

Policy – CHSP Fees and Contributions

1.0 Program Overview:

ALARA 's Commonwealth Home Support Program (CHSP) services assist eligible frail older people living in the community to maximize their independence and to stay in their own home as long as they can and wish to do so. The program also supports and strengthens care relationships through providing respite care services for frail older people which allows regular carers to take a break from their caring responsibilities.

The Commonwealth Government requires all providers of CHSP aged care services to collect client contributions (fees) for CHSP services. Revenue from client contributions is used to support ongoing service delivery and expand the services ALARA is currently funded to provide.

2.0 Statement:

When setting and implementing fees ALARA applies the Client Contribution Principles provided in *the National Guide to the Client Contribution Framework 2015*. These principles and the manner in which they will be implemented by ALARA are as follows:

Consistency: All clients who can afford to contribute to their cost of care should do so. Client Contributions will not exceed the cost of service provision.

Transparency: This policy will be available in accessible formats and be publicly available, given to, and explained to, all new and existing clients of the CHSP.

Hardship: This policy will outline the arrangements for those who are unable to pay the requested contribution

Reporting: Grant agreement obligations include a requirement for ALARA to report the dollar amount collected from client contributions.

Fairness: ALARA takes into account the client's capacity to pay and will not exceed the actual cost to deliver services. In administering this ALARA will take into account partnered clients, clients in receipt of compensation payments and bundling of services.

Sustainability: Revenue from client contributions will be used to support ongoing service delivery and expand the services ALARA is currently funded to deliver.

3.0 Scope:

This policy relates to contributions payable to the organisation for services and supports provided Under the Commonwealth Home Support Program. It relates to new clients who first access the program from **1 July 2015**.

Clients who were already supported under the Federal Home and Community Care program and transitioned to the Commonwealth Home Support Program are grandfathered on the contribution arrangements outlined in *Policy – User Pays Service Fees*.

4.0 Effective Date: 1 July 2016

5.0 Content:

Setting of Fees

The Commonwealth Government requires all providers of CHSP aged care services to collect client contributions (fees) for CHSP services
When determining fee levels the following is taken into account:

- The cost to ALARA to provide a particular service including overhead costs like insurance and back office support. This is referred to as the unit cost.
- Funding body recommended or prescribed levels. The funding body has stated that “client contributions should gradually increase to a minimum of 15% of the service providers revenue” in relation to this funding program.
- Annual Movements in the Consumer Price Index (CPI)
- Award increases, industrial trends or decisions that impact on ALARA’s costs.
- The level of indexation paid to ALARA by the funding body
- Comparisons with other providers

The procedure for determining fees will be consistent and fair. Individuals with similar levels of disposable income and service usage patterns will be charged equivalent fees for equivalent services.

Three levels of fees for each service type will be determined for individuals:

- Self-Funded Retiree – Full cost of service
- Fee Part Pension
- Fee - Pensioner

(Refer Schedule of Fees)

Fee schedules will be reviewed bi-annually with any fee increases effective from 1 July and 1 December. Any fee increases will be communicated to clients (and their decision makers/advocates) in writing at least one month in advance of the increase taking effect.

This policy will be publically available and given and explained to all clients in a format that is relevant to their needs (and their decision makers/advocates) when commencing with the service, at the service review or on-request. The fee levels applicable to each service type and payment arrangements will be outlined in the Service Agreement.

Compensation Payments and Fee for Service

As required by the funding body, ALARA QLD Limited will charge the full cost of service where clients are receiving or have received compensation payments intended to cover the full cost of care. There will not be a reduction in the amount paid by the funding body to adjust for any compensation payment. Instead it is expected that the CHSP providers use this grant funding to deliver services to other clients. ALARA liaise closely with the client or their representative regarding the cost of services in compensation cases.

ALARA QLD Limited will charge the full cost of service delivery in relation to clients wishing to purchasing services privately or another funding source. Individuals may purchase additional services at the full rate which are outside the scope of the Commonwealth Home Support Program.

(Refer Schedule of Fees)

Pension Status

From 1 July 2015 all new clients wishing to access the CHSP must be screened for eligibility by My Aged Care. At that point you will be asked to provide evidence of their income status.

If a client is referred to ALARA or is an existing client and they wish to claim the full pension or part pension fee they will need to provide evidence of their pension status by presenting one of the following:

- Pensioner Concession card issued by Centrelink or Department of Veteran Affairs
- Commonwealth Senior's Health Card
- Checking the person's income and pension status on line (with the person's permission) through the Centrelink Confirmation eServices (CCES). The Finance Manager and Manager Systems Support are the only authorised staff to check with this service.

A copy of this documentation will be kept on the client file.

Clients or prospective clients are not obliged to provide evidence of their income status. However if the income status is unknown then the self-funded retiree rate will be charged for each service.

