Regulatory Bulletin

Associated providers

RB 2025 - 01

The Aged Care Act 2024 (Act) introduces 'associated providers'. They are organisations that deliver aged care services on behalf of a registered provider.

This bulletin explains the types of entities (organisations and people) that are considered associated providers and the requirements that apply to them. We also explain the requirements of registered providers who use associated providers in the delivery of their aged care services.

Key points

- Associated providers deliver funded aged care services on behalf of a registered provider.
- Associated providers can be, but do not have to be, registered in their own right in

- addition to delivering services on behalf of another registered provider.
- Associated providers are not:
 - organisations that provide corporate services to a registered provider, such as training, accounting or labour hire
 - o organisations that provide services to older people that are not funded aged care services
 - o aged care workers.
- Associated providers are required to deliver funded aged care services in line with Act.
- People employed or engaged by an associated provider to deliver funded aged care services on behalf of the registered provider are aged care workers of the registered provider.
- We will list some associated providers on the provider register.

- Registered providers are responsible for the quality, safety and compliance of services delivered by their associated providers, including the delivery of services consistent with the Statement of Rights. Registered providers must have processes to oversee services associated providers deliver.
- Registered providers must notify the Commission about their associated providers at registration and renewal of registration.
- Providers registered in categories 4, 5 or 6
 must notify the Commission when their
 arrangements with associated providers
 delivering services in those categories on
 their behalf, change.
- Service agreements with older people and monthly statements must identify the services delivered by associated providers.
- Registered providers must make sure that all their aged care workers, including those delivering services through an associated provider, meet the worker screening requirements.

Associated providers

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Information in this bulletin applies to: Registered providers, associated providers and individuals (including aged care workers and responsible persons of registered providers) who may be part of, or involved in, the Commission's regulatory processes.

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Associated providers

What is an associated provider?

The Act defines associated providers as any entity (organisation or individual) that engages in conduct under an arrangement with a registered provider relating to the delivery of funded aged care services.¹

In practice, this means any organisation that has an arrangement with a registered provider to deliver funded aged care services on their behalf.

Associated providers do not have to be registered providers under the Act. They can deliver services in aged care as an associated provider that is not registered, or they can be a registered provider who also provides services on behalf of another registered provider.

Why does the new Act introduce associated providers?

The Australian Government wants to improve transparency in aged care. This includes requiring providers to notify the Commission of organisations that are delivering funded aged care services on their behalf.

The Act includes strengthened requirements to improve accountability. Registered providers must have systems to make sure

that associated providers deliver safe, quality services and comply with requirements.

Associated provider requirements give the Commission better visibility of changes to relationships with third-party organisations that can affect the delivery, quality or safety of care.

Who is considered an associated provider?

Organisations delivering funded aged care services

Associated providers include any organisation delivering funded aged care services to older people on behalf of a registered provider.

The Aged Care Rules 2025 (Aged Care Rules) includes a full list of funded aged care services and their description(s). If another organisation is delivering any of these services on behalf of the registered provider, they are an associated provider.

¹ Aged Care Act 2024 (Cth) s 11(6)

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Who is not considered an associated provider?

Aged care workers

Aged care workers are not considered associated providers. Aged care workers are people that:

- a registered provider employs or engages (including as a volunteer) to deliver funded aged care services²
- an associated provider employs or engages and works under the associated provider's arrangement with the registered provider³.

The registered provider is responsible for making sure that all their aged care workers, including those the associated provider employs or engages, are:

- suitably trained and qualified
- meet worker screening requirements
- comply with the Aged Care Code of Conduct.

Example

Edenosa Aged Care (EAC) is registered in Category 1 (home and community services) to deliver the service types domestic assistance, and home maintenance and repairs.

EAC engages:

- Kenridge Landscaping to deliver gardening services
- Individual subcontractors, including electricians and plumbers, to do home maintenance and repairs.

Kenridge Landscaping, as an organisation engaged to deliver a funded aged care service on behalf of the registered provider, is an associated provider of EAC.

The individual electricians and plumbers are individuals who are engaged by EAC to deliver funded aged care services and are therefore aged care workers.

EAC needs to make sure these workers are suitably trained and qualified for the services they will be delivering, meet the aged care worker screening requirements, and understand and will comply with the Aged Care Code of Conduct.

Health practitioners

Individual health practitioners employed or engaged (including on a contract basis) by

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² Aged Care Act 2024 (Cth) s 11(4)(a)

³ Aged Care Act 2024 (Cth) s 11(4)(b)

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registered providers are considered to be aged care workers rather than associated providers. This is because individual health practitioners engaged by registered providers to deliver funded aged care services meet the definition of an aged care worker in Act.

If the registered provider engages another organisation to deliver allied health services on their behalf (such as nursing care, assistance with transition care, allied health, and therapy, nutrition, etc.) the organisation is an associated provider.

