

CHSP Home Care reforms and Payment in Arrears webinar– Summary

Organised by Sector Support & Development offices

Troy Speirs, Senior Policy Advisor, LASA

20 October 2021

Government's response to Royal Commission is to establish a single Support at Home Program by July 2023.

Timing is based on:

- Home care assessment, classification & funding model drawing on program costing data
- Considering different funding components matched to operational demands
- Undertaking consultation with existing program providers to map a viable transition approach

Home Care Reform Agenda

- \$4.6m over 2 years 2020-21 to design a single unified care at home system
- identify & evaluate options to assess, classify & fund varied needs of older Australians and carers
- Design & pilot single home care program in lead up to July 2023 - tracking on pilot study involving home care providers Aug 2021 indicates more home care recipients need to be recruited into study. Gaps in recipient representation to be addressed:
<https://agedcare.royalcommission.gov.au/system/files/2020-09/CTH.1000.0004.8045.pdf>
- Living Lab trial proposal under consideration to commence early 2022

ACF Model for a Unified Care At Home Program

- An assessment model: tailors level of assessment to level of consumer's need/expected resource use. Screening/triaged risk-based approach that optimises use of available assessment resources
- A classification model: uses development of Targeted Service Bundles. Mechanism for identifying set of support services that will best meet needs of consumers in each class. Similar approach used in NDIS reference packages
- A funding model: uses simplicity of service event funding for consumers with lower needs/expected resource use. Not tying up resources for lower risk consumers. Balance of subsidy and consumers co-contributions across classification categories.

CHSP Grant Funding Extensions

June 2021, Health contracted ACIL Allen Consulting for development of CHSP National Unit Pricing Policy. Moving CHSP to payment in arrears emerged in Government's response to RC's Final Report. Noting CHSP providers currently receive upfront quarterly payments, proposed that from 1 July 2022 providers will need to invoice at end of each month based on actual services delivered or invoice at end of each month at 1/12 of annual contract, replacing their current upfront quarterly payment.

Payment in Arrears Concerns (n=800)

- Financial/Cash Flow – 78%
- Cost of Implementing Change eg IT & System Upgrades, Administration Costs – 62%
- Time Restraints In Facilitating Payment In Arrears Mechanisms - 61
- Data Collection And Reporting Processes - 58
- It And Systems Changes - 56
- Business Model Changes - 52

- Impost On Staffing And Volunteers -51

Factors Influencing Unit Pricing (n=800)

- Staffing (I.E. High Use Of Volunteers) – 45%
- Level Of Service – 42
- Organisation Size – 41
- Remoteness – 39
- Specialised Services – 32

Considering Unit Pricing

Comparison of Jun 2021 standard hourly HCP prices for direct care services with CHSP lower & upper limit prices for equivalent service types: <https://www.health.gov.au/resources/publications/national-summary-of-home-care-prices-may-2021>.

4 different services type categories that explain CHSP cost variability:

- services that are predictable & regular, have strong continuous market demand (e.g. domestic assistance)
- services that are predictable & episodic, have strong but variable market demand (e.g. allied health)
- services that are infrequent with variable price points (e.g. home modifications, assistive technology)
- services that have high fixed capital costs independent of fluctuations in care-recipient level outputs delivered (e.g. transport, group social support programs and respite day centres).

Rosanna Commisso | Home Support & Partnership Coordinator

rosannac@yourside.org.au | <https://sector.yourside.org.au/>