



**The Hon Anika Wells MP**  
**Minister for Aged Care**  
**Minister for Sport**  
**Member for Lilley**

**Your Home Care Package provider may contact you regarding price changes to your home care agreement. The Government is increasing your package amount to ensure you receive the same services and hours of care.**

Dear home care recipient,

I am writing to you as an older Australian (or the representative of an older Australian) who receives a Home Care Package (HCP) with the exciting news that we are funding the single biggest pay increase for aged care workers. The Australian Government is investing \$11.3 billion to increase the wages of aged care workers. This includes \$2.2 billion in additional funding for home care over four years to meet the increase.

I want to assure you that with these wage increases you should continue to receive the same services and hours of services that you need. Everyone's HCP will increase by 11.9% from 1 July 2023 to cover the cost of the wage rise and other increases in prices.

The subsidy increase was calculated based on what providers spent in 2021-22 on aged care workers and what was needed to ensure you continue to receive the same hours of care from 1 July 2023. It also accounts for the fact that some care recipients use their home care subsidy to access goods, equipment, home modifications and allied health, which are not impacted by the wage increase.

Package level	Current Daily Subsidy (1 July 2022)*	From 1 July 2023 Subsidy
Level 1	\$25.15	\$28.14
Level 2	\$44.24	\$49.49
Level 3	\$96.27	\$107.70
Level 4	\$145.94	\$163.27

\*The Government contribution changes on 1 July every year.

A wage rise recognises the value of aged care workers and the complex work they do. This is the largest ever pay increase for aged care workers. It is real progress towards genuinely valuing their dedication and skill. Better, fairer pay will help attract and retain workers. We have heard, from older people and their families, that you value your aged care workers.

**What does this mean for you?**

Because we are funding this pay increase for workers you should expect to receive the same care and services that you currently receive from your provider. For your aged care workers to get their pay increase, your provider will likely need to increase what they charge for care and services such as nursing, personal care, in-home respite and cleaning.

The increased prices will be covered by the increased amount in your package funds.

For your provider to change what they charge you; they must update your home care agreement. When updating your home care agreement, your provider has legal responsibilities they must meet such as making sure they discuss the changes with you and seek your agreement before putting the changes in place.

Your provider will need to contact you to update your agreement and discuss any proposed changes to your agreement including your individualised budget and care plan. They need to explain what these changes are, why they are making them, when these changes will take effect.

The Aged Care Quality and Safety Commission has enclosed a fact sheet to help you to understand your rights, what is required of your provider and where you can find assistance when making changes to your home service arrangements.

**What is a reasonable price increase?**

Providers need to cover their costs to deliver the services you receive from them. Wages are one component of costs that go into calculating your service price and therefore it is reasonable for providers to increase their prices to cover the increase in wages. The percentage of costs that providers spend on wages will vary per provider. Other costs may include:

- Superannuation for their workers
- Necessary business overheads including fuel, marketing and administration costs.

While this can make it hard for you to know whether the price charged is reasonable or not, your provider will be able to explain the increase in prices.

As all providers must publish their current prices, if you think the price is too high you can compare prices on the My Aged Care website. Details on how to do this are at the end of the letter.

**What happens if my package is currently fully spent on aged care worker costs each month?**

There should not be any changes to your hours of care, because we are increasing funding. However, if you are on the highest package (level 4), your provider may be able to apply to the Government to cover any gap in costs.

If you are on a level 1-3 HCP, and you are using up your entire package budget on nursing and personal care, you might need a reassessment. Your provider can discuss whether you need a reassessment by the Aged Care Assessment Team. Talk to your provider if you have any questions.

**When will my provider be in touch?**

Before 1 July 2023, if your prices are changing, your provider will be in touch about:

- What prices are changing
- Why the prices need to change
- What those prices include and
- When the new prices will start.

**What if I do not agree to the price increases proposed by my provider?**

Talk to your provider and ask them to explain the price increases and their justification for them. If you are satisfied the prices are reasonable and are connected to the wage rise, I encourage you to agree to all reasonable price increases for your care and services provided by aged care workers. Not doing so could negatively impact the availability of your care services. It also means that the extra money we've put into the system may not get to the workers who need it.

**Where can I go if I have further questions?**

- Talk to your provider in the first instance so they can explain their prices.
- Learn more by visiting [www.myagedcare.gov.au/agreeing-home-care-package](http://www.myagedcare.gov.au/agreeing-home-care-package) on the My Aged Care website or compare your provider to others in your area using the 'Find a Provider' tool at [www.myagedcare.gov.au/find-a-provider](http://www.myagedcare.gov.au/find-a-provider).
- Call the My Aged Care contact centre on 1800 200 422.
- Find out more on at [www.health.gov.au/our-work/home-care-packages-program/pricing/wage-subsidy-increase](http://www.health.gov.au/our-work/home-care-packages-program/pricing/wage-subsidy-increase).
- Book an appointment with an Aged Care Specialist Officer (ACSO) which is part of My Aged Care face-to-face services. An ACSO can help you in more detail with your aged care matters. To book an appointment with an ACSO, call the Services Australia Aged Care line on 1800 227 475.
- Contact the Australia-wide Older Persons Advocacy Network (OPAN) by
  - Calling 1800 700 600 (available 8am to 8pm, Monday to Friday and 10am to 4pm Saturday) for information about your rights and support to talk to your provider.
  - Visit [opan.org.au](http://opan.org.au) to learn more about how OPAN can help you.
- Contact the Aged Care Quality and Safety Commission on 1800 951 822 or online by visiting [www.agedcarequality.gov.au](http://www.agedcarequality.gov.au).

I also want to take the opportunity to remind you that a COVID-19 booster will reduce the risk of severe illness or hospitalisation – to book your COVID booster call 1800 020 080.

Yours sincerely



Anika Wells  
25 May 2023