Submission by the Australian Nursing and Midwifery Federation

Feedback on the development of pricing advice for the Australian Government's Support at Home program.

10 April 2026

Australian Nursing & Midwifery Federation

Annie Butler
Federal Secretary

Australian Nursing and Midwifery Federation
Level 1, 365 Queen Street, Melbourne VIC 3000
E: anmffederal@anmf.org.au
W: www.anmf.org.au

Introduction

1. The Australian Nursing and Midwifery Federation (ANMF) is Australia's largest national union and professional nursing and midwifery organisation. In collaboration with the ANMF's eight state and territory branches, we represent the professional, industrial and political interests of more than 356,000 nurses, midwives and care-workers across the country.

2. Our members work in the public and private health, aged care and disability sectors across a wide variety of urban, rural and remote locations. We work with them to improve their ability to deliver safe and best practice care in each and every one of these settings, fulfil their professional goals and achieve a healthy work/life balance.

3. Our strong and growing membership and integrated role as both a trade union and professional organisation provides us with a complete understanding of all aspects of the nursing and midwifery professions and see us uniquely placed to defend and advance our professions.

4. Through our work with members, we aim to strengthen the contribution of nursing and midwifery to improving Australia's health and aged care systems, and the health of our national and global communities.

5. The ANMF welcomes the opportunity to provide feedback to the Independent Health and Aged Care Pricing Authority on matters relating to cost collections, pricing development, and pricing adjustments for aged care services, including the transition of the Commonwealth Home Support Programme to the Support at Home program.

Overview

6. This submission focuses on workforce sustainability, pricing adequacy, and service viability in community aged care. From the perspective of nurses and care workers delivering services, pricing approaches that do not fully recognise workforce costs, workforce shortages, and service delivery complexity will result in reduced access to care, unsafe workloads, and withdrawal of services, particularly in thin markets and for people with higher needs. In community aged care, thin markets are characterised by limited provider availability, workforce shortages, low service volumes, or significant travel distances, which increase the cost of delivering care and make services difficult to sustain under-pricing models based on metropolitan conditions.

7. The ANMF considers that the aged care workforce is the primary input to care delivery. Pricing policy must therefore be developed on the basis that the cost of recruiting, retaining, supervising, and supporting a skilled workforce is the central driver of service costs. Where pricing does not reflect these realities, ANMF expects providers to reduce staffing, increase casualisation, or limit services, which directly affects safety and quality of care.

Feedback received

Cost collections

8. The ANMF supports the continued use of cost collections to inform pricing decisions. Reliable pricing depends on accurate cost data, and cost collections are an important mechanism for ensuring that prices reflect the actual cost of delivering care in community settings.

9. However, participation in cost collections is complex, resource-intensive, and difficult to complete within existing administrative capacity, particularly for smaller organisations. Simplification measures should focus on reducing reporting burden while maintaining data quality and ensuring that workforce costs are captured accurately.

10. IHACPA should align cost collection categories as closely as possible with existing financial and payroll reporting systems used by providers for regulatory reporting and financial statements. Where cost collections require providers to record data into new formats, administrative costs increase without improving pricing accuracy, and smaller providers are disproportionately affected.

11. Clear and consistent definitions are required for workforce-related cost categories, including overtime, agency staff, travel time, training time, supervision time, documentation time, and non-direct care activities. These costs form a substantial component of community aged care delivery but are often underestimated when reporting definitions are unclear or inconsistent.

12. Consideration should also be given to standardised reporting templates that allow workforce costs to be identified clearly, including separate reporting of different classifications of staff and diverse types of working time. Greater visibility of nursing and care worker labour costs will improve the accuracy of pricing decisions and reduce the risk that essential workforce activities are treated as overheads rather than core service costs.

13. Participation in cost collections would also be improved if providers received clearer feedback on how submitted data is used to inform pricing. Greater transparency strengthens confidence in the process and encourages more accurate reporting, which in turn supports more reliable pricing outcomes. A benefit that extends to all stakeholders including ANMF members.

Supporting participation in cost collections

14. Small providers face significant practical constraints in participating in cost collections, including limited administrative staff, less developed financial systems, and limited capacity to extract and re-format data to meet reporting requirements. If these constraints are not addressed, smaller organisations may be under-represented in cost collection data, increasing the risk that prices are set at levels that do not reflect the actual cost of service

delivery. Simplified reporting templates and direct technical assistance should be provided to ensure full participation and accurate price setting.