Partnered Clients

Client contribution arrangements only apply to CHSP clients. This is particularly relevant where services are provided to partnered clients or CHSP clients who are sharing. Where both individuals are CHSP clients they will not be asked to contribute separately. For example if a one hour cleaning service is provided to the couple then the contribution amount will reflect only one hour (not one hour per client).

Multiple Service Access (Bundling)

In cases where multiple services are provided concurrently, ALARA will consider bundling the contribution amounts to ensure the cost of the combined activities are not prohibitive e.g. social support (group) and transport to and from the centre or activity are a bundled service. In these cases ALARA will make it clear in documenting arrangements where bundling is allowed.

If ALARA is aware that the person is receiving services from ALARA and another community provider concurrently, then ALARA will liaise with the other provider in respect to client contribution amounts to appropriately accommodate clients who are receiving multiple services so that they are not disadvantaged.

Hardship

In accordance with the Charter of Care Recipients Rights and Responsibilities, clients have a responsibility to pay the fee specified in their service agreement or negotiate an alternative arrangement with ALARA if their circumstances arrange.

Clients will not be denied care and services because of an inability to pay.

The Executive Manager (EM) is the point of approval for all applications for fee reduction.

Clients may make an application for fee reduction on the basis of financial hardship through their Coordinator. The application must include reasons and supporting evidence of financial hardship with the request. In order to evidence the request Coordinators may ask for evidence of financial resources and commitments including sources of income and expenses and whether the client has a responsibility to support another person. Coordinators will collect this information on a *CHSP Hardship Request Form*.

Fees will be reduced for a fixed period of time where:

- the removal of the service due to incapacity to pay would impact on the achievement of a wellness outcome
- The client has significant additional essential costs which affect their capacity to the prescribed contribution fee e.g. medication, special food, specialist medical services or equipment

Where a client's fees are reduced by approval of the Executive Manager this decision will include a period of applicability. Fee reductions will be reviewed on a three monthly basis. The reduced fee will be reflected in a revised Service Agreement.

Fee relief is not available for individuals paying the self-funded retirees rate or full fee for service.

Clients and/or their carers/advocates have the right to appeal against a given fee determination via the ALARA Complaints Management and Resolutions Process. Coordinators have responsibility to ensure that the client or their representative is fully informed on their right to appeal.

ALARA is not able to subsidise unfunded services or expenses under any circumstance (e.g. out of pocket expenses) except where another source of revenue is identified (e.g. sponsorship or service level fundraising).

Fees Payable on Cancellation of Rostered Service

Where a CHSP client cancels a service with less than 24 hours notice, (group based or individual direct service), the client/ family will be charged for one hour of service at the applicable hourly rate. Where less than 24 hours notice is given and the support worker is on the way to or arrives at the support the full co-contribution will be charged to the individual.

If the service is cancelled due to an exceptional and unforeseen circumstance (same day or preceding day) e.g. emergency hospitalization of the client or carer a request can be made to the Executive Manager to waive the fee.

Invoicing and Methods of Payment

Clients will be invoiced for services received during that month. Payment is required within 30 days.

Payment can be made in cash directly to ALARA at any Centre or by prior agreement directly to the support worker who will issue a receipt.

Accounts can also be paid by direct debit, centrepay deductions or bank transfer.

Refusal to Pay

A refusal to pay for services where no financial reason exists is inconsistent with the *Charter of Care Recipients Rights and Responsibilities*. ALARA will work with individuals (or their financial delegate) to develop a payment plan. However in the absence of a payment plan the continued nonpayment for two months will result in withdrawal of services. ALARA reserves the right to take appropriate action to recover fees in these circumstances.

Reporting

Grant agreements include a requirement for ALARA to report a dollar amount collected from client contributions. The amount of fees collected is reported to the funding body in the bi-annual Financial Activity Statement and Audited Financial Statement.

6.0 Quality Standards:

Home Care Common Standards:

- Standard 1. - Effective Management
- Standard 2. – Appropriate Access and Service Delivery
- Standard 3. – Service User Rights and Responsibilities


7.0 Reference documents:

- Commonwealth Home Support Program Manual 2015
- Aged Care Act 1997 (Cth)
- National Guide to the CHSP Client Contribution Framework

8.0

Related Policies and Procedures

- Policy – Complaints Management and Resolutions
- Policy – Confidentiality
- Policy – Privacy
- Policy - Provision of Access and Equity for People from Diverse Ethnic, Linguistic and Cultural Backgrounds
- Policy – User Pays Service Fees
- Procedure – Complaints Stage 1
- Procedure – Complaints Stage 2-4
- Procedure – Privacy
- Fact Sheet – Client Rights and Responsibilities
- Charter of Care Recipients Rights and Responsibilities
- Form - CHSP Service Agreement
- Form – CHSP Hardship Request



Executive Manager
ALARA QLD Limited.

Date: 22/6/16.