



Ageing Australia

Queensland Conference

**Prudential and Liquidity Standards
- Why and What can you do**

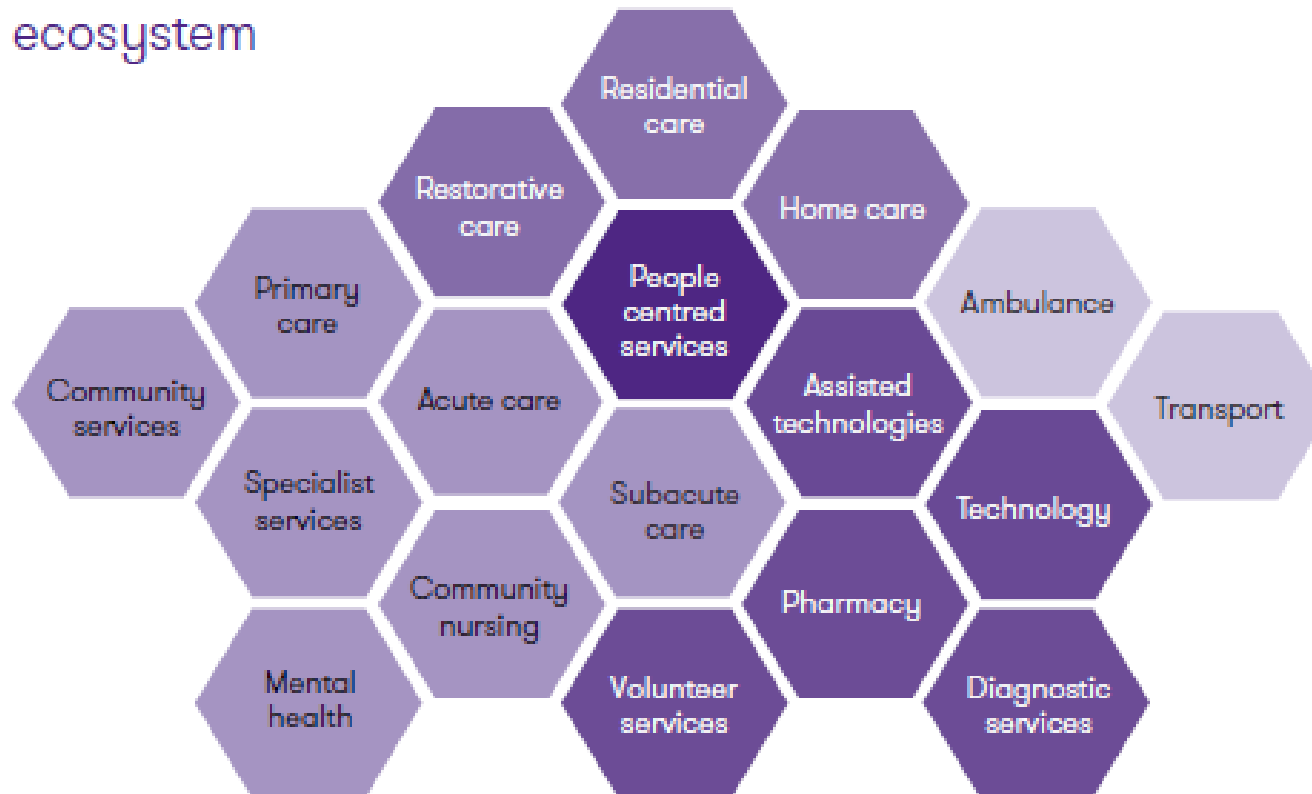
June 2025

Agenda

- The aged care ecosystem
- Financial and prudential standards - Why ?
- Residential care, home care, CHSP
- Seniors living... support at home?
- Residential care investment appetite
- What can providers do?
- Q&A
- Close


Health and aged care services represent a complex ecosystem of connected services, organisations and people

The aged care ecosystem



A reminder of the complexity of the health and aged care systems we are all dealing with