15. Consideration should also be given to providing practical support to enable participation in cost collections by small, rural, and community-controlled organisations, including simplified reporting requirements, technical assistance, and appropriate funding to offset the administrative burden of reporting. Without this support, providers operating in thin markets may be under-represented in cost collection data, increasing the risk that prices are set at levels that do not reflect the actual cost of delivering services and cannot sustain the workforce required in those areas.

16. Providers delivering services for Aboriginal and Torres Strait Islander communities often operate in environments with higher travel costs, smaller service volumes, and greater workforce challenges. For example, nurses delivering care through an Aboriginal Community Controlled provider may travel 60–90 km between clients, with only face-to-face time billable. Unfunded travel and engagement reduce service capacity and workforce sustainability. Cost collection processes must allow flexibility to capture these realities and should be developed with input from community-controlled organisations to ensure that reporting categories reflect actual service models.

17. Services delivered to people with diverse backgrounds and life experiences may involve additional workforce time for communication (including interpreter services), cultural liaison, care coordination, and training. Cost collections should explicitly allow these costs to be recorded so that pricing adjustments can be based on evidence rather than assumptions.

18. The ANMF believes if cost collections do not adequately capture the costs of services operating in rural, remote, culturally diverse, and community-controlled settings, there is a significant risk that prices will be set at levels that are only sustainable in metropolitan areas, leading to reduced access to care for people who already face barriers to services.

Transition of the Commonwealth Home Support Programme to Support at Home

19. The transition of the Commonwealth Home Support Programme to the Support at Home program represents a notable change in funding structure, moving from block funding to more individualised, activity-based pricing. While this change may improve transparency, it also creates a risk that workforce costs will not be fully recognised in pricing. An example for that would be, under activity-based billing, a client with limited funded service time may prioritise meal preparation or medication support over personal hygiene. Over time, reduced assistance with showering and skin care has led to increased infection risk, discomfort, and preventable deterioration.

20. Block funding under the Commonwealth Home Support Programme has historically supported stable staffing arrangements because organisations are funded to deliver a planned volume of services to a community over time, which allows staff to be rostered based on expected demand and continuity of care. In contrast, pricing models based on billing for individual services or units of care (Activity-based pricing) require providers to claim funding for each separate visit or activity delivered, which increases pressure to match staffing directly to billable time. This can lead to greater casualisation, reduced continuity of care, and more complex workforce planning, particularly in community aged care where travel time, cancellations, and fluctuating service needs cannot be avoided.

21. Pricing for Support at Home must include the full cost of workforce employment, including travel time, leave, training, supervision, documentation, care coordination, administration, and downtime between visits. These activities are unavoidable in community aged care and must be recognised as part of the cost of delivering safe care.

22. The transition to a new program also creates additional costs associated with training, system changes, new reporting requirements, and strengthened clinical governance. These costs should be recognised in pricing development, particularly during the initial stages of implementation, to avoid shifting the burden of reform onto the ANMF workforce.

23. Community aged care services rely on appropriate clinical oversight, particularly by registered nurses, to ensure safe assessment, medication management, and escalation of care. Pricing approaches that do not allow sufficient time for supervision, coordination, and clinical leadership risk undermining safety and increasing pressure on the workforce. For example, pricing models that fund only direct care time limit registered nurse availability for supervision and clinical coordination, resulting in delayed escalation of risks, reduced care oversight, and increased unpaid overtime and burnout among nurses.

24. Evidence used to inform pricing should include workforce indicators such as vacancy rates, overtime use, agency use, and service refusals due to lack of staff. Financial data alone does not capture the full cost of delivering services in a constrained labour market, and pricing that assumes full workforce availability will not reflect current conditions.

Pricing adjustments for rural and remote areas

25. Services in rural and remote areas face higher workforce costs due to travel distances, smaller workforce pools, and difficulty recruiting qualified nurses and care workers. These structural factors increase the cost of delivering each hour of care and must be recognised in pricing models.

26. Travel time is a significant component of community service delivery outside metropolitan areas. If travel is not fully funded, providers must either absorb the cost or reduce the number of visits that can be delivered, both of which reduce access to care.

