

# Consultation Paper on the Pricing Framework for Australian Support at Home Aged Care Services 2026–27

Response to consultation

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#### Recipient

**IHACPA** 

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Dietitians Australia acknowledges all traditional custodians of the lands, waters and seas that we work and live on across Australia. We pay our respect to Elders past, present and future and thank them for their continuing custodianship.

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### **About Dietitians Australia**

Dietitians Australia is the national association of the dietetic profession with over 9000 members, and branches in each state and territory. Dietitians Australia is the leading voice in nutrition and dietetics and advocates for the profession and the people and communities we serve.

The Accredited Practising Dietitian (APD) program provides an assurance of safety and quality and is the foundation of self-regulation of the dietetic profession in Australia. Accredited Practising Dietitians have an important role in aged care, such as in the assessment and dietary management of clients with chronic diseases and malnutrition, in the planning and coordination of food service within residential aged care homes and home delivered meal programs, and in the training of aged care sector staff.

This submission was prepared by Dietitians Australia, with contributions from its members and the Dietitians Australia Aged Care Reforms Reference Group.

## **Background**

Between 2017 and 2024, the number of people utilising the Commonwealth Home Support Programme (CHSP) increased by 16% and the number of people utilising the Home Care Packages Program (HCPP) increased by 283%<sup>1</sup>. Dietetic care is vital to support older people to stay independent and at home for longer.

Accredited Practising Dietitians (APDs) are uniquely positioned to assist older people in mitigating functional decline. Medical nutrition therapy from an APD plays a vital role in maintaining muscle mass and preventing common nutrition-related issues (e.g. malnutrition, weight loss, frailty, dehydration etc) among older people, as well as maintaining and restoring nutritional wellbeing<sup>2,3</sup>.

#### Discussion

# 1. Do the pricing principles provide adequate guidance for IHACPA's development of pricing advice? If not, what changes do you recommend?

Dietitians Australia welcomes the opportunity to provide feedback on the pricing principles in the consultation paper and commend the inclusion of a Sustainability principle, the reference to evidence-based care in the **Quality care and services** principle and the consideration of thin markets in the **Pricing Equity** principle. Additionally, the inclusion of differentiated prices by time of delivery and day of delivery is a step in the right direction.

While the 2026-2027 consultation paper has been refined and improved over the previous year, some areas warrant further consideration to ensure equitable service provision and to support providers to remain financially viable in this sector. Dietitians Australia members have signalled that the current <u>indicative pricing for Support at Home</u> does not effectively capture the full cost of delivering services, especially in rural and remote areas.

To address these concerns, Dietitians Australia has provided several recommendations to IHACPA aimed at improving equitable access to dietetic services and supporting the development of a more appropriately valued and therefore sustainable dietetic workforce.



#### Recommendation 1: Account for the whole cost of delivering diverse services in aged care

Dietitians Australia strongly advocates for IHACPA to move away from a pricing model for dietetic services that uses a single unit price based solely on face-to-face hours delivered. Dietetic care is not one-size-fits-all and the needs of each client can be varied and diverse. An approach that overlooks the diverse needs of older Australians can make dietetic service delivery for some clients financially unsustainable for providers. This is especially true for those supporting clients with more complex needs or clients that are rural and remote, where transport costs can limit access to preventative healthcare<sup>4,5</sup>. It is the view of Dietitians Australia that the proposed pricing methodology may financially disincentivize dietetic service providers from delivering care to those who need it most.

To support equitable **Access to services** and the delivery of **Quality Care and services**, pricing models must provide accurate pricing and account for all client-attributable hours, rather than a single price tied to face-to-face services.

An equitable pricing model for dietitians that accounts for all client-attributable hours will need to situationally include, where it is appropriate for the client:

- Diet analysis
- Personalised and culturally appropriate menu planning
- Multidisciplinary collaboration
- Care management
- Documentation tasks, including care plan communications and liaison communication with GPs, other allied health professionals and aged care providers
- Training and education for carers/families

To ensure the sustainability of the dietetic workforce, it is also important that any pricing for dietetic services considers other costs, including:

- · Professional indemnity insurance, public liability insurance
- Business insurance (including cybersecurity insurance)
- Professional registration/credentialling fees including membership fees
- Contributions to continuing professional development associated with the maintenance of professional credentials
- The development of suitable resources, including culturally appropriate resources.

Additionally, separate travel-specific pricing is crucial to ensure equitable **Access to services**, particularly in rural and remote areas where long-distance travel is more often required. Without dedicated funding for travel, dietetic service providers are discouraged from offering services that involve significant travel. In many cases, they must either absorb these costs themselves and operate at a financial loss or limit their services. As a result, access to dietetic care in already underserved areas may decline further, worsening existing health disparities<sup>4</sup>. Dietitians Australia recommends that pricing models include separate pricing for travel, where travel is necessary.

