with the intent of the Support at Home program. Nor is it consistent with the rights-based promise of the Aged Care Act.

Suspected poor outcomes delivered by the IAT are due to flaws in its design. A key concern about the IAT is the absence of a human override mechanism to review and overturn inappropriate assessments.

These concerns have prompted ministerial and parliamentary intervention.[41] On 2 July 2026 Minister for Aged Care and Seniors, the Hon Sam Rae MP, announced plans to establish, through legislation, a new referral pathway to allow assessment organisations to escalate (to the Secretary of the Department) cases where the IAT has not captured an older person's needs.[42] Development of the pathway is to be supported by 'targeted consultation'.

In the Inspector-General's opinion, concerns about the lack of human override are well-founded, and that insufficient detail has been provided by the government on how these proposed 'refinements' to the referral pathway would work. However, in the Inspector-General's view, they appear to fall well short of enabling independent clinical determinations and human override of assessment outcomes. Indeed, it is not clear to the Inspector-General that the government agrees with the principle of human override at the point of assessment at all.

The Inspector-General also notes that across Commonwealth systems, from Medicare chronic disease management to allied health access, Australia routinely trusts clinicians to determine who needs support and what that support should look like. In denying clinical judgement, aged care has become an outlier.

Prioritisation of functional mobility over cognitive capacity is producing distorted outcomes

The algorithm determines how much funding a person applying for Support at Home is eligible to receive. It follows the Aged Care Rules 2025 (the Rules) and applies a rigid points-based system that is widely criticised for not recognising the complexity of older peoples' needs.[43] The algorithm gives disproportionate weight to 'functional independence' at the initial phase, meaning older people with

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[41] On 2 July 2026, the Senate passed a private member's bill with cross-party support to return decisions about support levels to human assessors.

[42] See *Radio interview with Minister Rae*, ABC Radio National - 2 July 2026.

[43] See, for example, *Algorithms overriding clinicians: why aged care's new IAT system is eroding trust and burning out assessors*, hello leaders, 28 November 2025.

higher levels of mobility or capacity to perform physical tasks (such as showering or dressing) may be channelled towards *lower* funding levels before factors such as cognitive impairment are considered. This can produce distorted outcomes. An older person with serious cognitive decline, such as dementia, may be treated as 'independent' by the algorithm because they are physically capable of performing a task, despite lacking the cognitive capacity or judgment to safely do so without supervision. In such cases, apparent functionality should not be conflated with genuine capability.

In the Inspector-General's view, the algorithm is not operating as a true needs-based assessment that thoroughly considers what support an individual requires, what services would meet those needs, and how much funding is necessary to purchase those services. Instead, it ignores any assessment of service need and jumps to assigning a person to a funding classification.

The consequence is that a person's allocated funding may be insufficient to meet their assessed needs. As a result, individuals may be required to adjust their care use to fit the funding level generated by the algorithm.

The Inspector-General has heard reports of the algorithm delivering outcomes so disconnected from the older person's actual care needs that they feel they have no option but to enter residential care. This is contrary to older peoples' clear preference to remain at home. It is inconsistent with the Aged Care Act's promise to support ageing in place and is a stark example of how Support at Home's current design can accelerate decline rather than prevent it. It is also economically unsound.

The Inspector-General welcomes the Commonwealth Ombudsman's announcement in mid-April 2026 to review the IAT. The Inspector-General stresses the importance of that review considering the issues described above and reiterates that the Office stands ready to assist the Ombudsman in conducting its investigations.

Recommendation 3:

The Inspector-General recommends the Australian Government:

- enable clinical assessors to override inappropriate IAT outcomes by 31 December 2026
- act on the findings of the Commonwealth Ombudsman's review into the IAT within 6 months of the review's release
- confirm that the planned evaluation of Support at Home will examine whether people are being allocated appropriate funding based on their full care needs.

The Support at Home priority system does not sufficiently reflect urgency

The Inspector-General is concerned that the priority system used to determine how quickly older people can access care following an assessment is not accurately reflecting their needs or personal circumstances.

The priority classification system for the ongoing Support at Home classification[44] has 4 priority categories:

- 'urgent', available to people who accrue 5 or more points
- 'high', which requires 4 points

[44] See section 87-5 of the Aged Care Rules 2025.

- ‘medium’, which requires 2 or 3 points
- ‘standard’, which requires 1 or no points.

An individual’s points are based on whether the following circumstances apply:

- The individual lives alone - 1 point
- The individual has a cognitive impairment - 1 point
- The individual is an Aboriginal or Torres Strait Islander person - 1 point
- The individual is homeless, or at risk of homelessness - 1 point
- The individual has a need for urgent access to ongoing funded aged care services through the service group home support - 2 points
- The individual has waited more than 6 months from application to access aged care, or to be re-assessed and resides in an MM5, MM6 or MM7 area - 1 point.

On 6 June 2026, the Rules were amended to provide enable anyone with a diagnosis of motor neurone disease at the time of assessment to receive the 5 points needed for urgent care. While the Inspector-General applauds that decision, significant concerns about the operation of the priority system remain.

First, it is a crude and simplistic method of determining how quickly a person will access services. It oversimplifies individual needs and personal circumstances.

Second, the points system makes it extremely difficult to be classified as being in ‘urgent’ or ‘high’ need of accessing care. Many individuals with a legitimately urgent need for care will fall well short of accumulating the points necessary to be classified as ‘urgent’ under this system. The numbers attest to these difficulties: at 31 December 2025, only 129 people out of the 131,366 people who were then on the Support at Home priority system were classified as urgent.[45] In the first quarter of 2026, only 1% of all Support at Home places released were provided to those classified as ‘urgent’, and only 4.4% were for ‘high’.[46] Overwhelmingly, people are classified as ‘standard’, the lowest possible priority.

An urgent classification means access to care should be provided within 1 month. The tighter the criteria, the longer the government can take releasing additional places.

The Inspector-General acknowledges that aged care funding is finite. However, the points-based framework undermines older peoples’ timely access to care by setting an unduly narrow threshold for ‘urgent’ and ‘high’ care. Vulnerable people are therefore being assigned ‘medium’ or ‘standard’ priority, which translates to wait times of between 6-7 months and 7-8 months respectively.[47] It is important to emphasise these timeframes are ‘estimated’; the Inspector-General has heard of far greater waiting periods. It is also important to note that these timeframes appear to be well beyond the average 3-month wait times the government has committed to achieve by November 2027.

As repeatedly emphasised, extended delays in accessing care can increase an individual’s risk of avoidable physical and cognitive decline and may accelerate their entry into hospital or residential care.

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[45] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, Wednesday 11 February 2026, p.13.

[46] Department of Health, Disability and Ageing, *Support at Home Program: Ongoing Services*, Data Report, 3rd Quarter 2025-26, p.11.

[47] Department of Health, Disability and Ageing, *Support at Home Program: Ongoing Services*, Data Report, 3rd Quarter 2025-26, p.11.

This is a clear illustration of where deficient design is shifting costs into the more expensive parts of the system and highlights the importance of embedding prevention into the underlying policy of Support at Home.

Recommendation 4:

The Inspector-General recommends the Australian Government broaden the urgent review of the National Priority System to:

- determine whether the current algorithm appropriately reflects peoples' complexity, cognitive impairment and cumulative care needs
- assess whether the tool consistently allocates sufficient support to meet assessed needs and correctly identifies the urgency of those needs.

The review's methodology, evidence base and findings should be publicly released by 31 December 2026, together with how the government will respond to the required actions.

The deficiencies of phone-based assessments

The SAS has increased reliance on telephone assessments. While less costly and less time consuming, phone-based assessments limit assessors' ability to observe how an older person functions in their home environment, which can lead to an under-estimate of true care needs.

The Inspector-General has repeatedly heard that many assessors consider that older people often understate their need for assistance or overstate their capacity for self-reliance.

Telephone assessments rely on what a person discloses and makes it difficult to test capability through observation. This is especially problematic for people with dementia or emerging cognitive decline, where observing visual cues and non-verbal communication is critical to assessing true need.

The Inspector-General questions the cost-effectiveness of telephone assessments if they lead to inaccurate outcomes, contested decisions, reassessments, or the withholding of essential support. In her view, they should be used only as a last resort where an in-person assessment is not feasible (for example, in very remote areas with limited availability of assessors).

Case study

The Inspector-General was made aware that an older person with a longstanding disability, deteriorating health, and highly unsuitable living conditions was only provided with a telephone-based assessment. No in-person visit followed, and key mobility needs were not identified or addressed. As the individual's condition worsened, they were hospitalised. Later, the individual was admitted to respite care, where clinical assessments determined a mobility scooter was needed to support their independence.

At the point the individual approached the Office, they were unable to find a solution and unfortunately experienced loss of Support at Home funding at the point of highest need.

Minimum services offers limit timely access to full care

Support at Home participants may receive a minimum service offer (also referred to as 'interim funding'), equivalent to 60% of their full service entitlement. Minimum service offers are intended to be a short-term solution that ensure older people can access some support while they await their full entitlement.[48]

The Inspector-General acknowledges that some support is preferable to none. However, many across the sector are concerned that minimum service offers effectively deny older people the full care they have been assessed as needing for extended periods. This concern is compounded by the fact that funding is not backdated once full services commence[49], while 10% of interim funding is deducted for care management.[50]

On average, people wait 10 weeks from receiving their minimum service offering until receiving their full funding[51], with some waiting as long as 17 weeks.[52] The impact of minimum service offers on individuals is currently unclear. It is possible that funding delays may increase the likelihood of preventable decline and result in more costly tertiary care, the opposite of the purpose of interim funding.

Worrying signs are also emerging that minimum service offers are becoming a routine mechanism for managing demand, rather than a short-term exception. At 31 March 2026, 53,718 people had been allocated a minimum service offer.[53] This compares to 36,403 people as at 31 December 2025.[54] That is an increase of around 32% in only 3 months.

The Inspector-General has also heard that minimum service offers have increased provider burden and complexity, with some providers calling for their removal. Recent research undertaken by Enkindle, which captured the views of over 300 home care leaders and professionals, found that over 75% said minimum service offers were either challenging or very challenging to manage. One provider in that research stated 'we are declining interim allocations because they do not assist older people and instead create greater financial strain and limit the services they can receive'.[55]

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[48] Department of Health, Disability and Ageing, *Support at Home program manual,* version 4.2, p.52.

[49] See Plancare, *Support at Home Fact Sheet - Interim funding*.

[50] Department of Health, Disability and Ageing, *Support at Home program manual,* version 4.2, p.124.

[51] Department of Health, Disability and Ageing, *Letter to Senator Anne Ruston responding to information requested at Senate Community Affairs Legislation Committee Budget Estimates 2026-27*, tabled document, Senate Community Affairs Legislation Committee, Budget Estimates 2026-27, June 2026, Australian Parliament House.

[52] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, Wednesday 11 February 2026, p.15.

[53] Department of Health, Disability and Ageing, *Letter to Senator Anne Ruston responding to information requested at Senate Community Affairs Legislation Committee Budget Estimates 2026-27*, tabled document, Senate Community Affairs Legislation Committee, Budget Estimates 2026-27, June 2026, Australian Parliament House.

