

## Submission on ANAO Audit of the Effectiveness of CHSP

### National CHSP Alliance

7 November 2025

#### Submission Endorsed by:

Australian Community Transport Association	Australian Independent Retirees
Community Options Australia	Dementia Australia
Home Modifications Australia	Meals on Wheels Australia
National Aboriginal and Torres Strait Islander Ageing and Aged Care Council	Older Persons Advocacy Network

#### CHSP Alliance

The National CHSP Alliance is a democratic and representative coalition of national and state peak bodies concerned with the future direction of the Commonwealth Home Support Program (CHSP). The Alliance amplifies the voice of local, community-based CHSP services at the national level.

Not all members of the Alliance were able to formally endorse this submission in the timeframe available. Many of them have made separate submissions which are consistent with the issues raised herein.

#### *Other Members of the National CHSP Alliance*

Ageing Australia	Baptist Care Australia
Carers Australia	Council on the Ageing Australia
Local Government NSW	Meals on Wheels NSW
Municipal Association of Victoria	

#### History

This year, 2025, marks forty years since the establishment of the Home and Community Care (HACC) Program by the Hawke Government. HACC was cost-shared 60:40 between the Federal and State Governments and administered by the States and Territories. For the first time in our history, this program provided older Australians needing ongoing care and support with an alternative to residential care. Its success demonstrated the capacity, engagement, and innovation present in local communities across the country, as non-profit voluntary organisations rose to meet the challenges of increasing longevity and disability in the late twentieth century.

CHSP is a critical lifeline for Aboriginal and Torres Strait Islander Elders and Older People. It supports their ability to remain on Country/Island Home and within their communities while receiving care that respects their culture, kinship and connection to land and family. For Aboriginal and Torres Strait Islander peoples, ageing begins earlier - more often than not, from age 50 - making entry-level aged care a vital enabler of wellbeing, dignity and cultural continuity. Aboriginal and Torres Strait Islander communities have always delivered care in

ways grounded in reciprocity, community and collective responsibility. While HACC and CHSP programs created formal mechanisms for care, Aboriginal and Torres Strait Islander-led services have long exemplified the strengths of community-based, low-barrier, relationship-driven care. These models should inform the future of CHSP design and reform.

In 2012, agreement was reached as part of the Health Reform Agreement negotiations that the Federal Government should be responsible for all aged care. From 2012-2018, the Federal Government gradually took over responsibility from the States for what was initially called the Commonwealth HACC Program. In 2015, the program became known as Commonwealth Home Support Program (CHSP). At the same time, the Federal Government announced its intention to merge CHSP with Home Care Packages and form a seamless in-home aged care system. This has been delayed multiple times over the succeeding decade.

In 2023-24, CHSP provided services to 834,981 older people via 1,264 funded providers. Total funding was \$3.478 billion including \$303 million of client contributions.

### **Future of CHSP**

Now, CHSP faces an increasingly uncertain and precarious future due to shifting government priorities and policies. The Support at Home (S@H) Program is being introduced in November 2025, replacing Home Care Packages and Short-Term Restorative Care. This is a predominantly individual budget holder model similar to the NDIS, with thin market grants to supplement the individual budgets. The Government currently intends to merge CHSP with S@H by July 2027 at the earliest.

### **Equity for Aboriginal and Torres Strait Islander Communities**

The future design of entry-level aged care must explicitly recognise the unique needs and aspirations of Aboriginal and Torres Strait Islander Elders and Older People. Many Aboriginal and Torres Strait Islander communities operate in thin markets where individualised models like Support at Home are not viable. Block funding enables trusted, community-controlled organisations to deliver flexible and culturally safe services that respond to local priorities.

The National Agreement on Closing the Gap (Priority Reforms 1–3) and the National Aboriginal and Torres Strait Islander Health Plan 2021–2031 both commit governments to supporting community-led design, delivery, and decision-making. Aligning CHSP with these frameworks will ensure Aboriginal and Torres Strait Islander Elders and Older People can continue to access culturally secure care within their communities.