To support the above, we additionally recommend updating the **Quality care and services** principle to:

"Pricing should support the delivery of evidence-based care and services that are person-centred, culturally appropriate and account for the whole cost of delivering services at every service level. Pricing should support the delivery of care that meets the Aged Care Quality Standards".



By adjusting the pricing principle to reflect the true variability of service delivery for all service providers, IHACPA will ensure that dietitians are enabled to deliver high-quality care, regardless of location or complexity of need.

We also recommend adjusting the wording of the **Sustainability** principle to:

"Pricing should consider the sustainability of the in-home aged care sector, including allied health providers and others delivering services, now and into the future".

Dietitians and other allied health professionals deliver essential services within the in-home aged care sector. The explicit inclusion of allied health providers in the sustainability principle highlights the importance of targeted cost collection to ensure these services are adequately supported both now and into the future.

#### Recommendation 2: Create different pricing models for different contexts

Different service environments come with different costs. Funding models must be tailored to suit different environments to ensure the delivery of services is sustainable. Dietitians may provide athome aged care services either as direct employees of aged care organisations or as subcontractors, often working as sole traders.

In rural and remote areas, where maldistribution of dietitians leads to thin markets that have fewer clients and providers, sole traders may be the only suitable service providers<sup>6</sup>. This makes it necessary to support a mix of service delivery models, each suited to local needs and with pricing that reflects the true cost of delivering quality care. When services are subcontracted, aged care providers may take a portion of the fee to cover their administrative costs. To ensure fair and sustainable service delivery, these administrative costs must be kept separate from the pricing for dietetic care.

## 2. Are there specific service types, locations and population groups that IHACPA should focus on in future cost collections?

## Recommendation 3: Engage in targeted pricing consultation with dietitians to support sustainable service provision

Dietitians Australia believes the data sources detailed in the consultation paper are not sufficient to gather true, up-to-date costs of service delivery for dietetic service providers and that this data can only be gathered directly from dietetic service providers themselves. The Royal Commission into Aged Care Quality and Safety indicated that people receiving aged care currently have limited access to services from allied health professionals and that allied health services are often underused and undervalued across the system<sup>7</sup>. Basing new pricing solely on information from a system that is already experiencing service provision issues is insufficient to address these issues.

Dietitians Australia therefore recommends IHACPA should engage in cost collection activities with dietitians directly to formulate accurate pricing for dietetic services provided through Support at Home. Engaging directly with Dietitians Australia and Accredited Practising Dietitians would provide access to accurate, current, and profession-specific insights that can strengthen the quality and relevance of cost data and support sustainable service provision. As the national peak body representing dietitians, Dietitians Australia is well-positioned to facilitate data collection processes that capture the real costs of delivering care across diverse service models.



# 3. How can IHACPA better support providers to participate in its cost collections to continue to improve their representativeness?

Recommendation 4: Develop cost collection processes that are tailored to a variety of service providers that operate in a range of settings

Dietitians are currently not represented directly in cost collection activities. IHACPA is invited to engage with Dietitians Australia and its members directly to participate in accurate cost collections.

Additionally, cost collection processes must be simple, accessible, and tailored to the varying capacities of different providers. This is especially important for smaller organisations and sole traders who may lack the administrative resources of larger organisations and are often underrepresented in data collection activities. To encourage broader participation, IHACPA should offer multiple data submission options that vary in complexity and time commitment. This approach will lead to more accurate and representative data for a range of providers, which is essential for building an equitable and sustainable pricing model.

# 4. What factors should IHACPA take into account when considering pricing adjustments for services provided in rural and remote areas?

Pricing adjustments for services provided in rural and remote areas must reflect the unique challenges in providing services in these areas. Key among these challenges are the significant travel burdens that may be placed on dietetic service providers, as well as the challenges of workforce planning and financial viability in thin markets. When not accounted for, these additional pressures can impact healthcare service access for people in rural and remote areas<sup>8</sup>.

## Recommendation 5: Develop separate pricing for travel related costs to support equitable service provision in rural and remote areas

Travel-related costs are a major component of service provision in rural and remote areas. The dietetic service provider can incur costs for their travel time, travel related expenses such as fuel and vehicle costs and the burden of additional administration and logistical planning to deliver these services.

Funding models must be adapted to reflect the unique needs and challenges of the diverse rural and remote communities across Australia. This is essential to address risks of market failure and to support the recruitment and retention of health professionals now and into the future, including dietitians<sup>9</sup>.

Dietitians Australia recommends developing travel pricing that accounts for all costs of travel, including time, fuel and vehicle costs. Travel pricing should be separate and included on top of pricing for dietetic services when travel is necessary.