[54] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, Wednesday 11 February 2026, p.12.

[55] Enkindle, Outlook Report 2026, *The reality of reform for home care*, Part 2 Support at Home Transition Experience, pp.9 and 13.

Recommendation 5:

The Inspector-General recommends the Australian Government commission an independent analysis of the impact of minimum service offers, which:

- includes a cost/benefit analysis of the impact on care recipients and providers
- recommends whether minimum service offers should be retained unchanged, revised or phased out. If they are to be revised, the analysis should consider whether 60% is an appropriate short-term funding level
- is completed and made publicly available by 1 July 2027, together with details on how the government will respond to recommended actions.

The administration of the AT-HM scheme is not supporting older people to live at home

The AT-HM scheme is intended to provide older people with the aids, equipment and home modifications they need to live safely and independently for as long as possible. This includes mobility equipment, daily living aids, products to help manage health conditions, and home modifications such as handrails, ramps and bathroom redesign.

The AT-HM scheme is an indispensable part of a preventive aged care system. Timely access to assistive technology and home modifications can prevent falls, support rehabilitation, reduce carer burden, facilitate safe discharge from hospital, sustain independence and delay or avoid entry into residential aged care.

However, in the Inspector-General's view, the AT-HM scheme is not achieving that preventive potential.

Delayed provision of assistive technology and home modifications have severe consequences for older people. Without these essential supports, people are at greater risk of falls, injuries, loss of function, prolonged hospital stays and earlier entry into residential care.

Many of these supports are relatively low-cost and straightforward interventions that can prevent deterioration, support rehabilitation and reduce pressures on more expensive parts of the system. Delays can mean manageable needs become more complex and costly to address later.

The administration of the AT-HM scheme obstructs the delivery of timely support

The Inspector-General has heard from providers, advocacy bodies and older people that the AT-HM scheme's design and implementation are creating severe administrative and approval bottlenecks. These unintended consequences arise from the scheme's operation as a separate pathway within Support at Home, with its own approval requirements and rigid funding structures that do not align with older peoples' needs.

Approval requirements are disproportionate

The requirement for health professionals, such as occupational therapists, to approve supports is a key source of delay. While this may be appropriate for some high-risk, expensive or complex supports, it is disproportionate for many low-cost assistive technologies and home modifications, particularly where the person has been approved for the 'low' funding tier, capped at under $500. In her public comments

on the AT-HM scheme, the Inspector-General has highlighted a case where a GP was unable to approve a set of $50 crutches. Instead, an occupational therapist assessment was required, which delayed access for 3 months and pushed the cost out to around $1,800.

While appropriate safeguards are necessary, the Inspector-General considers the AT-HM scheme's approval settings to be a disproportionate approach to ensuring the use of public funds are subject to assurance and control mechanisms. This has come at the expense of timely access. It also risks increasing workforce pressures on already stretched and vital parts of the allied health sector. A system that imposes excessive approval requirements is not only inefficient, it is contrary to Support at Home's stated aim of a 'wellness and reablement approach for older people'.[56]

Disincentives to the timely uptake of support

The Inspector-General has heard that in some instances, the AT-HM scheme is discouraging providers from taking on clients in a timely way. Similar concerns have been reported in the media.[57]

In particular, some providers appear reluctant to deliver assistive technology and home modifications before an older person receives their ongoing Support at Home funding allocation. This appears to be because the funding available through the scheme may be insufficient to cover the time, administration and effort involved in arranging and delivering those supports.

Further investigation is required to identify appropriate solutions.

The $15,000 lifetime cap is insufficient and lacks flexibility

The Inspector-General's 2025 Progress Report raised significant concerns about the $15,000 lifetime cap on assistive technologies and home modifications.[58] Those concerns have materialised following the introduction of the AT-HM scheme. The Inspector-General has heard that the cap is a barrier for many people seeking to access supports where the cost exceeds the cap, despite the criticality of those supports in helping older people to live safely and independently at home.

The Inspector-General acknowledges that assistive technologies above $15,000 can be approved with sufficient evidence, and that the 12-month timeframe for home modifications can be extended.[59] However, it is not clear why there is a different approach between the 2. That is, why the provision of assistive technologies cannot be extended beyond 12 months, or why home modifications above $15,000 cannot be funded. More importantly, reliance on exceptions adds complexity and imposes further administrative burdens on older people, families and providers. It is another example of program design that is intended to manage risk instead resulting in delays to timely access to supports that are essential to older people's safety, independence and wellbeing.

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[56] Department of Health, Disability and Ageing, *Assistive Technology and Home Modifications (AT-HM) scheme guidelines*, October 2025, p.6.

[57] See, for example, Katarina Lloyd Jones, *AT-HM rollout 'problematic', unnecessarily complex*, Australian Ageing Agenda, 1 July 2026.

[58] Inspector-General of Aged Care, *2025 Progress Report: Implementation of the Recommendations of the Royal Commission into Aged Care Quality and Safety*, p.34, 39 and 137.

[59] Department of Health, Disability and Ageing, *Support at Home program manual,* version 4.2, p.171.

There is a strong body of evidence demonstrating both the wellbeing and economic benefits of timely access to home modifications.[60]

Evidence consistently shows that home modifications improve functional independence, reduce falls and disability, and lessen caregiver burden. By enabling older people to undertake everyday activities more safely and independently, home modifications can reduce reliance on both informal and formal support and help delay the need for more intensive aged care services.

These issues need to be investigated and addressed as a priority.

The AT-HM scheme is putting the sustainability of the AT-HM sector at risk

Providers have told the Inspector-General that the AT-HM scheme's design and implementation problems are also creating severe hardship for their businesses. This directly translates to serious consequences for older people.

The Inspector General has been told that the demand for assistive technology and home modifications remains at near record levels and providers continue to prepare quotes. However, these quotes are not translating into orders or the timely delivery of supports. It has been reported to the Office that in some cases, the time between the provision of a quote and sale has increased by up to 70% compared to the previous HCP program.

Similarly, the Inspector-General is aware of reports that providers and wholesalers have experienced 30% reductions in sales of assistive technologies following the introduction of Support at Home. Many providers have told the Inspector-General that the resulting loss of revenue will lead to workforce cuts and business closures.

Given the critical role these providers play in supporting older people to remain at home, the government cannot allow these risks to materialise. Without timely access to assistive technologies and home modifications, many older people who could otherwise remain safely at home are at increased risk of deterioration, prolonged hospitalisation, or premature entry into residential aged care. This is one of the clearest examples of administrative design failures upstream causing downstream costs for the system through older peoples' loss of capacity and increased reliance on more intensive tertiary services.

Better data needed to assess impact on providers

In assessing the AT-HM scheme's impacts on providers, the Inspector-General and her Office have had to rely on information supplied directly by providers. In contrast, publicly available information from government on the scheme's impacts on providers is much more limited.

Risks associated with provider viability, workforce reductions or potential market exit should be identified and monitored before older people's access to critical supports is affected. Current transparency arrangements are insufficient to assess these risks.

[60] See, for example, Phillippa Carnemolla and Catherine Bridge, *Housing Design and Community Care: How Home Modifications Reduce Care Needs of Older People and People with Disability*, International Journal of Environmental Research and Public Health, 2019, 16(11), 1951.

Recommendation 6:

The Inspector-General recommends the Australian Government redesign the AT-HM scheme by 31 December 2026 to better support timely access to preventive equipment and home modifications. This should include:

- introducing streamlined approval pathways for simple, low-cost and urgent assistive technology and home modification supports
- ensuring occupational therapist or specialist approval requirements are proportionate to the complexity, cost and risk of the item or modification
- aligning Support at Home and AT-HM assessment processes to reduce duplication and avoidable delay
- publishing 6-monthly data on AT-HM wait times, approval timeframes and delivery outcomes, with historical data on trends under the HCP program included for reference and transparency
- working collaboratively with AT-HM providers to address administrative burden, financial viability and workforce risks.

(b): Impact of the co-payment contributions for independent services and everyday living services on the financial security and wellbeing of older Australians

Recommendation 125 of the Aged Care Royal Commission stated that individuals who are assessed as needing social supports, assistive technologies and home modifications, or care at home should not be required to contribute to the costs of that support.

Despite this, the Inspector-General considers that requiring people to make a financial contribution - where they have the resources to do so - is not unreasonable. The principle that people with greater means should contribute more to their care is well-established across Australian social policy settings.

However, she has concerns with how co-payments in the Support at Home program have been designed, how they are being implemented, and who pays them. In her view, current settings risk discouraging access to preventive care, particularly for those with limited means and higher care needs. It has also created a wealth of experience showing it is discouraging ageing in place.

Co-payment unaffordability undermines independence

In the 2025 Progress Report, the Inspector-General warned that co-payments would likely lead some older people to forgo services - either because they cannot afford them or because they are concerned about the cost.

In the months following Support at Home's commencement, these concerns have come to fruition. Accounts of people being subjected to exorbitant charges, including upwards of $200 for a shower, have been widespread. While an individual's co-payment would only be a proportion of this cost (5% for full pensioners), for services provided routinely - such as daily showers - affordability quickly becomes problematic for many.

The government's announcement on 22 April 2026 to exempt showering, dressing and continence management from co-payments, is therefore welcome. However, this decision was made only after significant public pressure to make those changes was exerted on the government.

The estimated $1 billion cost of this exemption should be understood as an investment rather than a fiscal burden. As the Inspector-General has emphasised throughout this submission, expenditure on preventive supports, including personal care, enables older people to live independently at home for longer.

The Inspector-General remains concerned, however, that many supports that are pivotal to supporting independence and wellbeing, such as access to transport, are still subject to co-payments. Older peoples' access to such supports, particularly for those with limited means, will remain problematic.

Co-payments penalise people with high care needs

Co-payments are charged per instance of service and accumulate over time. The amount is determined according to an individual's means, with differential rates calculated according to their Age Pension status, their access to a Commonwealth Seniors Health Card, or whether they are a self-funded retiree.

The cumulative nature of co-payment charges means that people of equivalent income and assets can face very different out-of-pocket costs under Support at Home, depending upon their care needs.

Take the example of 2 part-pensioners, each with private annual incomes of $20,000 and each required to pay 11.76% in co-payments for services falling under the independence category. If one of these part-pensioners is a relatively low-care needs individual on a $20,000 package, their out-of-pocket charges would be $2,352 per annum. Another person with higher care needs and a $50,000 package, would have out-of-pocket charges of $5,879 per annum.

Despite having a more generous package, the person with higher care needs is required to pay a lot more to meet their care needs. At lower income levels, they could be priced out of accessing care under Support at Home and forced into residential aged care or hospital.

Flaws in the Support at Home means test

This outcome reflects a flaw in the design of the Support at Home means test.

Traditionally, means tests have been used across Australia's social support system to determine the level of contribution a person should make for the services they receive, based on their income and assets. This was how the previous aged care means test worked.

The Support at Home means test does not work like this. It uses the level of a person's income and assets (alongside their pension status) to determine what proportion they should pay of the total cost of the care that they receive. Where people have higher care needs, they are asked to pay more.