Organisations delivering services to the registered provider

Organisations that deliver services to the registered provider, rather than to older people, are not associated providers. For example:

- an accounting firm providing financial services to the registered provider
- a cleaning company contracted to clean the registered provider's offices
- a labour hire firm providing staff to the registered provider
- an aged care digital platform operator that lists the registered provider on their platform.

Examples

Cirian Nursing Services delivers nursing services to older people in the greater Melbourne area on behalf of several registered providers, including Harbour Living. This means Cirian Nursing Services is an associated provider.

Harbour Living should provide information to the Commission about their relationship with Cirian Nursing Services.

Sunset Living uses SkillSource, a labour hire agency, to provide nursing staff to its approved residential care homes in regional Victoria. SkillSource supplies qualified staff but has no role in Sunset Living's policies, systems or processes. Under this arrangement, SkillSource provides staff to the registered provider; they do not provide nursing services to older people on their behalf. SkillSource is not an associated provider.

The nursing staff that SkillSource provides through the labour hire arrangement are aged care workers of the registered provider. Sunset Living needs to make sure these people meet the requirements of aged care workers.

Organisations delivering indirect services, or services that are not funded aged care services

Organisations that deliver indirect services or supply goods to older people are not associated providers. These are everyday services or goods that are usually available in the mainstream market. They are funded through aged care to support:

- an older person to be independent in their home or community
- the operations of a residential care home

Those delivering services that are not funded aged care services are also not associated providers.

This includes:

- indirect transport for example, if the registered provider gives an older person in their care cab charges or taxi vouchers to get to appointments or events. The provider of the taxi service is not an associated provider, and the taxi driver is not an aged care worker.
- Health care services that are not funded aged care services – for example, if an older person accesses health services through a clinic or medical centre, and those services are not funded aged care services or are not being delivered on behalf of a registered provider. The clinic

- or medical centre is not considered an associated provider.
- Supply of goods for example, if an older person buys continence aids from a supermarket and their provider reimburses them. The supermarket is not an associated provider.

Organisations associated providers engage

Organisations engaged by associated providers to deliver aged care services, including through subcontracting arrangements, are not usually considered associated providers.

This is because these organisations are unlikely to have an arrangement directly with the registered provider. This means they do not meet the definition of associated provider in the Act⁴.

However, the registered provider is responsible for the quality, safety and compliance of any services they are funded for. It does not matter if associated providers or organisations they engage deliver these services. Registered providers need to make sure they have processes to effectively oversee any services that associated providers deliver.

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⁴ Aged Care Act 2024 (Cth) s 11(6)



Organisations older people engage through self-management

If an older person chooses their own provider for specific services under a self-management arrangement with their registered provider, they are choosing an associated provider to deliver those services on behalf of the registered provider.

This means that, even if an older person has chosen a particular provider to deliver their services, the registered provider is still responsible for making sure the services comply with all its obligations.

The registered provider must also have systems and processes to make sure any workers delivering services under these arrangements are skilled, qualified and experienced.

Note: This can mean that if a registered provider is not convinced that an associated provider an older person has chosen complies with all their requirements, they can refuse the older person's choice. This makes sure they (the registered provider) comply with their own obligations. We expect the registered provider to involve the older person early in such decisions and work closely with the older person to find other ways to support their preferences.

You can find more information on selfmanagement in <u>Support at Home program</u> manual.

Franchises

Franchising is where the owner of a business (the franchisor) allows another person or organisation (the franchisee) to run a separate business using the franchisor's name, brand, business systems and sometimes marketing. The franchisee usually pays the franchisor to do this. The franchisor often has significant control over the way the franchisee runs their business.

Where the franchisor is receiving government payments for providing the funded aged care services that the franchisee is delivering, the franchisee is an associated provider. This is because a franchisee is a separate business entity to the franchisor. In this situation, the franchisor is accountable for meeting all the quality and safety obligations for delivering the funded aged care services. They also need to make sure they comply with all workforce requirements (including worker screening) for the workers providing aged care services for them, even if the franchisee employs those workers.

Registered providers' requirements for associated providers

The registered provider is responsible for meeting its requirements and the quality and safety of the services delivered, even



if an associated provider delivers the services.

This means that if a registered provider uses an associated provider to deliver services for them, the registered provider must have processes and systems to make sure they comply with their requirements under the Act. The registered provider must oversee the services associated providers deliver so that they know these services are quality, safe and meet requirements.

Registered providers must:

- provide information about associated providers to the Commission
- include information about associated providers in service agreements with older people and monthly statements.

Providing information about associated providers

Registration and renewal of registration

As part of a registration application, the applicant must explain its legal and business structure. This includes the type and extent of the relationship with any associated providers. Information about the associated providers includes:

- their name and Australian Business Number (ABN)
- their business address
- contact information

 the details of one or more key contacts that the Commission can communicate with directly.

