

POLICY – CHSP CLIENT CONTRIBUTIONS AND FINANCIAL HARDSHIP PROVISIONS

1.0 Program Overview:

ALARA QLD Limited's (ALARA) 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 Commonwealth Government expects 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 CHSP Client Contribution Framework*. 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: ALARA complies with the requirements relating to reporting dollar amounts collected from client contributions as set out in the Aged care Act and Aged care Rules.

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.

Capacity to Contribute: Contribution will reflect the individual's ability to pay without compromising essential living expenses.

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 accessed 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: Created: 1 July 2016
Reviewed: December 2018
Reviewed: March 2020
Reviewed: April 2022
Reviewed and Revised: November 2025

5.0 Content:

Setting of Fees

The Commonwealth Government expects all providers of CHSP aged care services to collect client contributions (fees) for CHSP services

ALARA will determine client contributions in line with the National CHSP Client Contribution Framework, with specific reference to The National Unit Price Ranges and reasonable contribution ranges, applied flexibly where appropriate to ensure fairness and cultural appropriateness.

Individuals will be supported to understand the role and purpose of client contributions, ALARA's approach to setting contributions, making contribution agreements, and the rights of individuals to be safeguarded from financial disadvantage, including all legal requirements and the specific procedures outlined in this policy.

During intake and care planning, individuals will be given information related to the client contributions that may be associated with the services they receive including how contributions are calculated, how to request a review if financial circumstances change, and hardship provisions available under this policy.

Individuals will be supported to understand contribution amounts associated with their care, and this information will be documented in writing in the individual's service agreement, including the contribution amount and what it covers and payment arrangements and review dates.

Calculation Method

When determining fee levels the following is taken into account:

- Specific recommendations of the National CHSP Client Contribution Framework
- 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.
- 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
- The overall financial circumstances of the individual, including income and essential living expenses
- Opportunities for bundled contributions

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.

Operational Guidance for Setting Contributions

To ensure contributions are set fairly and consistently, the following guidance supports workers to assess capacity to contribute, apply reasonable contribution ranges and clearly document decisions;

- Reference National Ranges: Use the national reasonable contribution ranges outlined in Appendix E of the CHSP Client Contribution Framework as a starting point.
- Assess capacity to contribute: Consider income and expenses. If affordability is unclear request to view supporting documentation* such as:
 - Pension or income statements
 - Bank statements showing regular expenses
- Apply Flexibility: If the standard contribution would compromise essential living expenses reduce or waive the amount under Financial Hardship Provisions (refer Section Hardship and Form – CHSP Hardship Request)

- Document Decision: Record the agreed contribution, any adjustments and the rational in the Clients CHSP Service Agreement.
- Contribution agreements will be reviewed annually or sooner if the person's financial circumstances change or service arrangements are modified. Individuals can request a review at any time.

Reviews and Adjustments

Fee (co-contribution) schedules will be reviewed annually with any fee increases effective from 1 July. 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.

Refer to: *Schedule of Fees (Co-contributions for the Commonwealth Home Support Program)*

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 – Aged Care Sold Services*).

Pension Status

Clients do not need an income assessment to access CHSP services.

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.

The maximum charge to any one client per week for any combination of the above support is \$30.00 / week excluding kilometres and out of pocket expenses (e.g. entry fees) where applicable.

Hardship

In accordance with the terms of their Service Agreement with ALARA, clients have a responsibility to pay the fee specified in their service agreement or negotiate an alternative arrangement with ALARA if their circumstances change.

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

The Chief Executive Officer 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/Facilitator. The application must include reasons and supporting evidence of financial hardship with the request. In order to evidence the request Coordinators/Facilitators 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/Facilitators will collect this information on a *CHSP Hardship Request Form*. This information will remain confidential.

Fees will be reduced for a 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 Chief Executive Officer this decision will include a period of applicability. Fee reductions will be reviewed annually (as part of the client's annual review) unless the circumstances are unlikely to change in the foreseeable future. The reduced fee (and time frame) will be reflected in a revised Service Agreement.

Fee relief is not available for individuals paying 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/Facilitators 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 personal expenses (e.g. out of pocket expenses or extra kilometres outside the allowance specified in our fee schedule) 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 an individual service with less than 24 hours' notice, 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 Chief Executive Officer to waive the fee.

Because group and centre based services involve staff rostered to support more than one person two weeks' notice (one roster period) will be required to avoid being charged the co-contribution.

Invoicing and Methods of Payment

Clients will be invoiced for services received during that month. Payment is required within 30 days. Direct debit is the preferred method of payment.

Payment can be made in cash/cheque 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 EFT, debit/credit card or Centrepay deductions.

Refusal to Pay

A refusal to pay for services (where hardship cannot be established) is inconsistent with the terms of the Service Agreement for provision of support under the Commonwealth Home Support Program. 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 may result in withdrawal of services. ALARA reserves the right to take appropriate action to recover fees in these circumstances.

Reporting

The grant agreement for Provision of Services under the Commonwealth Home Support Program includes a requirement for ALARA to report the 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:

Aged Care Quality Standards:

Standard 1. – Consumer Dignity and Choice
Standard 2 – Ongoing Assessment and Planning
Standard 6. – Feedback and Complaints
Standard 8. – Organisational Governance

7.0 Reference documents:

- Commonwealth Home Support Program Manual 2000-2022
- 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 – Concerns (Complaints Stage 1)
- Procedure – Complaints Stage 2-4
- Procedure – Privacy

- Fact Sheet – Charter of Aged Care Rights

- Form - CHSP Service Agreement
- Form – CHSP Hardship Request

- Schedule of Fees – Aged Care Sold Services

- Schedule of Fees (Co-contributions for the Commonwealth Home Support Program)



Chief Executive Officer
ALARA QLD Limited.

14/1/2026

Date: