



Provider Factsheet - Closing or Selling your Business

The Department of Health (the department) administers the Australian Government Hearing Services Program (the program). Program services are delivered by contracted service providers (providers).

From time to time, a provider may decide to terminate their contract with the department or arrange to sell their business to another provider. This factsheet provides assistance in understanding your obligations if you are closing or selling your business.

Program Requirements

The [Service Provider Contract](#) (contract) includes provisions for the termination of the contract by either party and the assignment of contractual rights to another provider.

- If a provider decides they no longer wish to provide services to program clients, clause 27 of the contract allows for the termination of the contract by either party.
- If a provider decides to sell their business to another provider, clause 32 of the contract allows for the transfer or novation of contractual rights between providers under the program.

Closing your business

If you are closing your business, the contract requires you to provide 20 business days notice to the program. This can be done by emailing hearing@health.gov.au

Once you have provided notice, you must:

- **Inform program clients** – you will need to send out correspondence to program clients informing them your business will no longer be providing services, and advising them of alternate arrangements. The program can provide a sample letter to assist you if required.
- **Services** – not perform an initial assessment, enter into a new maintenance agreement or renew an expiring agreement, accept a relocating client, or initiate a fitting where the follow-up component cannot be completed.
- **Claiming** – process the majority of claims prior to the termination of the contract. All outstanding claims after the termination date will need to be submitted within 20 business days to receive payment. Note: these need to be sent to hearing@health.gov.au as manual claim.
- **Recoveries** – review client files to ensure that there are no invalid claims, process any recoveries through the portal, and repay any outstanding debts to the program.
Note - Clause 13 of the contract allows the program to recover any services not provided in accordance with program requirements even after the date of closure.
- **Client Records** – forward client records for relocating clients to their new provider if a request is made prior to the date of closure and return any remaining client records to the department. Original claim forms and any receipts given to the clients must be retained by you for seven years.

Selling your business to another contracted service provider

The contract requires the selling provider to seek the Commonwealth's consent at least 20 business days prior to the date they propose to assign their contractual rights to the new provider. This can be done by emailing hearing@health.gov.au

Selling provider's obligations

The program requires the following

- Provide the date of the last day of trade of their business and the proposed date of transfer.
- Seek a novation of all battery and maintenance agreements with the purchasing provider.
- Write to all program clients advising of the change of ownership. The letter must include the following paragraph:

"It is your right under the Hearing Services Program (the program) to transfer to another hearing service provider if you do not wish to receive services from {insert purchasing provider's name}. To find a new provider you can ring the program on 1800 500 726, visit the program website www.hearingservices.gov.au or email hearing@health.gov.au. Please be aware that your client record will be transferred to {insert purchasing provider's name} should you choose not to relocate to a different provider at this time"
- Advise if the trading name will be retained or is included in the transfer.
- Detail staffing arrangements (i.e. whether staff will be retained).
- Ensure that you retain all original claim forms and place a copy on each client's clinical record being forwarded to the new provider.
- Finalise all outstanding claims and recoveries. For further information please refer to the [Factsheet - Claiming information when selling or buying a hearing service business](#).
- Relinquish your contractual rights to provide services to program clients by signing a Deed of Termination (this document will be prepared by the program).

Purchasing provider's obligations

- Honour current battery and maintenance agreements clients have entered into with their previous provider. You will not be able to claim the Maintenance and Batteries for Relocated Clients service item, nor can claims be made for the annual maintenance payment from these clients, until their current maintenance period ends.
- Create the new sites in the portal, under your contractor ID. This will enable the program to arrange for the bulk transfer of affected clients to the new provider.
- Link any transferring practitioners to your business on the portal within five business days of the date of transfer.

Selling a site to another contracted service provider

The same obligations apply to both the selling and purchasing providers with the exception that the Deed of Termination is not required as the selling provider will still operate under the program.