The equity implications of this user-pays approach warrant closer scrutiny. Economic evidence indicates price barriers are most likely to reduce service use among people with the greatest need, increasing the risk that unmet care needs will escalate over time.

The Support at Home means test may therefore create incentives for older people with higher care needs to forgo or reduce supports, increasing the likelihood of premature entry into more costly care settings.

On this basis, the current policy settings risk entrenching disadvantage rather than reducing it.

The imposition of co-payments operates as a 'regressive tax'

As a share of income, co-payments disproportionately impact those with the least capacity to pay.

Three quarters of Support at Home recipients receive the Age Pension. As at March 2026, those on a full pension receive around $600 per week for a single and $900 per week for a couple. Amidst rising cost of living pressures, many full pensioners' discretionary incomes are likely to be limited. This is particularly the case for people living in rental accommodation.

By contrast, wealthier self-funded retirees with greater discretionary incomes and assets are better able to absorb the cost of co-payments and therefore less likely to forgo care services due to affordability. In addition, wealthier care recipients with the cognitive ability and/or access to assistance are more likely to be able to source services privately, often at a lower cost, outside of the Support at Home program. By doing so they can maximise the value of their remaining Support at Home funds.

In short, while wealthier participants are more likely to pay co-payments and continue accessing care, lower-income participants are more likely to reduce or forgo services altogether.

The regressive nature of Support at Home co-payments is reinforced by the operation of the lifetime cap on co-payments. Co-payments currently cease once an individual has contributed around $135,000[61] towards the cost of non-clinical services. This 'flat rate' is not responsive to peoples' means. As a share of income, it proportionally penalises the most financially disadvantaged. People with the least capacity to pay face a proportionately higher burden.

Lack of an effective safety net

Compounding these problems, Support at Home lacks an effective safety net for people who genuinely cannot afford their care.

The program applies co-payments to all non-grandfathered care recipients, unless they satisfy Services Australia's hardship provisions. As identified in the 2025 Progress Report, applying for hardship is a complex administrative process. It is especially difficult for people without the capacity to navigate bureaucratic processes (or the assistance to support them to do this), or strong self-efficacy.

The Inspector-General considers the current reliance on hardship provisions as evidence of a failure of design. Support at Home is predicated on an assumption that all older people have adequate available means to contribute to their care, and those who require hardship assistance, as the exception. But this is not the reality. In the first 2 months following the introduction of the aged care reforms, hardship applications increased by 88%. This suggests the system itself may be generating hardship.

In addition, the Office is aware that some older people - especially, but not only, those who receive full pensions - are struggling financially. People tell the Inspector-General they face difficult choices between purchasing food, meeting their housing costs, affording heating and cooling, paying medical bills and finding money for their aged care needs.

Hardship provisions do not offer an appropriate 'safety net' for these people. They present a hurdle, which becomes harder to surmount as peoples' frailties increase and their cognitive ability, energy and resilience fall.

Further commentary on the effectiveness of hardship provisions is provided under term of reference (d).

Recommendation 7:

The Inspector-General recommends the Australian Government commission the independent design of a Support at Home means-testing framework that more appropriately aligns individual contributions with financial capacity, rather than the intensity or complexity of care needs.

This work should be informed by extensive economic modelling, expert advice and community consultation, and should examine the equity, behavioural and fiscal impacts of alternative approaches. The completed analysis, together with the government's proposed response, should be publicly released by 31 December 2027. Any agreed reforms should be implemented no later than 1 July 2028.

[61] The lifetime cap is indexed on 20 March and 20 September each year. A different lifetime cap applies to individuals who are covered by the no worse off principle. See Schedule of contributions for Support at Home services.

Aged care service list concerns

The aged care service list comprises 3 categories: 'clinical supports', which are fully funded by government; and support towards 'independence' and 'everyday living'. The second 2 are subject to co-payments, with higher contributions required for everyday living. There are sub-categories of care that fall under these broader headings.

Clinical care versus non-clinical care

The basis on which many services were classified as non-clinical rather than clinical remains unclear. The Aged Care Taskforce did not propose a detailed service list, instead recommending further consultation and analysis to avoid unintended consequences.[62] The Inspector-General understands that the Department did not undertake economic modelling to inform the development of the list.[63] Nor did the government's response to the Taskforce explain how the distinction would be drawn, noting only that services would be categorised as clinical care, independence or everyday living, with contributions applying to independence and everyday living services.[64]

The primary concern - that personal care services (showering, dressing, medication and continence management) were initially classed as independence supports and therefore subject to co-payments - is being welcomingly resolved as of 1 October 2026.

However, the Inspector-General remains concerned about the lack of transparency in the development of the service list. It is unclear how the list was constructed, and whether it was informed by overarching principles or expert advice.

Anomalies in classification

Correspondence from older people and their families with the Inspector-General has raised anomalies with the list that are hard to decipher. For instance, assistance to do shopping is considered everyday living - and is charged at a higher rate - than assistance to visit the bank, which is considered an independence support.

Effects on the aged care budget

It is also important to emphasise that many services that remain subject to co-payments have a strong preventive dimension. This includes services that keep people connected with friends, family and community, support access to allied health services, and provide critical domestic assistance, such as help with preparing healthy meals. These are not peripheral services for older people. They are vital supports that are essential for maintaining independence, slowing functional and cognitive decline, and delaying or avoiding entry into residential aged care or hospitals.

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[62] Final report of the Aged Care Taskforce, p.23.

[63] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, Thursday, 9 October 2025, p.97.

[64] Department of Health and Aged Care, *Government Response to the Aged Care Taskforce*.

As the Inspector-General has publicly stated, including in her address to the National Press Club on 15 July 2026, there is clear evidence that timely, coordinated investment in independence supports roughly halves the rate of entry to residential aged care.[65]

Australia's aged care model for veterans demonstrates that better assessment, care management and targeted support together keep people independent for longer and substantially reduces peoples' need for residential aged care. In fact, the veterans' model delays entry into residential aged care on average for almost 13 months longer than Support at Home.

Early results from the Office's 'preventive approach to aged care' work, which is examining the economic benefits of investing in stronger prevention in aged care, suggests that the veterans' aged care model could be implemented using the existing aged care budget for the whole population.[66] Applied across the number of people receiving home care each year, it points to almost $2 billion in avoided residential aged care expenditure, annually.

Critically, this work shows that allocating more money towards aged care does not necessarily generate improved outcomes. Rather, improvements can result from better targeted, and more intelligent, expenditure.

Recommendation 8:

The Inspector-General recommends that, informed by the modelling and analysis undertaken under Recommendation 1, the Australian Government review the Support at Home service list and associated co-payment settings to ensure that services with a demonstrated preventive impact are affordable, accessible and appropriately incentivised.

In undertaking this review, the government should publicly release the evidence and rationale underpinning its decisions, including:

- the basis on which services have been classified and assigned co-payment rates
- the evidence regarding the preventive impact of different service types
- the anticipated effects of co-payment settings on usage and access
- where existing settings are retained, the evidence supporting the conclusion that they will not discourage access to care or undermine the program's preventive objectives.

The service list mechanism lacks flexibility

The Aged Care Taskforce said Support at Home should provide greater clarity on what would/would not be funded, compared with the HCP program and CHSP. It recommended that Support at Home be underpinned by inclusion and exclusion principles and have clearly defined service lists.[67] It is arguable that the Support at Home service list delivers this.

[65] See Inspector-General of Aged Care, *The math ain't mathin': Is Australia funding independence or decline*, Address to the National Press Club, 15 July 2026.

[66] See Inspector-General of Aged Care, *The math ain't mathin: Is Australia funding independence or decline*, Address to the National Press Club, 15 July 2026.

[67] Final report of the Aged Care Taskforce, Recommendation 1.

However, the Taskforce called for flexibility, proposing that people be eligible for excluded services 'if the alternative is a perverse outcome for the participant and government', such as an increased risk of entering residential care or hospital but for 'delivery of a comparatively affordable service or item at home'.[68]

This flexibility has not been embedded within Support at Home. Its absence risks becoming a significant contributing factor in producing the very harms the Taskforce described, and the Inspector-General has warned against - namely, older people missing out on relatively low-cost services and/or losing their capacity to live independently and therefore having to enter residential care or hospital.

Recommendation 9:

The Inspector-General recommends the Australian Government implement, by 31 December 2026, the flexibility in funding determinations recommended by the Aged Care Taskforce, to provide discretion to approve reasonable, needs-based supports that enable older people to age in place.

Lack of evidence to support the structure of co-payments

The Inspector-General is unaware of any public evidence of the Department having undertaken comprehensive modelling to determine the rates at which co-payments have been set.

The rates of co-payments have both behavioural and fiscal implications. It is unclear to what extent the Department considered both dimensions in developing the rates and policy behind co-payments. It is also unclear to what extent detailed analysis on the anticipated impacts of co-payments - on individuals and on the broader aged care budget - was undertaken and provided to government before the program was signed off.

[68] Final report of the Aged Care Taskforce, p.18.

(c): Trends and impact of pricing mechanisms on consumers

Since the implementation of Support at Home, correspondence to the Inspector-General frequently cites significant increases in the cost of peoples' care.

The affordability of care is fundamental to whether Support at Home realises its intent of helping people age independently at home or in their communities. Under the program, older people are allocated a certain quantum of funding. If their funds are insufficient to cover the cost of the full suite of care they need, their needs go unmet.

Providers set service prices under Support at Home, which government require to be reasonable and transparent.[69, 70] While price increases were expected, concerns about excessive charges have emerged as a widespread issue.

In the Inspector-General's view, the government's strategy to manage unreasonable prices does not go far enough. The Inspector-General is concerned that too much reliance is being placed on older people understanding complex pricing arrangements, identifying excessive charges and lodging complaints. This is unrealistic at best, and unworkable when older people are vulnerable, frail, cognitively impaired and/or lack the assistance of family, friends or advocates to do this.

When prices are unreasonable, older people may choose to forego care - especially if the corresponding co-payment is financially prohibitive. Complaints take time to resolve. Reliance on a complaint-based approach to addressing pricing concerns does not give people timely access to affordable care when they need it.

The government has stepped back from direct price controls

Government pricing advice for providers was not released until October 2025, just a few weeks before the program commenced 1 November 2025. In the absence of timely government advice, financial analysts had advised providers to increase their prices by 40% compared to what they charged under the preceding HCP program.

Providers needed to raise their prices to maintain their viability. Program parameters had changed, most notably the capacity to cover care management was diminished while administrative complexity was significantly greater. However, it is unclear whether increases of 40% were warranted.

Between 1 November 2025 and 31 March 2026, the Aged Care Quality and Safety Commission (the Commission) received 1,528 pricing-related complaints for non-residential care (i.e. home care). These pricing complaints were about fees and charges, communication and consultation about fees, the management of peoples' finances, and account statements. This represented an increase of approximately 50% in equivalent complaints from the corresponding period 12 months earlier

[69] See section 273-15(b) of the Aged Care Rules 2025.

[70] Department of Health, Disability and Ageing, *Support at Home program manual*, V4.2, p.133.

(1 November 2024 and 31 March 2025), when 1,044 complaints were received by the Commission about pricing issues.[71]

Issues with price caps

When Support at Home was announced in September 2024, the government said price caps would be a program feature.[72] These would be set by government and informed by unit pricing advice from the Independent Hospital and Aged Care Pricing Authority (IHACPA).

