

SHIRE OF NARROGIN

NARROGIN REGIONAL HOMECARE FEES POLICY

14.4 Client Fees

14.4.1 HACC FEES POLICY - PRINCIPLES¹

The following HACC Fees Policy principles address the issues of access, equity, affordability, user rights and privacy and ensure that fees generated by the HACC Program are used efficiently and for the benefit of HACC service users:

1. Inability to pay cannot be used as a basis for refusing a service to people who are assessed as requiring a service.
2. All service users assessed as having the capacity to pay are charged fees. This is done in accordance with a scale of fees appropriate to their level of income, amounts of services they use, and any changes in circumstances.
3. HACC funded agencies charge the full cost of the service where service users are receiving, or have received, compensation payments intended to cover the cost of community care.
4. Service users with similar levels of income and service usage patterns should be charged equivalent fees for equivalent services.
5. Service users with high and/or multiple service needs are not to be charged more than a specified maximum amount of fees in a given period, irrespective of actual amounts of services used.
6. For purposes of this policy, solicited donations for services are equivalent to fees and are subject to all provisions of this policy.
7. Fees charged will not exceed the actual cost of service provision.
8. Fees are not be charged in respect of services such as information, advocacy and friendly visiting.
9. The fee charged for a service is all-inclusive and cover all material used in delivery of the service.
10. Fee collection is administered efficiently and the cost of administration is less than the income received from fees.
11. The revenue from fees is used to enhance and/or expand HACC services.
12. Procedures for the determination of fees, including assessment criteria, are clearly documented (in these policies and procedures) and publicly available (in the Service User Handbook).
13. Procedures for the determination and collection of fees take into account the situation of special needs groups.
14. Assessment of a person's capacity to pay fees is as simple and unobtrusive as possible, with any information obtained treated confidentially.
15. Consumers and their advocates have the right of appeal against a given fee determination.

¹ Department of Health Western Australia 2010 *WA HACC Manual* Section 9 Fees

The Manager is responsible for monitoring fee and fee policy changes from HACC and for revising the information in this section of the Policies and Procedures and advising service users of the revisions.

HACC fee guidelines

Service users in receipt of other HACC support

Where a service user is in receipt of support from other HACC funded services and their total income is less than twice the Age Pension, negotiations with the Manager(s) of the other service(s) occur (with the service user's permission) to ensure that the service user is not required to pay more than 20% of their income for the support provided.

Compensable service user

Service users who are applying for a compensation payment that may cover all or part of their community care costs follow the usual fee assessment process and are charged the appropriate fees for their level of compensation. We liaise with the service user's legal representative regarding the unit cost of services up to the point of a compensation settlement. At the point of settlement, any monies designated for community care costs will be recovered directly by us, less fees already paid. Support delivered after compensation settlement is charged at the amount determined in the compensation package. If not specific amount has been identified, service users are charged as per their assessed income.

Support with a partial or full exemption from the HACC fees policy

Fees are not charged for information, advisory and advocacy services, carer support, assessment and review services, or social support services. Social support services include volunteer home visits and telephone based monitoring services. Carer support services include counselling, training and information for carers and carer support groups.

Standard fees apply to meals (home or day centre), and transport services. Where service users only receive these supports, an income assessment is not required.

14.4.2 HOME CARE PACKAGES FEES POLICY - PRINCIPLES²

Service users have to right:

- To have their fees determined in a way that is transparent, accessible and fair
- To receive invoices that are clear and in a format that is understandable
- To have their fees reviewed periodically and on request when there are changes to my financial circumstances
- Not to be denied care and services because of inability to pay a fee for reasons beyond my control.

Service users have the responsibility:

- To pay any fee as specified in the agreement or negotiate an alternative arrangement with the provider if any changes occur in my financial circumstances
- To provide enough information for the approved provider to determine an appropriate level of fee.

² Australian Government Department of Health and Ageing 2009 *Charter of Rights and Responsibilities for Home Care*

³ Full details on the management of service user fees for Home Care Packages is detailed in Part G (pg 64) of the Department of Health and Ageing August 2013 *Home Care Packages Program Guidelines*

Home care packages fee guidelines³

All service users are consulted about their fees. Service users whose package commenced before July 2014 can be asked to pay a fee not exceeding 17.5% of their total pension (for single and married service users) if they receive the pension. If a service user's income is more than the basic rate of the single pension, they may be required to pay up to 17.5% of their income to the level of the basic pension plus up to 50% of income above the basic pension.

Service users who start receiving a Home Care Package from 1 July 2014 can be asked to pay a Basic Fee and an Income Tested Care Fee. The income tested care fee will not apply to service users already receiving a Home Care Package before 1 July 2014 unless they terminate their Home Care Agreement for more than 28 days.

The Basic Fee is calculated at 17.5 per cent of the of the basic age pension and is payable regardless of a person's means. The fee is updated in March and September each year.

An Income Tested Care Fee is payable by people in receipt of an income greater than the basic pension. The amount of the Income tested Care Fee is calculated by the Department of Social Security and is deducted from a service user's subsidy. Narrogin Regional Homecare then collect the fee from the service user through our normal billing process.

The service user's contribution is agreed on with the Assessment Officer along with the support plan prior to commencement of services.

Service users who are financially disadvantaged are still eligible for services and a nominal fee will be agreed on. No service user will be denied a service if they are unable to pay. We revise the fees in line with adjustments made by the Government to the Aged Care Pension in March and September and advise service users of these changes. Fees are described in the [Home Care Agreement](#).

Fee caps

The Australian Government has developed indexed fee caps so that there is an annual and lifetime limit on how much service users can be charged. These are explained to the service user whenever fees are revised and as required.

The fee caps are:

Annual cap

The maximum in income-tested care fees a service user can be asked to pay each year is:

- \$5,146.20 per year for part pensioners
- \$10,292.41 per year for self-funded retirees.

Lifetime cap

The maximum in income-tested care fees a service user may be asked to pay in their lifetime is \$61,754.55. Any means-tested care fees paid in residential care also count towards the lifetime cap.

Individualised budget

Each service user receives an individualised budget (see 3.3.2 Management of Service User Information) that includes⁴:

- Income and expenditure (administrative, core advisory and case management services, and service and support provision and/or purchasing) and
- Contingency monies (for emergencies or unplanned support) of no more than 10% of the total annual budget of the package.

⁴ Department of Social Services July 2014 *Home Care Packages Program Guidelines* pg 31

Unspent funds⁵

We provide a regular monthly statement of income and expenditure to each Home Care Package service user including the balance of unspent funds. If a service user leaves a package:

- To another level of package with the same provider; unspent funds are moved with the service user and used to deliver support and care under the new package level
- To another home care provider, unspent funds are retained by our organisation for use by other service users or infrastructure (unless negotiated with the new home care provider and the service user)
- And returns within 28 days, unspent funds are returned to the service user's budget for use by them in their new package
- As they are deceased, we use the unspent funds for other service users or infrastructure
- And has provided their own top up money that has not been used, this money is returned to the service user or their estate (if deceased).

Details of what is provided and excluded in the provision of Home Care Packages is included in 11.6 Range of Services Provided by Home Care Packages.

All equipment, purchased by us and provided to support the service user remains the property of our organisation, are recorded on an equipment register by the relevant Team Leader and maintained as per the maintenance schedule (see Section 8: Physical Resources and 11.8 Infection Control). Equipment hired or purchased for the service user as part of the package (and paid for by the package) will remain the property of the service user once the package ceases to be provided. The service user is responsible for the maintenance and repair of equipment.

Financial Hardship

A service user commencing a Home Care Package under the new fee arrangements, after 1 July 2014, is eligible to seek financial hardship assistance with their home care fees.

The service user, their representative or Narrogin Regional Homecare complete an application for financial hardship assistance and submit the form to the Department of Social Services. To obtain a copy of the application form the service user can call the Department on 1800 227 475 or Narrogin Regional Homecare can call the Department on 1800 195 206.

14.4.3 CHSP FEES POLICY⁶

Narrogin Regional Homecare have developed a fees policy in line with the following CHSP Fees Policy principles. These address the issues of access, equity, affordability, user rights and privacy and ensure that fees generated by the CHSP Program are used efficiently and for the benefit of CHSP service users:

1. **Consistency:** All service users who can afford to contribute to the cost of their care should do so. Service user contributions should not exceed the actual cost of service provision.
2. **Transparency:** Service user contribution policies should include information in an accessible format and be publicly available, given to, and explained to, all new and existing service users.
3. **Hardship:** Individual policies should include arrangements for those who are unable to pay the requested contribution.
4. **Reporting:** Grant agreement obligations include a requirement for providers to report the dollar amount collected from service user contributions.
5. **Fairness:** The Client Contribution Framework should take into account the service user's capacity to pay and should not exceed the actual cost to deliver the services. In administering this, providers need to take into account partnered service users, service users in receipt of compensation payments and bundling of services.

⁵ Department of Social Services July 2014 *Home Care Packages Program Guidelines* pg 33

⁶ See <https://www.dss.gov.au/ageing-and-aged-care/programs-services/commonwealth-home-support-programme/chapter-4-client-contribution-framework-the-framework>

6. **Sustainability:** Revenue from service user contributions should be used to support ongoing
7. **Assessment** of a person's capacity to pay fees is as simple and unobtrusive as possible, with any information obtained treated confidentially.
8. **Consumers** and their advocates have the right of appeal against a given fee determination.

In addition to the above principles Narrogin Regional Homecare are committed to gradually increasing fee income to a minimum of 15% of the CHSP grant revenue.

Narrogin Regional Homecare also utilise the National Guide to the CHSP Client Contribution Framework in developing our fees policy⁷.