Prudential and Liquidity Standards – why are they needed



End of Financial Year Sale Membership ▾ Education ▾ Events ▾ Business services ▾

NEWS UPDATE

Time to lift governance in the aged care sector: Governance Institute launches updated guidance to assist embattled industry

Monday, 9 June 2025

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DIGITAL EDITION SATURDAY Issue 76

"A terrifying system built to fail": why CEOs are leaving the aged care sector

May 24 2024

Lauren Broomham





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Aged Care Reform 2025: What Australian Providers Need to Know About Governance and Compliance

The Australian aged care sector is on the precipice of its most significant transformation in decades. With the new Aged Care Act 2024 (Cth) commencing on **1 July 2025**, providers across the nation face a new era of heightened accountability, transparency, and a profound shift towards person-centred care. This isn't merely a legislative tweak; it's a fundamental reimagining of aged care, driven by the recommendations of the Royal Commission into Aged Care Quality and Safety. For Boards and leadership teams, understanding and proactively addressing these reforms, particularly in the critical areas of governance and compliance, is not just advisable – it's paramount for long-term sustainability and delivering genuinely high-quality care to older Australians.

All Posts

- [Board Meeting Management](#)
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- [BoardCloud Documents](#)

Advantages

- Accountability
- Capacity building
- transparency

Risks

- Restrictive
- Ability to provide assurance
- Impact on investments

Seniors living... Residential care, home care, CHSP

Residential care



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Ageing Australia recognises much needed workforce funding but more work needed on reforms

Mergers & Acquisitions

Respect enters QLD with acquisition of seven BlueCare aged care homes and four co-located retirement villages

May 15 2025 | Updated May 20, 2025 • Ian Horswill

1 min read



HCP and CHSP

Home aged care package reform a concern for older Australians as costs set to rise

By Fiona Blackwood Aged Care

Set 12 Apr



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Opinion

Beyond daily tasks: The real impact of domestic assistance

Chris Mamarelis March 17, 2025

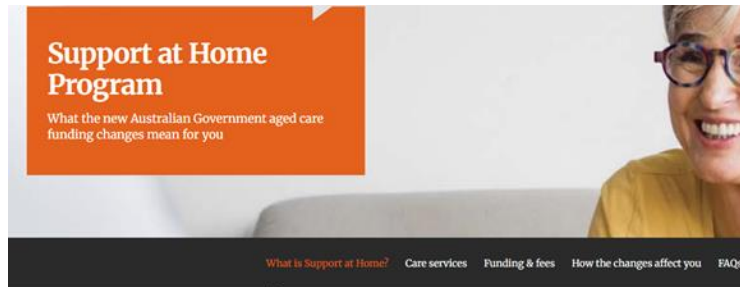
3 minutes read



Things to think about

- 1 November 2025 – what's deferred and what isn't
- New rules
- Consumer orientation – how to demonstrate your organisation's ability to deliver
- Support at home
- RAD pricing
- How big do you need to be
- Is vertical integration the answer?

Seniors living... support at home?



What is Support at Home?

From approximately July 2025, the Australian Government is introducing a new funding program called Support at Home. This new program will replace the current Home Care Package (HCP). Additionally, from no earlier than 2027, the Support at Home program will also replace the Commonwealth Home Support Programme.

At Australian Unity, we're committed to guiding you through this transition and helping you access the support you need.

Support at Home program will include:

- ✓ Eight support levels with funding up to \$78,000 yearly, plus two short-term pathways.
- ✓ Quarterly budgets will replace Annual budgets.
- ✓ Clear service list so you can know exactly what support is available to you.
- ✓ Price caps on services, starting approximately July 2026. Providers set their own prices until then.
- ✓ 10% capped care management fee ensuring you receive trusted, quality care that you deserve.

We're dedicated to supporting you through these changes, ensuring you continue receiving the right assistance to thrive at home and in your community.