In December 2024, this position was revised and a 12-month delay in the setting of price caps, to 1 July 2026, was announced. Additional consumer protections were to be introduced during the 'transition year'.[73] The subsequent deferral in the commencement of the Aged Care Act meant providers would have 7 months to determine prices without reference to price caps.

On 26 May 2026 the government announced the indefinite deferral of price caps and some additional consumer protection measures.[74]

In theory, price caps protect consumers from excessive, 'unreasonable' prices by setting a ceiling price that providers cannot exceed.

However, price caps can quickly become a 'price floor'; the 'new minimum' price sellers charge. If set too low, they create chronic supply shortages, with sellers unwilling to offer services at the capped price point. They can encourage the growth of black markets, where buyers look to cheaper, unregulated suppliers. They can induce sellers to reduce quality to maintain profit margins when they cannot raise prices. And they can reduce innovation and investment and distort market decisions.

The Inspector-General acknowledges that price caps are an imperfect mechanism. She is conscious, though, that when the government gave providers the freedom to determine prices from 1 November 2025, control over service pricing was effectively lost.

Unreasonable pricing

Concerns about 'unreasonable pricing' are frequently raised with the Inspector-General and often cited in the aged care media. Initially, the focus was on the exorbitant cost of showering. People criticised providers charging around $200 for a weekday shower, more at weekends, and upwards of $1,000 over the Easter 2026 long weekend. Following the government's decision to re-categorise showers as clinical care, correspondence to the Inspector-General on pricing issues has pivoted to focus on 'unreasonable' pricing across the board.

While anecdotal evidence suggests that some providers may be charging unreasonable prices, robust national data is needed to determine the scale and nature of the issue.

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[71] These figures were provided directly to the Inspector-General's Office by the Commission.

[72] See, for example, the Support at Home Fact sheet which reflects the Australian Government's official response in relation to the Support at Home program on 24 September 2024.

[73] Support at Home – price caps to be introduced by 1 July 2026 - COTA Australia.

[74] See Department of Health, Disability and Ageing, *New consumer protections for Support at Home services*.

This concern should not be understood as a criticism of all providers. The Inspector-General expects that most providers are setting reasonable prices, acting transparently and operating in the best interests of their clients.

The Inspector-General also recognises that providers are often responsible for explaining to consumers and families how government policy settings have contributed to higher prices.

What constitutes 'unreasonable'?

Whether a price is 'reasonable' depends on the extent to which it reflects the costs the provider incurred in delivering a particular service to a particular individual.[75] The Rules state that prices should only include certain costs: labour; package management; administration (e.g. human resources); travel; sub-contracting (where applicable); and a margin to cover the cost of capital used in delivering the service. In addition, providers cannot charge separate administration or travel fees or claim them from a person's care management account.

The prices of Support at Home services are typically higher than standard market rates. This is not, in itself, unreasonable. There are costs associated with delivering the program, including administrative and compliance costs, that broader market operators are not liable for. The Inspector-General recognises that providers need to recoup these costs.

What is 'unreasonable' is price gouging by some Support at Home providers, where prices are inflated well beyond cost and unjustified margins are added.

Case study

A transport company that operates as an associated provider under Support at Home has over 130 service agreements with lead providers and delivers vital medical and social transport services to more than 2,000 customers. The transport company handles the direct service delivery and administration for each trip, regardless of whether the customer's package is self-managed, partially managed, or fully managed. The lead provider's only action is to process the transport company's invoice, claiming funds from a customer's package funding.

For short trips (0-4km), the transport company is invoicing lead providers around $28. Lead providers are charging people's packages close to $100 (a mark-up of over 200%) for the service.

Concerned their customers were being financially exploited, the transport company approached the Commission and were told their concerns were 'out of scope'. They then wrote to the Inspector-General, providing the above information and citing 3 systemic failures in the design of Support at Home:

1. **Fewer services for consumers:** older Australians are seeing their package funds eroded by administrative rorting, resulting in fewer actual hours of care and transport.
2. **Inefficient government spending:** the government is overfunding 'administrative overheads' rather than supporting direct service delivery.

[75] Aged Care Rules 2025, section 273-15 requires that prices for services are not unreasonable.

3. **Unjustified provider profits:** lead providers are generating indefensible profit margins as billing intermediaries.

This is not an isolated example. The Office has received a range of correspondence about lead providers charging questionable margins on meals prepared and provided by third parties.

Case study

A Support at Home recipient purchased 20 meals from a brokered third-party meal supplier which were invoiced to his registered provider at a cost of $234.50.

Rather than charging that $234.50 to the consumer's Support at Home quarterly budget, the care provider charged $19.00 per meal, a total $380.00. This is a 62% margin.

The consumer claimed the lead provider's statement attributed the mark-up to 'meal preparation and delivery' - services the lead provider did not contribute to.

The government should act urgently to address the practice of lead providers charging unchecked margins on associate provider services. Associate providers, who have raised concerns about this practice with the Commission, have told the Inspector-General they are doubtful that anything will change.

When the above transport company raised their concerns with the Commission, it reported being dissatisfied with the response. They said they were told that inflated lead provider margins on associate provider invoices was a widespread issue and the subject of numerous complaints. That, in determining what is 'fair and reasonable', the Commission's reference point is IHACPA's unit pricing - not the extent of the mark-up. On this basis, the company believed the Commission would only intervene where a lead provider charged an amount significantly above the unit pricing advice. The company was also reportedly advised that the disclosure of lead provider fees in service agreements may be sufficient for providers to be regarded as acting appropriately, regardless of the margin applied.

It is clear that a different approach is urgently needed. Transparency alone is not a sufficient safeguard if providers remain free to impose substantial mark-ups on third-party services without demonstrating that those charges are reasonable, proportionate or deliver value to the older person.

A regime that permits providers to charge any margin they choose, provided it is disclosed, risks price gouging from care budgets.

The need for proactive investigation of pricing issues

During its appearance at the Committee's hearing on 1 April 2026, the Department clarified that it has 2 active processes underway to provide pricing assurance. First, it is looking at prices being charged at the upper end of the range and asking providers to justify their fees. Second, it is conducting a 'rolling review' that audits providers' service delivery and charges.[76] The Department advised the Committee of an intent to publish findings.

[76] Hansard, Senate Community Affairs References Committee, Support at Home Program, 1 April 2026, p.12.

The Inspector-General welcomes these actions and calls for more detailed information about the scale of the Department's investigations, and the initial impact they are having, to be made public.

Beyond this, the government should urgently assess what additional regulatory intervention or disincentives it can institute to prevent unreasonable mark-ups and ensure that public funding and consumer contributions are directed to care rather than excessive intermediary charges.

Government action to enhance consumer protections

On 19 May 2026, Minister Rae announced a series of measures that included empowering the Commission to order providers to refund overcharged services, a commitment to the quarterly publication of median and range pricing data for services, and the establishment of a working group to define reasonable prices and develop guidance for older people who self-manage their packages.[77]

These are worthwhile initiatives. The Inspector-General is, however, concerned that they do not go far enough. Too much emphasis continues to be placed on people having to initiate action through raising complaints with the Commission.

This is an unreasonable expectation to place on a client group that is, by definition, more likely to experience cognitive impairment, reduced capacity for self-advocacy, and difficulty navigating complex administrative systems. As mentioned above, there is an urgent need for more concerted, proactive investigation and follow-up action by both the Commission and the Department.

Need for greater transparency of pricing information

Providers are required to provide prospective care recipients with clear, detailed, and written pricing information before services commence. Once they begin receiving services, all clients should receive monthly statements that detail how their funding and contributions are being spent.

The Rules require providers to update My Aged Care every 2 months with their most frequently charged prices (for services delivered during standard business hours) for 12 service types: allied health and therapy; care management; domestic assistance; home maintenance and repairs; home or community general respite; meals; nursing care; personal care; restorative care management; social support and community engagement; therapeutic service for independent living; and transport.[78]

In May 2026, the Department released the first National Summary of Support at Home Prices. This quarterly guide provides the median and range of prices charged by providers for key service types. It allows care recipients to identify how the prices charged by their service provider compare with others across the country.

While greater price transparency is necessary, it is not sufficient. The purpose of transparency is not merely to publish prices, but to enable older people to make informed decisions and hold providers to account. That purpose is undermined if published prices bear little resemblance to the amounts ultimately charged.

Lived experience groups with whom the Inspector-General regularly consults, and correspondence with the Inspector-General's Office, raise concerns about pricing transparency. Some care recipients are

[77] Department of Health, Disability and Ageing, *Strengthening consumer protections for older Australians*.

[78] Section 166-1005 of the Aged Care Rules 2025, covering pricing information.

seeing significant inconsistencies between their providers' published service prices and actual charges for services.

In the transition to Support at Home, the Inspector-General heard numerous reports of HCP program recipients being pressured to sign contracts that did not include pricing information. In recent months, the Office has received frequent accounts of monthly statements not being provided, lacking transparency, or including unexpected charges. This may reflect early 'teething issues' with the introduction of Support at Home. However, the frequency and consistency of these reports suggest a more systemic issue that demands a stronger regulatory response.

Recommendation 10:

The Inspector-General recommends the Australian Government:

- explicitly define 'reasonable' in the Aged Care Rules 2025 in the context of aged care service pricing, by 30 September 2026
- publish clear guidance on what constitutes 'reasonable' Support at Home service pricing on the Department's website and in consumer- and provider-focused fact sheets, including through the quarterly 'National Summary of Support at Home Prices', by 30 September 2026
- collect, and publicly release, quarterly data on the extent of 'unreasonable pricing' under Support at Home, commencing in the fourth quarter of 2026.

(d): Adequacy of the financial hardship assistance for older Australians facing financial difficulty

Support at Home relies on Services Australia's financial hardship provisions to ensure people with limited means can access aged care.

These provisions are often held up as the safety net. Yet early data suggests hardship applications are not an edge case; they are at serious risk of becoming a structural feature of Support at Home. In the 2 months before the program commenced, Services Australia received 1,429 hardship applications. In the 2 months after commencement, that figure rose by 88%, to 2,598 applications.[79]

It is not just the volume of applications that concerns the Inspector-General. She views the reliance on hardship provisions as evidence that the administration of Support at Home may in fact be *generating* hardship.

Complexity of hardship assistance application processes

The Inspector-General's 2025 Progress Report found hardship applications are long, complex and administratively demanding. They presuppose capacity, literacy, energy, digital access and trust in government systems; precisely the things many older people may not have, particularly at moments of vulnerability.

It is also important to recognise that hardship assistance is not available to all older people experiencing financial stress. Eligibility criteria are strict, especially the assets threshold of $46,835.10.[80] Some people, potentially including those who own their own home, may not qualify for support, despite facing genuine difficulty affording the care they need.

Many people tell the Office they abandon hardship applications, withdraw, or never apply at all - not because they will not qualify, but because they cannot navigate a multi-step, highly bureaucratic system that feels overwhelming, intimidating, or undignified. For some groups, this is even more acute. Aboriginal and Torres Strait Islander Elders - including Stolen Generations survivors - are disproportionately deterred by hardship processes due to historical and institutional trauma. Aboriginal Community Controlled Organisations (ACCOs) have reported some Elders' outright refusal to apply.