The Manager is responsible for monitoring fee and fee policy changes, for revising the information in this section of the Policies and Procedures and advising service users of the revisions.

14.4.4 FEE SCHEDULE

Fees charged for support services provided by our organisation are set in accordance with the relevant fees policy (as above) and are revised annually in March/April for the next financial year. Current fee levels are shown in our Fee Schedule which is provided to service users.

14.4.5 Fee Reduction

Our organisation recognises that some service users have a limited capacity to pay for support; however, the payment of a fee for service by service users who have the capacity to pay is endorsed. People who are assessed as being in need of support are eligible to receive support, regardless of their capacity to pay. Service users are informed of fee reductions in the Service User Handbook.

In assessing service users' ability to pay for support the following applies:

- Service users can nominate whether they wish to be considered for a fee reduction. Clear guidelines are available to indicate the circumstances where a fee reduction might be appropriate. In such circumstances, the service users may be asked to complete a Fee Reduction Form
- To assist service users, their general household circumstances are determined (whether they live alone, are part of a couple or family living together, live in a household of unrelated people or are in some other circumstance)
- The Assessment Officer takes into account any exceptional and unavoidable expenses the service user may have, such as high pharmaceutical expenses
- For CHSP and HACC services, the HACC Income Assessment Form is completed by the service user, or their representative. It may be left with the service user for completion and collection at a later date or completed at the time of the initial visit. When completed, the original is retained by us in the service users file. The service user may request a copy
- For Home Care Packages, the Department of Human Services (Centrelink) or Department of Veteran's Affairs calculates the daily care fee and provides this to the service user and Narrogin Regional Homecare and this is used to calculate appropriate fees
- The service user is given clear instructions about whose income is to be assessed (single, or couple).
- Information obtained about a service user's income is treated as private and confidential
- Service users are asked to advise us within 30 days of any significant changes in circumstances which may alter their status in relation to the payment/non-payment of fees
- In cases of hardship or where service users request assistance, the fee can be waived. Service users are advised and reassured that support not be refused or withdrawn if they are unable to pay the fee
- Service users are advised of the result of their application for a fee reduction within 15 working days from the date of lodgment

⁷ See https://www.dss.gov.au/sites/default/files/documents/10_2015/the-guide.pdf

- The Client Services Officer makes the decision.

14.4.6 REFUSAL TO PAY

Service users are sent reminders if they do not pay as arranged or if invoices are not paid in a timely manner. If a service user is identified as being in arrears, without prior arrangement, the relevant Coordinator contacts the service user or their representative to discuss the matter. The service user is advised that they can have an advocate with them for this meeting. A payment plan or other arrangements are made to assist the service user to meet their responsibilities regarding fee payment. Service user financial circumstances are reassessed at this time. Service users are also referred to Centrelink to discuss their financial hardship if appropriate.

If, after consultation the service user refuses to pay, they are provided with a letter outlining the action that will be taken by us, which can include ultimate withdrawal of the service as detailed in the *User Rights Principles 2014*.⁸

14.4.7 APPEALS ON FEES

Service users can advise the Manager that they wish to appeal a fee determination. The Manager explores and documents the reasons for the appeal. Service users are also encouraged to provide written information to support their appeal. The Manager reviews the documentation and may meet with the service user and/or their representative to discuss the appeal.

The Manager discusses the appeal with the Manager. The decision of the Manager is final and is communicated to the service user in writing within 30 days of the date of appeal. If the service user or representative wishes to further appeal the decision, they may refer to the matter to an Independent Appeals Tribunal for decision.

No service user will be disadvantaged or penalised as a result of lodging an appeal and if appropriate, fees will be reduced while the appeal is being considered.

14.4.8 PAYING FEES

Invoices

Invoices are issued at the end of each month by the Administration Team. The Team also follows up on outstanding invoices in consultation with the Team Leaders. Service users unable to pay can request a fee reduction or waiver (see 14.4 Service User Fees).

Fee payments

Service users can pay their contribution for services by cheque, money order or cash
Service users can pay their fees:

1. To our office staff
2. By post
3. Directly to support worker attending a scheduled visit (receipt issued).

The necessary information for fee payments is included in the [Client Handbook](#)

Fees processing

Fees are processed as follows:

1. A receipt is issued to the service user for fees received

⁸ Paragraph 17(2)(e) of the User Rights Principles 2014 and clause 2(5) of the Charter of Care Recipient's Rights and Responsibilities – Home Care

2. Fees paid directly to our office are recorded the Client Management System against the service user by the Administration Team
3. Fees paid to the staff in the office are forwarded to the Administration Team who enter them into Client Management System and bank them regularly
4. Fees paid by cheque or Money Order are received by the Administration Team, receipted, entered into the Client Management System and banked regularly
5. Fees paid by direct debit are managed and entered into the Client Management System by the Administration Team.

End of month check

At the end of each month the Administration Coordinator prepares a report on fees to check that no services have has been charged twice and that all fees are appropriate and correct.