

Improved Payment Arrangements

As part of Australian Government reforms to improve the home care sector, changes to how government subsidies and supplements are paid to Home Care Package providers is underway. These reforms are known as Improved Payment Arrangements (IPA).

The main change is that any new unspent Home Care subsidies are now held by Services Australia and any previous amounts held with Lutheran Services will also continue to be held by Lutheran Services until these funds are utilised by you. These changes do not affect care recipients' subsidy entitlements or the total funds they have available to fund care, services and goods.

From 1 January 2023, the government's care management and package management charges have been capped at 20 per cent and 15 per cent of the respective package levels. In addition the government has also made the below changes:

- providers cannot charge for package management in a calendar month where no services other than care management are delivered—except for the first month of care
- providers cannot charge separately for third-party services—such as brokerage, handling, and subcontracting charges
- providers cannot charge exit amounts.