### **CHSP Summit**

Ageing Australia held a CHSP Summit in September 2025, attended by members of the National CHSP Alliance, which identified ten design principles for future entry-level aged care.<sup>1</sup> These are being refined through consultation with Ageing Australia's members but are broadly supported by CHSP Alliance members. The ten principles are:

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<sup>1</sup> See [https://ageingaustralia.asn.au/wp-content/uploads/2025/10/20251024\\_Ageing-Australia-submission-to-ANAO-Commonwealth-Home-Support-Program-audit.pdf](https://ageingaustralia.asn.au/wp-content/uploads/2025/10/20251024_Ageing-Australia-submission-to-ANAO-Commonwealth-Home-Support-Program-audit.pdf)

1. Cater for thin markets – commission for equity and plan services locally.
2. Low barrier to entry – preserve CHSP’s low-barrier, high-trust approach.
3. Local flexibility, national consistency – protect local flexibility within a clear national framework.
4. Embed wellness, prevention and reablement – resource it properly.
5. Recognise and support carers and volunteers – acknowledge and enable their role.
6. Make entry fit-for-purpose – one simple, contextual and timely process.
7. Give entry-level aged care a deliberate role – fund CHSP as integrative infrastructure.
8. Co-design with participants – centre the aspirations of older people.
9. Align funding with meaningful measures – fund what matters to older people.
10. Introduce government accountability – transparent evaluation and reporting.

The National CHSP Alliance has yet to form a collective view on the future for CHSP, building on the above design principles, but a couple of policy options are emerging:

- Continue with plans for merger with the Support at Home Program, but adopt the Aged Care Royal Commission’s recommendations that a single aged care program be established including five new service categories.<sup>2</sup> The Respite Supports, Social Supports (including meals and transport) and Assistive Technology & Home Modifications Categories would be block or activity funded; Care at Home would be individually funded; and Residential Care would be activity funded via the Australian National Aged Care Classification (AN-ACC).
- Integrate at the consumer-facing front end - realised via the Single Assessment System - but a split beyond that in the way services get delivered and funded, maintaining block or activity funding for current CHSP services.
- Maintain CHSP as a distinct program operating alongside Support at Home, giving older people a choice between a block-funded service and an individual budget holder service.

### **Cultural Infrastructure and Block Funding**

For Aboriginal and Torres Strait Islander communities, entry-level aged care is not simply a service — it is cultural infrastructure. Block funding under CHSP allows Aboriginal Community Controlled Organisations (ACCOs) to provide holistic care that sustains Elders’ connection to Country, language, and community. This enables intergenerational learning and strengthens social cohesion. Maintaining block funding is therefore essential.

There are similar benefits for Australia’s culturally and linguistically diverse communities and for regional and remote locations.

Block funding ensures stability for culturally safe services, supports workforce retention, and allows flexible, wraparound care that adapts to community circumstances — all of which individualised funding cannot achieve in thin or remote markets.

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<sup>2</sup> <https://agedcare.royalcommission.gov.au/publications/final-report>

### **Adequacy of CHSP Funding**

The National CHSP Alliance believes that, overall, the program is successful in achieving its objectives. The program's success is particularly evident in Aboriginal and Torres Strait Islander contexts, where community-based, block-funded CHSP providers have demonstrated their ability to reach Elders and Older People who would otherwise fall through the gaps of the mainstream aged care system. CHSP has also proved a very successful model for CALD communities.

But we do want to point out two linked concerns regarding funding levels:

1. Demand for many CHSP services is significantly outstripping supply, due to inadequacy of growth funding for the program over the last decade. In particular, there has been only one growth round in the past five years released in 2024, and that targeted only four service types. As a consequence, there are many services that have their books closed on My Aged Care.
2. As the Royal Commission found, indexation has not kept pace with cost increases over time, eroding the purchasing value of CHSP funding. This has, in turn, further reduced the capacity of CHSP providers to meet demand. The Government has adopted the Royal Commission recommendation that the Independent Health & Aged Care Pricing Authority independently cost and recommend prices for S@H and residential care, but it has not done the same for CHSP. From a Closing the Gap perspective, there must be independent pricing and growth funding that reflect the real cost of delivering culturally safe services in regional, rural, remote, and very remote Aboriginal and Torres Strait Islander communities. Without this, the inequity in aged care access will continue to widen.

### **Contact:**

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