A registered provider applying to renew their registration must also describe the type and extent of their relationship with any associated providers.⁶

Change in circumstances

Registered providers in Category 4 (personal and care support in the home or community), Category 5 (nursing and transition care) or Category 6 (residential care) must notify the Commission of any changes to their arrangements with associated providers delivering services in those categories. This includes:

- the start of a new arrangement
- the variation (change) or extension of an arrangement
- the end of an arrangement.

When notifying the Commission, registered providers need to include:

- the associated provider's business name, ABN, Australian Company Number (if any) and business address
- if arrangements are for providing residential care services, the residential care home's name and address
- details of the services that the associated provider will deliver under the arrangement, including reasons for new,

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⁵ Aged Care Act 2024 (Cth) s 104(3)(h)

⁶ Aged Care Act 2024 (Cth) s 107(3)

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ending or changed arrangements and time periods.

Providers should notify the Commission via our Change in Circumstances form.

Note: Providers do not need to submit a change in circumstances notification for changes to arrangements with associated providers that are delivering services in:

- Category 1 (home and community services)
- Category 2 (assistive technology and home modifications)
- Category 3 (advisory and support services).

Example

Moonlight Towers is a provider registered in multiple registration categories, including Category 1 and Category 4.

Moonlight Towers has recently subcontracted another organisation to provide transport services on its behalf.

Moonlight Towers does <u>not</u> have to lodge a change in circumstances notification with us for this arrangement, because the arrangement is for services in Category 1.

However, Moonlight Towers also has an existing contract with Bloomridge Care, an associated provider delivering personal care services on their behalf. Moonlight

Towers has decided to expand this

contract to include delivering allied health and therapy services. They must notify us about this change as it is for services in

Provider register

Category 4.

The provider register must include, for each registered provider, the names of associated providers delivering services in registration categories 4, 5 or 6.7

Providers who were approved providers before 1 November 2025 are encouraged to update their third-party organisations (TPO) in the Government Provider Management System (GPMS). As part of the transition to the new Act, The Department of Health,

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⁷ Aged Care Rules 2025 (Cth) s 141-10(d)

Disability and Ageing will transfer their TPO relationships in GPMS to associated providers. Providers can continue to update their GPMS records until 17 October 2025.

Providers other than approved providers, such as those delivering funded aged care services through specialist aged care programs, will have 6 months after the new Act starts to give us information about their associated provider relationships (as well as the other information in section 104(3) of the Act).

Service agreements

Service agreements between registered providers and older people receiving funded services must list the services that an associated provider will deliver.⁸

This applies to any registered providers delivering services to an older person through Support at Home or the Commonwealth Home Support Program.

Monthly statements

When an associated provider delivers services through Support at Home, the older person's monthly statement must include the name of the associated provider.⁹

Commission engagement

When the Commission deals with concerns or complaints about funded aged care services, we work with the registered provider, even if the service is delivered by an associated provider. We expect all registered providers to supervise the services an associated provider delivers. This is to make sure that services are quality, safe and meet requirements. Providers must keep up to date with complaints, concerns or issues with an associated provider's services.

However, registered providers should make it clear through their arrangements with associated providers that the associated provider may need to engage with the Commission.

Associated providers are not subject to the requirements on registered providers in the Act unless they are also registered providers in their own right. However, the Commission has the power to take actions against associated providers to protect older people and make sure that registered providers comply with their obligations.

What requirements apply to associated providers?

Associated providers must deliver funded aged care services in line with:

- requirements in the Act and Aged Care Rules
- their arrangements with registered providers.

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⁸ Aged Care Rules 2025 (Cth) s 148-70(4)

⁹ Aged Care Rules 2025 (Cth) s 155-40(4)(h)(viii)

Associated providers must deliver services that meet quality and safety requirements. All providers and aged care workers must uphold the Statement of Rights and comply with the Aged Care Code of Conduct.

People who an associated provider employs or engages are aged care workers if they are delivering funded aged care services. 10 Registered providers need to make sure they are screened to make sure they are suitable to work in aged care. People engaged or employed by an associated provider may also meet the definition of a responsible person under the Act 11 (for example, directors of nursing or facility managers) and be subject to additional obligations as a result.

Associated providers should understand the requirements that apply to delivering funded aged care services. This includes having clear expectations and quality and safety requirements, robust governance and

strong communication processes with registered providers.

Support available

There is a range of information available from the <u>Department of Health</u>, <u>Disability and Aged Care</u> and the <u>Commission</u>, to support associated providers to understand their obligations and ensure they can meet their responsibilities under the Act.

This includes free access to the Commission's online learning system, Alis, which provides a wide range of education programs for aged care workers and responsible persons. To receive access, associated providers need to contact the Commission. To confirm eligibility, the Commission will want to know which registered provider/s the associated provider is working with.

¹⁰ Aged Care Act 2024 (Cth) s 11(4)

¹¹ Aged Care Act 2024 (Cth) s 12





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