Pricing approach for the Support at Home service list 2025–26 consultation paper

Introduction

The Independent Health and Aged Care Pricing Authority (IHACPA) is an independent government agency that assists the Australian Government to fund public hospital and aged care services by providing evidence-based price determinations and pricing advice. We deliver our annual program of work through transparent consultation and collaboration with the Australian Government, state and territory governments, advisory committees, key stakeholders and the public.

Our vision is for all Australians to have fair access to transparent, sustainable and high-quality health and aged care. We use data-driven evidence to advise on and set fair pricing in the Australian health and aged care sectors, driving better outcomes.

We provide advice on aged care pricing and costing matters to the Minister for Health and Aged Care, including:

- providing annual aged care pricing advice including changes in the cost of care and methods for calculating amounts of subsidies to be paid for aged care services, for consideration in government funding decisions
- reviewing data, conducting studies, and undertaking public consultation for the purpose of providing aged care pricing and costing advice.



'Simply won't have enough time': Radical aged care changes risk delays

By Anthony Caggiano
Updated May 19 2025 - 11:04am, first published May 8 2025 - 8:45pm | 0 Comments



Older Australians on Home Care Packages are moving to Support at Home program on July 1, but there are serious concerns the industry can't physically do it by then. Canva picture

Tensions are mounting that providers won't be able to start changes to the aged care system on time while the government tells Home Care Package recipients they'll roll over to the Support at Home program from July 1.

Things to think about

- Financial and prudential standards will apply
- Price capping will be applied after a review of IHACPA
- IHACPA will monitor pricing in the coming year so get it right now
- Consumers require LOTS of communications and support to understand the changes
- Vendors are scrambling to adapt their technologies without a clear view of the rules
- Efficiency and effectiveness will become a competitive advantage
- Market forces will drive some providers out - scale ?
- Impact on the providers business model

Residential care investment appetite

New investments



[HOMEPAGE](#) • [NEWS](#)



Eldercare Goodwood officially opened by Federal Minister for Health and Aged Care

The premium residential aged care home welcomed its first residents after being officially opened by Federal Minister for Health and Aged Care Mark Butler last Friday.

"Eldercare Goodwood is a leading example of how the sector can meet the evolving needs of our ageing population, and I congratulate all involved in making this exceptional site a reality," said [Minister Butler](#).

Chief Executive Jane Pickering said [Eldercare Goodwood is the new standard in aged care](#).

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Respect enters QLD with acquisition of seven BlueCare aged care homes and four co-located retirement villages

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Australia's largest pure residential care operator Opal HealthCare buys 11th biggest BlueCross

Mar 13 2024 | Updated March 14, 2024 • Ian Horswill

2 min read

Opportunities

- The market for aged care facilities remains buoyant
- Proceeds from sales can provide much need capital for asset refurbishment or new investments
- Demand for beds is increasing and occupancy in many markets is no close or at capacity

Risks

- Some providers are reporting feasibility studies are not stacking up
- Providers under pricing RADs can pull markets down, compressing margins

What can providers do?

Aged care providers need to consider how they prepare for the introduction of the proposed financial and prudential standards, whether in the current form or an altered version. In particular, providers need to:

- Ensure that pricing of RADs and SaH services is appropriate and reflects appropriate market position
- update their medium and long term budgets and cashflow forecasts to assess and report on the impact of the standards
- Undertake sensitivity analysis on the impacts of the standards on services and service delivery
- Re-assess future investments to ensure that feasibility remains strong and that there is sufficient funding under the new arrangement to fund them
- Consider the impact on the solvency of the business in the event that the proposed standards are implemented resulting in continuing deficits in working capital to meet operational needs to deliver services
- Review the strategic plan and adapt objectives and initiatives to enable the business to meet future commitments.
- Consult with bankers on the impacts of the proposed standards.
- Seek support where uncertainty remains regarding the future of the business.
- Consider any changes to the governance focus to ensure Boards understand the organisational impacts

Your presenters



Darrell Price

National Head of Health and Aged Care



Jacob Grant

Senior Manager Financial Advisory

The aged care ecosystem



Thank you