When people disengage from Support at Home because they cannot afford care - or cannot navigate the hardship process - they do not disappear from the system. They return later - often sicker, frailer, and with fewer options. Often at that point, the only pathways left are hospital admission, residential care, or crisis responses that cost the system far more than timely, preventive support at home ever would.

In that sense, reliance on hardship applications as a central feature of Support at Home's design actively undermines budget integrity. It delays intervention, accelerates decline, and shifts cost to the most expensive settings.

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[79] See Hansard, Finance and Public Administration Legislation Committee, Senate Estimates, 10 February 2026, p.87. See also Caroline Egan, *Latest on financial hardship applications for Support at Home*, the Weekly Source, 18 February 2026.

[80] See Services Australia, Financial hardship assistance eligibility.

The government has taken some steps to streamline the hardship application process. The process was amended to require fewer 'points of evidence' from applicants.[81] Funding was then announced in the 2026-27 federal Budget to digitise and simplify the application process.[82] This will enable online applications, with pre-populated Services Australia data.

Online applications are only helpful where people have the digital literacy, internet access or assistance, to complete the form. The Inspector-General's 2025 My Aged Care review relayed the challenges older people face engaging with digital technologies: while some are highly proficient, others struggle. Access limitations can be compounded by age-related cognitive decline.[83]

However, the Inspector-General is hopeful that the automated transfer of data will improve accuracy of Services Australia's assessment of peoples' means, if only for those applying for hardship. She routinely hears accounts of Services Australia overlooking information they already hold (e.g. the payment of rent assistance) when determining a person's means. Inaccurate assessments - when the data is to hand - is distressing and frustrating for older people.

Financial hardship applications create complexities for Support at Home providers

Providers tell the Inspector-General the program's reliance on hardship creates additional administrative complexity. While applications are pending, providers are unable to charge co-payments. This can cause cash flow pressures which cumulatively, can challenge their sustainability.[84]

Confidentiality requirements prevent Services Australia notifying providers that a client has lodged a hardship application. Providers must rely on their clients (or their families) letting them know, which is not guaranteed.

Recommendation 11:

The Inspector-General recommends that, in developing the revised means-testing framework, the Australian Government publicly demonstrate that co-payment settings do not create systemic affordability barriers for cohorts of older people. Where affordability concerns are identified, they should be addressed through the design of the contribution framework itself, rather than through reliance on hardship provisions. Hardship arrangements should be retained as a safety net of last resort for exceptional circumstances.

[81] Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, 9 October 2025, p.100. The Committee heard that the streamlined application has reduced required points of evidence from 18 to 4.

[82] See Department of Health, Disability and Ageing, Budget 2026-27, *A stronger health system for all Australians*, p.7.

[83] Office of the Inspector-General of Aged Care, *Review of My Aged Care – Final report*, p 45.

[84] See Natasha Egan, *Providers struggling with home care challenges*, Australian Ageing Agenda, 15 April 2026.

(e): Impact on the residential aged care system, and hospitals

The 2025 Progress Report predicted that the implementation of Support at Home would increase pressure on the residential aged care and hospital systems. In particular, it foreshadowed both lengthy wait times and that co-payments would accelerate older peoples' decline and likely fast-track their entry into residential aged care and/or increase their risk of hospitalisation.

As the Inspector-General has argued, embedding 'prevention' within Support at Home's core design is the only path to reducing the pressures on residential care and hospitals, and ultimately the entire aged care budget.

Support at Home is increasing pressure on residential care

The Inspector-General welcomes the government's decision to commit an additional $3 billion to aged care funding through the 2026-27 federal Budget, including $1.7 billion to support 5,000 additional beds each year, and boosting the accommodation supplement for people with low means.[85]

However, as long as Support at Home's key design features - such as assessments that deliver inappropriate outcomes, waitlists for services, minimum service offers and co-payments - delay access to preventive care, the system will continue to push older people towards residential care. This does 2 things: it re-directs expenditure towards the most expensive aged care setting, and it increases demand for a largely static number of residential care beds.

Residential care is operating at near capacity. It will not be able to absorb additional demand caused by a lack of preventive focus in Support at Home. StewartBrown's Aged Care Performance Survey Report showed occupancy rates in residential aged care in December 2025 had reached 95%. This continues the upward trend in occupancy rates, which have increased annually from 91.3% in September 2022.[86] Ageing Australia has said that, in many capital cities, occupancy is effectively 100%.[87]

Recommendation 1, which calls on the government to place prevention at the centre of aged care policy, offers one of the most effective means of moderating growth in demand for residential aged care.

Demographic change is already straining residential age care

More older people will require a higher level of support on entry to residential care than they have historically needed. Australians are living longer, with the population aged 85 and over - the most likely to need residential care - increasing by 12% over the past 5 years.[88, 89] The complexity of older Australians' care needs is also increasing, with growing rates of chronic disease, dementia and mental

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[85] Speech by the Hon Mark Butler MP, Minister for Health and Ageing, Minister for Disability and the NDIS, to the National Press Club, Wednesday 22 April 2026. See also, COTA media release, 22 April 2026.

[86] StewartBrown, *Residential Aged Care Financial Performance Survey Report*, (YTD December 2025), p.2. Note that the Department quoted a national occupancy rate of 90.9% for quarter 1 in 2025-26 at the June Senate Estimates hearing.

[87] Ageing Australia, Media Release, *Government's commitment to aged care beds a welcome first step*, Wednesday 22 April 2026.

[88] Australian Institute of Health and Welfare (AIHW), *Aged Care Data Snapshot 2020*, GEN Aged Care Data (2020).

[89] Australian Institute of Health and Welfare (AIHW), *Aged Care Data Snapshot 2025*, GEN Aged Care Data (2025).

health conditions, and greater levels of frailty.[90] Aged care providers are experiencing these shifts firsthand. More often, they face pressures to manage declining acuity from dementia and multiple co-morbidities.

These demographic trends underscore the importance of embedding prevention in the Support at Home program by investing earlier in the supports older people need to remain independent. Better targeting of aged care funding towards timely, lower-cost interventions can help more older Australians remain safely at home for longer, postpone the need for residential aged care, and ease pressure on hospitals and other high-cost parts of the system.

Support at Home is increasing pressure on hospitals

Older people consistently make up the highest proportion of patients presenting to hospital emergency departments, and hospital admissions. In 2024-25, there were 9.1 million presentations to emergency departments nationally, a rate of 328 people per 1,000 of the population.[91] Presentation rates peaked among those aged 85 and over at 915 presentations per 1,000 men, and 782 per 1,000 women - well over double the national average.

In 2024-25, Australians aged 65 and over, who made up 17% of the population, accounted for 45% of all hospitalisations.[92] Those aged 85 and over accounted for 6.9% of hospitalisations, despite representing just 2.1% of the population.[93]

Hospitalisation rates increase with age, with those aged 85 years and over hospitalised at a rate of 1,511 per 1,000 population, compared with those aged 5-14 only being hospitalised at a rate of 99 per 1,000 population.[94] This means Australians aged 85 and over are hospitalised, on average, around 1.5 times each per year.

As the Support at Home program continues to prioritise 'crisis response' over early, preventive care, the Inspector-General considers that it is likely more older Australians will require more frequent hospital care going forward.

Older people will need to remain in hospital for longer

In addition to needing hospital care more often, a lack of access to appropriate home support contributes to delays in older people's hospital discharge.

Older people remain in hospital for longer periods than younger Australians. In 2023-24, individuals aged 85 and over accounted for 13% of all patient days.[95]

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[90] FTI Consulting, *Unlocking Capacity: How Health and Aged Care Must Work Together as Australia's Population Ages*, p.2.

[91] Australian Institute of Health and Welfare (AIHW), *Emergency department presentations, hospitals*.

[92] See AIHW, *Patient characteristics, hospitals*.

[93] See AIHW, *Patient characteristics, hospitals*.

[94] See AIHW, *Patient characteristics, hospitals*.

[95] FTI Consulting, *Unlocking Capacity: How Health and Aged Care Must Work Together as Australia's Population Ages*, p.7.

There is clear data that far too many older patients cannot be discharged from hospital because suitable home-based alternatives are not available.[96] State and territory data shows there were 3,274 aged care patients in hospital between February and April 2026, compared to 2,419 in September 2025, an increase of 35%.[97] In fact the NSW Productivity and Equality Commission has initiated a review in what has been quoted as an 'alarming' spike in 'stranded' older patients in NSW public hospitals who are cleared for discharge but unable to access Commonwealth-funded aged care or National Disability Insurance Scheme placements.[98]

While this increase is not solely attributable to Support at Home, the trend is deeply concerning. Prolonged hospital stays are not good for people at any age. People experience hospital-associated deconditioning, which can result in declines in both physical and cognitive function. This disproportionately affects older people living with frailty.[99]

A long hospital stay, with extended periods in bed, is not conducive to people returning to independent living, even for those who were relatively healthy and capable pre-admission.[100]

As the Inspector-General has said, leaving older people in such environments long-term is akin to neglect.

Prevention is the pathway to sustainability and better outcomes for older people

The ultimate test of Support at Home will be whether it reduces avoidable hospitalisations and delays entry into residential aged care. The central theme of this submission is that achieving those outcomes will depend on recalibrating the program so that it has a far stronger focus on prevention.

When older people receive early preventive supports, they are better able to maintain their physical and cognitive capacity and ability to age in place. Conversely, lengthy wait times, affordability barriers and inadequate levels of support - all of which are currently prevalent across Support at Home - accelerate deterioration and increase reliance on hospitals and residential aged care.

This view is widely shared by many across the care economy. The Catholic Health Australia Parliamentary Roundtable on Delayed Discharge, convened on 2 July 2026, emphasised the importance of shifting the system's focus towards 'prevention, early intervention, restorative care and reablement'. This reflected a shared understanding that upstream investment in these areas can ease pressure on hospitals and reduce delays further downstream in the system.[101]

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[96] See the statement from AMA (NSW) President, Dr Kathryn Austin, 23 April 2026.

[97] See ABC News, *Aged care patients stranded in hospitals prompt calls for government action*, 11 May 2026.

[98] See NSW Government, Ministerial media release, Treasurer and Minister for Health, *Productivity and Equality Commission inquiry into stranded aged care patients*, 6 May 2026.

[99] See: NSW Ministry of Health, *Preventing Hospital Acquired Functional Decline: The Untapped Value of Allied Health*, NSW Health, Sydney, 2024 and Carly Welch, Yaohua Chen, Peter Hartley, Corina Naughton, Nicolas Martinez-Velilla, Dan Stein and Roman Romero-Ortuno, *New horizons in hospital-associated deconditioning: a global condition of body and mind*, Age and Ageing, vol. 53, no. 11, 2024.