27. Providers in rural and remote areas may also incur additional costs associated with recruitment incentives, accommodation, higher wages, and greater reliance on temporary staff. These costs are necessary to maintain service continuity and should be recognised in pricing adjustments.

28. Workforce shortages in rural and remote areas also require additional investment in supervision, training, and professional support to maintain safe practice. These costs are particularly significant for nursing services, where the availability of qualified staff is limited.

29. While higher costs affect most service types, clinical services delivered by nurses often face the greatest pressures because they require higher qualifications, involve greater responsibility, and have a smaller available workforce. For ANMF members delivering these clinical services, these pressures are further amplified by workforce shortages and increasing complexity of care needs. Pricing approaches should allow for differences in workforce cost across service types rather than assuming that all services can be delivered at the same price in all locations.

Pricing adjustments for Aboriginal and Torres Strait Islander communities

30. Services delivered for Aboriginal and Torres Strait Islander communities often require additional workforce time for engagement, coordination, and culturally safe practice. These activities are essential to safe care and should be recognised in pricing.

31. Culturally safe service delivery may involve the use of liaison roles, interpreters, community consultation, and flexible models of care. These requirements increase workforce time per client and must be reflected in cost collections and pricing adjustments.

32. Continuity of staff and knowledge of community context are critical for effective service delivery. The ANMF supports this. Workforce stability in these settings often requires additional training, support, and supervision, all of which have cost implications that should be recognised in pricing.

33. Pricing approaches should also allow for service models that do not align with standard activity-based assumptions, including outreach, group services, and integrated community-based care. Without this flexibility, pricing risks discouraging providers from delivering services in communities where needs are greatest.

Pricing adjustments for people with diverse backgrounds and life experiences

34. Services for people with diverse backgrounds and life experiences may involve additional workforce time for communication, assessment, and coordination with families and community supports. These activities are necessary to deliver equitable care and should be reflected in pricing.

35. Language support, cultural training, and the need for consistent staffing increase the cost-of-service delivery but are essential to safe and person-centred care. These costs should be explicitly captured in cost collections so that pricing adjustments can be evidence-based.

36. In community aged care, these cost pressures are often greatest in nursing services, dementia care, and complex care coordination, where higher skill levels and longer contact time are required. Pricing approaches should allow flexibility so that services with higher workforce intensity are not required to operate at a loss.

37. Failure to recognise these additional workforce requirements risks reducing access to care for people who already experience barriers to services, directly impacting ANMF members who deliver this care and compromising their ability to provide safe and equitable support. Such outcomes are inconsistent with the objectives of aged care reform.

Additional considerations for pricing development

38. Pricing development should consider the need for safe staffing levels, appropriate skill mix, and adequate supervision across community aged care services. Prices that do not support these requirements may lead to increased workload pressure, reduced service quality, and higher workforce turnover.

39. Pricing should also be responsive to changes in wages, employment conditions, and regulatory requirements. Where prices do not keep pace with workforce costs, providers are forced to absorb the difference, which often results in reduced staffing or increased reliance on insecure employment. Outcomes that impact our members are a key concern

for the ANMF.

40. Changes in reporting, documentation, and digital systems can increase the time required to deliver each service. These additional requirements should be measured and reflected in pricing to ensure that the workforce is not expected to perform unpaid work.

41. Consideration should also be given to the sustainability of services in thin markets, including the need for standby capacity, travel flexibility, and surge response during emergencies. Without appropriate pricing adjustments, providers may withdraw from these markets, reducing access to care for older people living outside metropolitan areas.

Conclusion

42. The ANMF emphasises that workforce costs are the primary driver of community aged care service delivery. Pricing that does not fully recognise the cost of recruiting, retaining, and supporting a skilled workforce will undermine the sustainability of services regardless of program design.

43. IHACPA's approach to cost collections, pricing development, rural and remote adjustments, and the transition to Support at Home must ensure that prices reflect the actual cost of delivering safe care in the current labour market. Cost collections must reflect how care is actually delivered, not how it is ideally modelled.

44. Pricing that supports stable employment, adequate staffing, and fair wages is essential to maintaining access to care, particularly in regional, remote, and culturally diverse communities. Without this, services will become increasingly difficult to deliver, and the burden of reform will fall on the workforce rather than being addressed through appropriate funding.