## Recommendation 6: Develop pricing adjustments that consider the increased financial pressures in thin markets

Dietitians Australia commends IHACPA for including consideration of thin markets in the pricing principles. Rural and remote areas generally have fewer dietetic service providers and a small client base<sup>10,11</sup>. Dietitians Australia members report that remaining financially sustainable in these markets is challenging, especially with other financial pressures like travel costs compounding these issues.



We recommend IHACPA conduct targeted consultation with dietitians serving rural and remote communities to understand what pricing adjustments are necessary for each category under the Modified Monash Model (MMM).

5. What factors should IHACPA take into account when considering pricing adjustments for services provided for people from Aboriginal and Torres Strait Islander communities, people from culturally and linguistically diverse backgrounds and other people with special needs?

Recommendation 7: Recognise how pricing adjustments can support culturally responsive practice when services are provided for people from Aboriginal and Torres Strait Islander communities

Culturally responsive practice is essential to provide services that are culturally safe for people from Aboriginal and Torres Strait Islander communities. Cultural responsiveness must incorporate knowledge (knowing), self-knowledge and behaviour (being) and action (doing)<sup>12</sup>. This active process can take additional face-to-face and non-face-to-face time but is essential to providing effective care. Culturally responsive and effective practices must also allow time for building and maintaining relationships with people, families and communities, as well as with First Nations health workers. In some cases, it may be necessary for service providers to develop new resources that are culturally safe, when such resources do not exist.

We recommend IHACPA work co-operatively with and conduct consultation with Aboriginal and Torres Strait Islander communities and with dietitians who service these communities directly. This will support IHACPA to develop pricing adjustments that allow the needs of Aboriginal and Torres Strait Islander peoples to be met equitably and considers the actions required for culturally safe practice.

Recommendation 8: Recognise how pricing adjustments can support high-quality care for people from culturally and linguistically diverse backgrounds

When determining pricing adjustments for services provided to people from culturally and linguistically diverse backgrounds, IHACPA should recognise the additional time, skill, and resources required to deliver safe, effective, and culturally appropriate care. Healthcare providers often need to engage in extended consultations to overcome language barriers, ensure understanding of dietary recommendations and tailor interventions that respect cultural food practices and preferences.

The additional time associated with preparation, the use of professional interpreters and developing culturally adapted educational materials is necessary for high-quality care<sup>13</sup>. Pricing adjustments should supports dietetic service providers to have this additional time.

6. What provider or participant-related factors should IHACPA take into account when considering data requirements and the pricing approach for the transition of the Commonwealth Home Support Programme (CHSP) to the Support at Home program?

Recommendation 9: Automatically approve participants receiving dietetic services under CHSP to receive those same services under Support at Home

Participants currently receiving dietetic services under the Commonwealth Home Support Programme (CHSP) should be automatically approved to continue accessing these same services



following the transition to the Support at Home program. The Department of Health, Disability and Ageing has committed to a "no worse off" principle in relation to client contribution arrangements under Support at Home. We suggest that this principle should also be applied to ensure continuity of access to dietetic services to ensure the access to dietetic care under Support at Home is also "no worse off"<sup>14</sup>.

## 7. What future priorities should IHACPA consider when developing pricing advice for the Support at Home service list?

Recommendation 10: Ensure dietetic services are delivered by Accredited Practising Dietitians

Dietitians Australia is concerned with the inclusion of nutritionists alongside dietitians on the Support at Home service list. Dietetic care and medical nutrition therapy should be delivered by an APD. It is only the APD credential that is regulated by the National Alliance of Self Regulating Health Professionals (NASRHP) and Dietitians Australia.

Those with the APD credential are required to have graduated from an Australian <u>Accredited</u> <u>Dietetics Program</u> or undertaken a series of examinations if they have completed programmes overseas. All those eligible for the credential need to meet the minimum Dietitians Australia <u>National Competency Standards</u> for Dietitians.

Dietitians with the APD credential commit to ongoing training and education throughout their careers. It is mandatory for APDs to complete 30 hours of continuous professional development per year to maintain their credential. This is audited by Dietitians Australia. All APDs must adhere to the Dietitians Australia Code of Conduct.

Anyone can call themselves a nutritionist but only those with the Accredited Practising Dietitian credential can call themselves an APD. Only Accredited Practising Dietitians have the vetted clinical knowledge to practice safely within this environment.

The Support at Home service list should refer specifically to Accredited Practising Dietitians, in line with wording included in the <u>draft Strengthened Aged Care Quality Standards</u> (Action 6.3.1e) and in the <u>draft Rules</u> for the new Aged Care Act (Section 148-20 (Subsection 3, 4, 5)) related to other dietetic care services. Cost collection activities should be explicitly targeted to APDs to ensure accurate pricing development for dietetic care.



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