[100] See, for example, Christine Lloyd, Alayne Markland, Yue Zhang, Mackenzie Fowler, Sara Harper, Nicole Wright, Christy Carter, Thomas Buford, Catherine Smith, Richard Kennedy and Cynthia Brown, *Prevalence of Hospital-Associated Disability in Older Adults: A Meta-analysis*, JAMDA, Vol. 21, Issue 4, pp455-461. The article stated that hospital-associated disability affects around 30% of older adults in acute care.

[101] Catholic Health Australia, *Parliamentary Roundtable on Delayed Discharge*, 2 July 2026, p.9.

In the Inspector-General's view, the appropriate policy direction for government is clear. Investment in prevention is critical to helping older people remain independent and at home for longer, while reducing pressure on the most expensive parts of the aged care and health systems. It is also more consistent with the rights-based premise of the Aged Care Act, which seeks to support older people to exercise choice, maintain their independence and live with dignity.

Prevention should therefore be the key guiding principle of Support at Home's future development, and a central consideration in how the aged care budget is invested.

(f): Impact on older Australians transitioning from the Home Care Packages Program

Older people transitioning are clearly 'worse off'

The government's messaging in the lead-up to the implementation of Support at Home was that people transitioning from the previous HCP program would be covered by the 'no worse off' principle.[102]

People widely assumed the government's 'no worse of' principle meant that those receiving an HCP on the National Priority System, or assessed as eligible for a package on or before 12 September 2024, would neither pay more, nor receive less care, after transitioning to Support at Home.[103]

This has not been the case. During the December 2025 Senate Estimates hearing, the Department explained that the principle only applies to an individual's 'out-of-pocket costs' and is 'calibrated to ensure they do not personally pay more than they were before.'[104]

In effect, the principle only shields 'grandfathered' people from paying Support at Home's co-contributions. It does not guarantee that their purchasing power remains equivalent under both programs. The government anticipated rising service prices under Support at Home; however, there was no guarantee that people would continue to access an equivalent volume of care.[105]

While the Department maintains it clearly explained the operation of the 'no worse off' principle, consultation by the Inspector-General with older people and correspondence she has received clearly indicates this was not the case. Grandfathered participants from across the country have written to the Inspector-General, and approached the media, to say the government's communications were misleading and that they are no longer able to purchase the full suite of care they need and previously received.

This Committee's report on its inquiry into Aged Care Service Delivery noted that some individuals may have made financial decisions based on a mistaken understanding of the 'no worse off' principle, and that such people 'should not be punished for a lack of clarity in communication on the part of the Australian Government' in making those decisions.[106] The Inspector-General strongly agrees with that sentiment.

'Shrinkflation' impacts aged care

Price increases for care delivered through Support at Home have eroded the value of grandfathered participants' funding. Shrinkflation - where money buys less over time - is adversely affecting grandfathered recipients. People's care needs have not fallen; but what they can afford to purchase has.

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[102] See, for example, the *Support at Home Fact sheet* which reflects the Australian Government's official response in relation to the Support at Home program on 24 September 2024.

[103] See, for example, Department of Health, Disability and Ageing, *Support at Home participant contributions*.

[104] See Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, 3 December 2025, p.20.

[105] See Hansard, Senate Community Affairs Legislation Committee, Senate Estimates, 3 December 2025, p.20-21.

[106] Senate Community Affairs References Committee, *Inquiry into aged care services delivery*, October 2025, p.114.

Many people in lived experience groups the Inspector-General meets with have advised they can no longer afford the same mix of services they previously accessed under the HCP program. Many are essential services that enable people to live independently at home and include support with cleaning and household tasks, in-home respite and light gardening.

As repeatedly emphasised in this submission, reducing peoples' access to home care is not a cost saving. It's a cost deferral and, over time, a likely cost increase.

Case studies

- A grandfathered home care recipient who has seizures if her blood glucose gets too low, but is not diabetic, had a Continuous Glucose Monitoring device funded under HCP. Under Support at Home, she no longer has subsidised access to the device, which costs $100 per fortnight. Given her income, the device is now unaffordable and she is worried about managing her seizure risk if she leaves the house.
- A couple in a regional area moved into residential aged care, at a significant additional cost to the taxpayer and against their broader wishes. Their care needs had not increased, but their care costs had increased significantly, and they were unable to afford all the care they needed to stay at home.
- A 92-year-old woman on a full pension and in receipt of a Level 4 Home Care Package, could no longer afford the equivalent shopping assistance, incontinence supplies, gardening help or social outings after transitioning to Support at Home. Under Support at Home the transferred funding fell short by $12,000 per year to purchase what she had previously received.

Grandfathering has created a two-tiered system

While many grandfathered participants undoubtedly feel worse off under Support at Home, they are still advantaged over new entrants.

The requirement that some - but not all - recipients contribute co-payments has created a 2-tier home care system. As with all grandfathered schemes, arbitrary dates determine whether 2 older people with equivalent care needs receive the same, or very different, levels of support.

The negative impact of service list changes

'Service lists' have been used in both the HCP and Support at Home programs to identify which forms of care are eligible to be subsidised or fully-funded by the Commonwealth.

The service list for Support at Home differs from that which was used previously. While it has widened in some respects, for some grandfathered care recipients the transition has been detrimental. Services previously covered are no longer approved.

Recommendation 12:

The Inspector-General recommends the Australian Government publicly confirm that the planned evaluation of Support at Home will examine the impact of reforms on grandfathered participants, including whether their access to care has diminished post-1 November 2025.

The evaluation should explicitly consider the consequences of any reduced access to care on individuals, their families and carers.

(g): Thin markets including those affected by geographic remoteness and population size

Compared with people in metropolitan areas, older people in regional, rural, remote and isolated communities face increased challenges under Support at Home. These include longer delays for assessments and services, fewer aged care providers, more limited infrastructure (such as transport), higher service prices, and reduced access to clinical support.

Regional providers also face significant challenges, including smaller economies of scale, higher delivery costs, workforce shortages and clients dispersed across large distances.

Support at Home is penalising the traditional role of volunteers

Traditionally, many of the challenges in accessing aged care services and service delivery in thin markets have been offset to some extent by the very strong bonds found in those communities. Volunteers and not-for-profit groups have historically played a strong role in supporting older people to stay in their homes and maintain their community connections.

Support at Home risks undermining this model. Under the new Aged Care Act, some community organisations have needed to become associate providers to deliver services on behalf of a registered provider. This brings new obligations, such as compliance with the Code of Conduct, training, screening, and privacy and confidentiality requirements. The Inspector-General has heard these requirements are discouraging some organisations, and volunteers, from continuing to provide care and support services.

Older people in thin markets face longer wait times and additional barriers accessing services

Older people in more remote areas generally wait longer for assessments, an issue this Committee's CHSP inquiry report discussed at length.[107]

The Inspector-General has heard similar accounts, with assessors sometimes delaying travel to isolated communities until there are enough people needing an assessment to financially justify a visit. As noted under term of reference (a), delayed assessments mean delayed access to the supports older people need to remain independent and age in place.

For people in thin markets, the challenges do not end once an assessment is in train. The IAT's algorithm does not take local service availability into account, despite many supports being in short supply or unavailable in thin markets. This can result in assessment outcomes that do not reflect what can realistically be delivered, leading to reassessments, further delays, and an increased risk of avoidable deterioration.

Similarly, the Inspector-General has heard that the My Aged Care 'care finder tool' does not consistently account for the geographic realities of thin markets. In some instances, it identifies services that are

[107] Senate Community Affairs References Committee, *The transition of the Commonwealth Home Support Program to the Support at Home Program*, June 2026, p.74.

located significant distances from where the older person seeking care lives, creating additional confusion and barriers to timely access.

Thin markets are also likely to provide people with limited access to local residential aged care or hospital services. When people need these services, due to natural ageing or deterioration due to poor or delayed access to care, they may need to relocate great distances from their families and communities. This is contrary to the rights-based, person-centred premise of the Aged Care Act of supporting ageing in place, and for First Nations people, of ageing on country.

Housing shortages in thin markets reduce care options

The Inspector-General has heard that Australia's 'housing crisis' has negatively affected the delivery of Support at Home services in regional, rural and remote areas.

Housing shortages in those areas give older people fewer opportunities to 'downsize' (for example, into retirement villages or smaller apartment-sized dwellings). This leads to providers typically needing to deliver services to support older people to continue living in full-sized houses built on large land allotments, which are typically more costly to maintain than smaller properties. If a person owns their own home and is unable to downsize, they may be deemed ineligible for Services Australia's financial hardship provisions, leaving them at significant risk of needing residential aged care or hospital admission.

Regional housing shortages also present similar constraints for aged care workers, limiting care availability.

Limitations of the AT-HM scheme in thin markets

The Inspector-General has heard that the challenges with the AT-HM scheme described in term of reference (a) are especially pronounced in thin markets.

In particular, the requirement for all home modifications, and some assistive technologies, to be prescribed by a relevant health professional is especially onerous in regional, rural and remote areas due to shortages of local practitioners.[108] Approvals for aids, equipment and modifications may therefore require even longer lead times than in metropolitan areas, and come at a greater cost to a person's funding allocation (and the taxpayer), further compounding the disadvantages older people in thin markets face in trying to remain at home.

Inflexibility of Thin Markets Grant

The Inspector-General has heard reports that the Support at Home Thin Markets Grant may not adequately support providers delivering services in regional, rural or remote markets.

The Inspector-General welcomes Minister Rae's announcement on 13 July 2026 of a third round of Thin Markets Grants, and the commitment to make an additional $300 million available to eligible grant applicants.[109]

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[108] Department of Health, Disability and Ageing, *Support at Home program manual*, V4.2, p.172.

[109] See The Hon Sam Rae MP, Media Release, *More support for rural and remote Support at Home*, 13 July 2026.

However, the underlying problems remain. Specifically, funding delivered through the grant continues to go to an individual's original provider, even if they move to a different provider. Some argue the grant would be more effective if funding followed participants and was able to be redirected to the provider currently delivering a person's care.[110] The Inspector-General agrees that this approach warrants serious consideration, subject to modelling assessing its feasibility. The key principle should be that thin market support is directed to where care is actually being delivered.

Providers have also reported that the annual grant allocation process disincentivises providers from accepting new clients after a round has closed.

More broadly, as noted in the 2025 Progress Report, addressing service delivery gaps in thin markets requires more than additional grant or block funding alone. A range of inter-connected factors, including higher service delivery costs, infrastructure limitations, shortages of critical workers and limited provider choice, are all underlying causes of disadvantage for people living in thin markets. Addressing those barriers necessitates a holistic approach to aged care policy, funding and market stewardship that tackles the root causes of service gaps, rather than relying on grant funding alone to compensate for them.

Recommendation 13:

The Inspector-General recommends the Australian Government commission an independent review of the Support at Home Thin Markets Grant and related thin market policy settings.

This review should determine whether:

- funding is being directed to areas of greatest need
- current arrangements are effectively addressing service gaps in regional, rural and remote communities.

The review must be finalised and made publicly available by 1 March 2027, with all recommendations implemented by no later than 1 December 2027.

Transport constraints for older people in thin markets

Older people residing in thin markets face serious disadvantages accessing transport. Many regional centres often have limited, or no, access to public transport, leaving people more dependent on cars and drivers (where available).

In addition, older people in regional, rural and remote areas tend to have limited access to vital medical and health services, including specialists in gerontology, oncology, orthopaedics, cardiology, ophthalmology, and a range of allied health services. These are not optional services - they are essential to restoring and maintaining independence.

To access those services, older people living in thin markets often need to travel far greater distances than people living in metropolitan areas. As a result, transport costs can consume a disproportionate share of their quarterly budgets and exhaust their funding more quickly, leaving less available to cover the other supports they need.

[110] This was discussed at the Support at Home Summit convened in Sydney on 29 and 30 April 2026.

Compounding those difficulties, Support at Home's transport co-payment requirements can create significant inequities. Transport is classified under the 'Independence' category and attracts co-payments of 5% for full pensioners, between 5% to 50% for part-pensioners and Commonwealth Seniors Health Card holders, and 50% for self-funded retirees. Inevitably, participants who need to travel longer distances from rural or remote townships need to pay higher co-payments than those living in urban centres for each trip to access services.

One scenario shared with the Office covered a full pensioner from rural Western Australia who needed to see a specialist in Perth, a round trip of 300 kilometres. Under Support at Home, the cost of the trip included $65 per hour for a support worker to drive and assist the older person for a total of 6 hours, which came to $390. To cover the cost of the vehicle, at 88 cents per kilometre, an additional $264 was deducted. After including the minimum 10% service charge[111] for the provider ($65), the total cost deducted from the person's funds, to attend this 1 appointment, was $719. This is without considering the cost of the specialist's fees.

Older people may need to attend multiple appointments, across numerous specialists, each year. For those in regional and more remote areas, travel costs alone can significantly diminish peoples' care budgets, leaving limited funds to meet the cost of care services.

In addition to higher transport costs, the Inspector-General is aware of concerns that transport pricing under Support at Home lacks transparency. Some people who have contacted the Office have questioned the rationale behind moving away from the transport pricing model used under the HCP program, which they considered clear and reasonable, to Support at Home's more opaque approach.

Recommendation 14:

The Inspector-General recommends the Australian Government review transport funding and contribution arrangements within Support at Home to ensure that older people are not disadvantaged by the additional costs of receiving care in regional, rural, remote and thin-market communities.

The review should be informed by economic modelling and should examine whether current arrangements are consistent with the principle that an individual's access to care should not depend on where they live. It should be completed by 1 July 2027.

[111] The Office understands that service fees can be significantly more than this in some cases.

(h): Impact on First Nations communities, and culturally and linguistically diverse communities

The Inspector-General has engaged extensively with ACCOs, First Nations advocates and Aboriginal and Torres Strait Islander people receiving services under Support at Home.[112] A consistent message has emerged from those consultations: Support at Home appears to be disproportionately disadvantaging Aboriginal and Torres Strait Islander older people and repeating many of the risks that arise when care is designed around mainstream systems rather than First Nations priorities and models of care.

The Royal Commission expressly cautioned against this approach. It recommended that First Nations elder care remain separate, culturally safe and co-designed with First Nations communities. The Inspector-General is concerned that these recommendations have not been fully reflected in the design of Support at Home, despite the government's parallel commitments under the National Agreement on Closing the Gap to support self-determination and strengthen community-controlled services.

The government's decision to mainstream Aboriginal and Torres Strait Islander aged care is contrary to the delivery of culturally safe, trauma-informed, healing-aware care. It is also inconsistent with the Aged Care Act, which recognises the importance of cultural connection.

The Aged Care Royal Commission recommended a dedicated culturally safe 'pathway' for Aboriginal and Torres Strait Islander people and warned of the risks of mainstreaming.[113] The 2025 Progress Report also highlighted these risks.

Co-payments are counter-cultural

In the 2025 Progress Report, the Inspector-General warned that asking older Aboriginal and Torres Strait Islander people to pay co-payments would cause them to disengage from care. She said that requiring ACCOs to collect co-payments from Elders and older Aboriginal and Torres Strait Islander people was asking them to act counter-culturally. She was concerned that mainstreaming would dissuade ACCOs from delivering aged care.

For Aboriginal and Torres Strait Islander people, supporting cultural connection, spirituality and wellbeing is integral to culturally safe, trauma-informed and healing-aware care. Many ACCOs say this is the main type of care people are looking for.

Yet the Inspector-General is hearing that many Aboriginal and Torres Strait Islander people are forgoing this care because of the cost, or because they fear accumulating a debt.

Under the Support at Home service list, care focused on 'social support and community engagement' falls under the independence category. Each instance of independence care attracts a co-payment of 5% for full pensioners, between 5% to 50% for part pensions and Commonwealth Seniors Health Card

[112] The Inspector-General has had regular engagement with the interim First Nations Aged Care Commissioner's executive leadership group and organisations such as NATISAAC. She has also drawn insights from other material, including the Community of Practice Forum's report to the Governing Board of First Nations Aged Care Capacity Building Project and correspondence to her Office.

[113] Recommendation 47: Aboriginal and Torres Strait Islander aged care pathway within the new aged care system.

holders, and 50% for self-funded retirees. Census data shows substantially lower median personal incomes for Aboriginal and Torres Strait Islander people than for the broader Australian population, meaning these forms of care may become the most out of reach, especially when multiple forms of care in this category are required.[114]

The cultural burden of asking Elders to now pay for cultural, kinship and community-based supports that were previously free is leading some ACCOs to deliver these services without collecting co-payments. In doing so, they are absorbing significant financial costs despite having limited alternative revenue sources and are exposing themselves to potential compliance risks. Some ACCOs have told the Inspector-General that they are considering withdrawing from aged care altogether because of the cultural harm and organisational strain associated with collecting co-payments from Elders.

Hardship provisions are not the solution to affordability issues. As covered under term of reference (d), many older Aboriginal and Torres Strait Islander people would rather forgo support than apply for hardship.

Case study

An ACCO that contributed to the Community of Practice Forum's report[115] said Support at Home presents unacceptable risks to client safety, cultural rights, organisational viability and workforce stability.

The organisation said:

- The mandatory imposition of co-payments, algorithm-driven assessments, rigid end-of-life and transition settings, and transactional purchasing models as program features have resulted in reduced service uptake, longer wait times, unsafe discharges, higher provider overheads, and a risk to client safety and cultural rights.
- Support at Home's fee-for-service approach destabilises small and community providers, limiting access and choice where ACCOs are most needed. Block funding and stewardship would overcome these challenges.
- Co-payments present an ethical conflict for ACCOs, who do not want to be debt collectors in their communities. Pursuing Elders for payments undermines trust and community relationships. Shame associated with debt deters Elders from seeking care, increasing avoidable hospitalisations and undermining Support at Home's objectives.
- Better outcomes would be achieved by expanding the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP), focusing on block-funded ACCO-led care and robust stewardship to ensure Elders' safety and uphold rights-based, person-centred care.

[114] See, for example, AIHW, 2.08 Income, *Aboriginal and Torres Strait Islander Health Performance Framework*.

[115] Community of Practice Forums are convened by the Institute for Urban Indigenous Health and have run quarterly since July 2023. This example is from the report on ninth Forum, held 19-20 February 2026, hosted by Eleanor Duncan Aboriginal Service in Central Coast, NSW.

Lack of cultural appropriateness in assessments

The Aged Care Act's Statement of Rights provides that an individual has a right to equitable access to an assessment process that is culturally safe, trauma-aware and healing-informed.[116]

In the Inspector-General's view, this right is not being consistently upheld in practice. She has received many reports about the SAS not delivering culturally safe assessments, and the standardised questions in the IAT not working to effectively capture Aboriginal and Torres Strait Islander peoples' communications styles or preferences.

While Aboriginal and Torres Strait Islander people can request an assessment led by an Aboriginal organisation, this option is not readily available. According to the Department's website, there are no organisations offering this service in New South Wales, Tasmania or the Australian Capital Territory; 1 organisation each in Western Australia, South Australia, Queensland and the Northern Territory; and 2 in Victora.[117] The Department is, however, working to increase coverage over time.

For people who have suffered institutional trauma, including survivors of the Stolen Generations and Forgotten Australians, bureaucratic processes like assessments, can be highly re-triggering. They can echo processes people have spent a lifetime healing from. Cultural competency, sensitivity and compassion are critical to helping people to feel safe.

While all aged care assessors should have completed introductory training in cultural safety, the Inspector-General questions how effective this training is. To deliver assessments that are truly culturally safe, trauma-aware and healing-informed, the training needs to go well beyond 'introductory'. Indeed, achieving this standard will require structural changes to assessment pathways, greater involvement of Aboriginal and Torres Strait Islander assessors, and a stronger role for community-controlled organisations - not simply additional training.

Case study

An Elder had been receiving care through the NATSIFAC program and Elder Care Support. Both provided culturally safe care.

A cancer diagnosis and subsequent treatment saw the Elder experience severe pain, impaired communication and rapid functional decline. In urgent need of more intensive support, he needed to be assessed under the SAS.

He found the assessment process highly distressing. He had difficulty engaging and experienced cultural discomfort. He reported feeling dismissed, not listened to, and spoken over instead of spoken to. Contrary to his express wishes, he was referred to the Support at Home provider from whom he did not want to receive services.

In addition to breaching the Elder's rights, these experiences do not align with the requirements of the Aged Care Quality Standards, particularly Standard 1 (Dignity and Respect), and Standard 2 (ongoing assessment and planning that is culturally appropriate and clinically informed).

[116] Section 23(2) of the *Aged Care Act 2024*.

[117] Department of Health, Disability and Ageing, *Single Assessment System assessment organisations by service area, region, state and territory*.

Specialist Aboriginal and Torres Strait Islander assessors have spoken of the importance of recasting questions and taking more time to complete assessments with Aboriginal and Torres Strait Islander applicants. They argue this is essential for a correct assessment and to establish a culturally safe environment.

Recommendation 15:

The Inspector-General recommends the Australian Government demonstrate that it has implemented discrete mechanisms specifically designed to ensure, wherever possible, that aged care assessments of Aboriginal and Torres Strait Islander people are conducted by assessors who are themselves Aboriginal or Torres Strait Islander people.

Options the government should pursue to deliver this commitment include:

- funding the establishment of Aboriginal and Torres Strait Islander assessment teams in planning regions with more than 1,500 Elders
- requiring Aboriginal or Torres Strait Islander assessors to be employed in mainstream assessment teams in regions with fewer Elders
- co-designing a regional assessment infrastructure, for implementation by 30 June 2031
- establishing an Aboriginal and Torres Strait Islander assessor workforce development strategy, implemented by 1 July 2027.

Injustice of means testing 'redress' payments

In the 2026-27 federal Budget, the government announced that state and territory Stolen Generations redress scheme payments would be exempt from the residential aged care a mean test.[118] However, this exemption does not apply to home care recipients.

Redress payments are neither income nor assets. They are reparations for past harm.

As one person told the Inspector-General, the inclusion of redress funding in income and assets tests is 'unjust and highly offensive'. A truly rights-based system should not place a heavier financial burden on those who have already been harmed.

A full exemption of redress payments is needed to honour the intent of the National Apology and ensure Stolen Generations survivors are treated with dignity and can access the care they need and deserve.

Recommendation 16:

The Inspector-General recommends the Australian Government urgently amend the Support at Home means-testing arrangements to exempt Stolen Generations redress payments by 31 December 2026.

[118] See Department of Health, Disability and Ageing, Budget 2026-27, *A stronger health system for all Australians*, p.7.

An Aboriginal and Torres Strait Islander aged care pathway is urgently needed

There remains an urgent need to progress the development of an Aboriginal and Torres Strait Islander aged care pathway, as recommended by the inaugural Interim First Nations Aged Care Commissioner, Andrea Kelly, following extensive consultation.[119]

The government should now move beyond commitment in principle and commence implementation. What is now required is a clear implementation pathway, supported by funding, accountability and explicit timelines - not 'further consideration'.

The First Nations Aged Care Roundtable held on 1 July 2026, co-convened by the National Aboriginal and Torres Strait Islander Ageing and Aged Care Council (NATISAAC) and the Office of the Inspector-General, brought together key stakeholders, including representatives from the ACCO sector, relevant government agencies and Minister Rae. Many participants strongly advocated for the development of the 10-year transformation plan.

It is important to note that the government's response to Ms Kelly's report[120] does not provide support for this recommendation. As an alternative, it presents the Aboriginal and Torres Strait Islander Aged Care Framework 2025-35;[121] however, as discussed at length in the 2025 Progress Report, the framework is a collection of activities; it is not a plan to deliver meaningful change.

The thinking around how to deliver the 10-year transformation plan has been done. ACCOs attending the 1 July roundtable presented a comprehensive 5-year plan[122] that sets out practical steps towards the development of an Aboriginal and Torres Strait Islander pathway. The Inspector-General endorses this plan and recommends it to government.

Recommendation 17:

The Inspector-General reiterates her call in the 2025 Progress Report for urgent action to progress the development of a genuinely co-designed Aboriginal and Torres Strait Islander aged care system.

Work on co-designing the pathway should commence in 2026.

The government should report on progress by 1 July 2028 and work towards implementation of a 10-year transformation plan in line with the Interim First Nations Aged Care Commissioner's recommendation and informed by the 5-year plan developed by ACCOs.

[119] Transforming Aged Care for Aboriginal and Torres Strait Islander people, Recommendation 2.

[120] Government Response to the Interim First Nations Aged Care Commissioner's Report: Transforming Aged Care for Aboriginal and Torres Strait Islander people.

[121] Aboriginal and Torres Strait Islander Aged Care Framework 2025–2035.

[122] First Nations Aged Care Reform: A Five Year Plan 2026-31.

(i): Any other related matters

Negative impacts on providers

This submission has primarily focused on the experience of older people. However, it is also important to recognise that providers face significant challenges delivering care under Support at Home. Ultimately, the program's success depends on whether the system has sufficient providers delivering high quality care.

The Inspector-General continues to receive feedback that providers are experiencing significant challenges arising from the program's complexity, administrative requirements, and strengthened compliance settings, alongside increasing financial pressures.

Leading up to its implementation on 1 November 2025, providers had limited access to timely information about how the new system would operate. The 600-plus page Rules, which provide the detail underpinning the Aged Care Act, were released in instalments and finalised only weeks before implementation. Supporting IT systems were rolled out later than intended. There were chronic information gaps and apparent poor planning and communication by government. Many providers commenced delivering Support at Home services while already operating under significant workforce, financial, and administrative pressures.

In the months since the Support at Home program commenced, providers have told the Inspector-General that, in the absence of clear information from the government, they were left to explain complex government policies and last-minute policy changes to their clients. The Provider Pulse Survey conducted by *The Catalyst Report* in partnership with Ageing Australia[123], reported a market 'rife with challenges' including:

- increased administration due to government system changes
- increased workloads for coordinators to claim the 10% care management fee
- a 30% rise in Support at Home enquiries, with onboarding often taking significantly longer as providers helped clients and staff understand the new arrangements.

Enkindle's 2026 Outlook Report, based on feedback from over 300 home care leaders and providers, relays extensive provider observations and commentary, and paints a concerning picture. Providers describe the scale of change as being 'far greater than anticipated'. One said 'Support at Home is over-engineered. I barely understand it myself'. Support at Home's complexity was described as 'the sector's biggest structural challenge'.[124]

Providers also criticise the program's increased administrative and compliance burdens, misalignment of government and provider IT systems, the need for reliance on manual workarounds and increasing workloads. Many providers reported their financial sustainability is under 'significant and immediate pressure', with one stating that it 'went from marginally profitable to losing $40,000 per month.'[125]

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[123] See Natasha Egan, *Providers struggling with home care challenges*, Australian Ageing Agenda, 15 April 2026.

[124] Enkindle, *Part 1: The State of Home Care – Provider Experience and Outlook 2026*, p.5.

[125] Enkindle, *Part 1: The State of Home Care – Provider Experience and Outlook 2026*, p.6.

Amongst the most damning assessments are responses from providers to questions about whether Support at Home has delivered any improvements. The 3 providers quoted said: 'there are no identifiable benefits or positive outcomes from the Support at Home program'; 'to be honest, it's been more of a headache than a positive' and 'everything is worse under Support at Home. Everything'.[126]

The move to quarterly budgeting is one of the additional complexities that providers are struggling with, according to the Enkindle report and feedback the Inspector-General has received directly. Administrative constraints around paying for services across quarters are driving some providers to withhold services that are due to be delivered near the end of a quarter.

This impacts older people, who may lose timely access to care, and amplifies the problems they are already experiencing by not being able to 'roll-over' funding across quarters to the same extent as was afforded under the HCP program. Roll-over limitations mean people lose their package money if invoicing does not happen in the 'service delivery quarter' or if they have foregone care in that quarter - for instance because they could not afford the co-payments.

Recommendation 18:

The Inspector-General recommends the Australian Government investigate the extent to which providers may be limiting peoples' access to services towards the end of a quarter.

Findings from this investigation should be publicly released by 31 December 2026 and any response implemented by 1 July 2027.

Greater transparency is needed to improve program accountability

A recurring theme throughout this submission is the lack of transparency surrounding key aspects of Support at Home. Transparency is fundamental to accountability and effective stewardship of the system.

Transparency is also essential to the Inspector-General's oversight role and is therefore of critical importance to the Office. Without adequate data, or clear policy guidance, it is extremely difficult to reliably assess whether the program is working as intended and achieving its objectives.

More fundamentally, the public record does not establish a clear evidence-based rationale for many of the key policy settings underpinning Support at Home. There is little publicly available information explaining why particular design features were chosen, what alternatives were considered, or how their likely impacts on older people, providers and system sustainability were tested before implementation.

In preparing this submission, the Inspector-General and her Office have encountered situations where the absence of clear, publicly available data has hindered our ability to scrutinise the program. One example is the release of Support at Home places. While the government reports on place releases through several mechanisms[127], it remains difficult to determine how many places are genuinely new, how many are 'recycled', and how many have been brought forward from existing forward estimates.

[126] Enkindle, *Part 1: The State of Home Care – Provider Experience and Outlook 2026*, p.14.

[127] For example, see the *Support at Home quarterly data reports*.

Without clarity on this information, it is difficult to determine whether announced places are materially reducing unmet demand or simply creating the appearance of progress.

The Inspector-General has also highlighted significant limitations in pricing information. While concerns about unreasonable pricing have become widespread, there is little publicly available data that sheds light on the scale of the problem. Limited visibility of government investigations into pricing practices further constrains external scrutiny and makes it difficult to assess whether existing consumer protection mechanisms are effective.

Similar concerns have arisen in relation to minimum service offers. The Inspector-General, and indeed many others, have flagged concerns about their use and their implications for older people. However, there appears to be limited reporting on how frequently minimum service offers are used, how long people remain on them, or the consequences of their use. Much of the available information has emerged through parliamentary processes such as Senate Estimates, rather than routine public reporting.

As discussed earlier in this submission, there are comparable challenges in examining the administration of the AT-HM scheme. In scrutinising its impacts to prepare this submission, information provided directly by providers has been essential to fill in the gaps about the scheme's impacts. This includes its effects on provider viability, service delivery and the implications for older people who rely on assistive technologies and home modifications to remain in their homes and communities.

Greater transparency is vital if Support at Home is to be successfully recast as a preventive care model, as advocated by the Inspector-General. A preventive system requires governments - and indeed the broader sector - to understand whether care is being delivered in a timely manner to help older people maintain their independence for longer, and whether demand for more intensive and costly forms of care is being reduced.

Robust and transparent data is essential for identifying emerging problems, assessing the effectiveness of reforms, holding government decision-makers to account, and determining whether the program is delivering a rights-based and sustainable system.

Recommendation 19:

The Inspector-General recommends the Australian Government improve the clarity and transparency of data on Support at Home places. From 1 January 2027 publicly available data should identify:

- the number of places made available in each quarter over the preceding 2 years
- whether those places are new, recycled, or brought forward within existing forward estimates
- whether places are fully funded or a minimum service offer
- where places have been released, including by Modified Monash Model location
- the classification level of released places
- the National Priority System classification attached to released places
- the number and type of places forecast for release in each quarter over the coming 2 years, including whether they will be fully funded or a minimum service offer.

Where places are initially a minimum service offer, the data should identify the average proportion of funding being allocated and the average time before full funding is granted.

Section 3: Conclusion

This submission is a 'call to action' from the Inspector-General. It urges - indeed challenges - government to recast Support at Home to focus on preventive care.

Throughout this submission, the Inspector-General has drawn attention to how the design and administration of Support at Home does not currently enable the program to deliver on its intended purpose. In key respects, it is actually undermining it.

Instead of prioritising the early care needed to keep older Australians healthy and independent, Support at Home is characterised by long wait times for assessments and care, inappropriate assessments, ill-crafted means testing, co-payments that disproportionally impact the frailest and most vulnerable, barriers to accessing the AT-HM scheme, and pricing signals that drive up the cost of services.

As the Inspector-General made clear in her appearance before the Committee on 24 June 2026, it is not too late to change course. Meeting the program's overarching ambition - to allow people to live and age with independence in their own homes - is still possible.

Changing the funding model to prioritise investment in early intervention and preventive care makes economic sense. It better supports peoples' human rights and more closely aligns with the noble ambition of the new Aged Care Act.

Unfortunately, as this submission has demonstrated, many of Support at Home's current policy settings are pushing people towards deterioration and more intensive and expensive forms of care. Delaying access to care and under-investing in prevention and reablement are not cost-saving strategies. They are an exercise in cost shifting. Accelerating people's entry into residential aged care, or hospital, is inefficient and unsustainable over the longer term. It is also fundamentally at odds with the rights-based premise of the Aged Care Act.

The Inspector-General's intention with this submission is to aid the Committee - and, more broadly the government - to identify and pursue much-needed change to this program. The submission has been prepared with a solution-focused mindset. Its recommendations seek to guide future action.

Ultimately, the success of the Support at Home program hinges on aligning policy and implementation with the intent of the Aged Care Act: to support older people to live well and with dignity and agency at home, through the provision high-quality, timely, accessible, and person-centred care.

Embedding prevention at the core of the system's economic and operational design is the only path to achieving these aims, and to ensuring the long-term sustainability of the aged care system.