

CONTENTS

8.5 Consumer Fees	2
8.5.1 Fees Policy	2
CHSP fees policy	2
Home care packages fees policy	3
8.5.2 Fee Management.....	5
Principles	5
CHSP.....	6
HCPs	7

8.5 CONSUMER FEES

8.5.1 FEES POLICY

CHSP fees policy¹

Overview

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

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 consumers 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. CHSP funded agencies charge the full cost of the service where consumers are receiving, or have received, compensation payments intended to cover the cost of home care.
4. Consumers with similar levels of income and service usage patterns should be charged equivalent fees for equivalent services.
5. Consumers 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 do not exceed the actual cost of service provision.
8. The fee charged for a service is all-inclusive and cover all material used in delivery of the service.
9. Fee collection is administered efficiently, and the cost of administration is less than the income received from fees.
10. The revenue from fees is used to enhance and/or expand CHSP services.
11. Procedures for the determination of fees, including assessment criteria, are clearly documented (in these policies and procedures) and publicly available (in the Consumer Handbook).
12. Procedures for the determination and collection of fees take into account the situation of special needs groups.
13. The Chinese Welfare Services Fees Policy is provided to potential consumers on request and to current consumers on request and in the Consumer Handbook. The Schedule of Fees is also available on request and is provided to consumers at their commencement meeting and whenever fees are changed.
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.

The relevant team members are responsible for monitoring fee and fee policy changes from CHSP, advising consumers of the revisions and for revising the information in this section of the Policies and Procedures as per our procedures. (See 8.11.2 Policies and Procedures/Updating policies and procedures)

¹ Based on the Australian Government Department of Health National Guide to the CHSP Consumer Contribution Framework Last updated 30 January 2018

Exclusions from fees

Fees are not charged for information, advisory and advocacy services, carer support, assessment/review services and friendly visiting.

Compensation consumers²

Where consumers are receiving or will receive compensation to cover their costs, they are charged the full cost of the service.

Fees target³

Chinese Welfare Services is aiming over time to raise in fees, an amount equal to 15% of the CHSP operating costs.

Availability of CHSP fees policy

An up to date copy of the CHSP Fees Policy is maintained on our website and included in the Consumer Handbook.

Home care packages fees policy**Principles⁴**

Consumers have a 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 their financial circumstances
- Not to be denied care and services because of their inability to pay a fee for reasons beyond their control.

Consumers 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.

Basic daily care fee

For the Basic Daily Care Fee, Chinese Welfare Services follows the Department of Health Schedule of Fees and Charges for Home Care, that is updated twice per year.⁵

Transparency of pricing⁶

Chinese Welfare Services includes all business related costs in the hourly rate of each service provided. We publish, and maintain up to date, pricing information in the standardised home care Pricing Schedule (the Schedule) on the My Aged Care website.

² Australian Government Department of Health National Guide to the CHSP Consumer Contribution Framework Last updated 30 January 2018

³ This was previously stated in the CHSP Consumer Contribution Framework but has now been removed. It is included here as a 'good practice'.

⁴ Australian Government Department of Health Charter of Aged Care Rights (Effective 1 July 2019)

⁵ Australian Government Department of Health Schedule of Fees and Charges for Residential and Home Care (updated quarterly)

⁶ Australian Government Department of Health [Improving Home Care Pricing](#) Accessed June 2019. Requirements are detailed on this website

A printed version of the Pricing Schedule is also included in the Home Care Agreement and a copy of the Schedule is provided to consumers when changes are implemented and agreed to by the consumers.⁷ If we need to charge a different amount to that included in the Home Care Agreement we discuss and agree this amount with the consumer and detail the different price and the reason in the Agreement.

We also provide a website link for consumers and others to download our Detailed Pricing Schedule that includes information about all the services and costs that we may charge. Printed copies are also provided to consumers as required.

Consumer agreement on fees

Fees are charged with consideration to the consumer's ability to pay. The consumer's contribution is agreed upon prior to commencement of services between the consumer and the relevant team member once support requirements are assessed. Consumers who are financially disadvantaged are still eligible for services and a nominal fee is agreed upon. No consumer is denied a service if they are unable to pay. The agreed fees are included in the Home Care Agreement through the insertion of a copy of the agreed Pricing Schedule.

Review of fees

We review our Pricing Schedule annually and advise consumers of any changes. Consumer charges are revised with consideration to the consumer's ability to pay and only if the consumer consents to pay. Where charges are varied the Home Care Agreement is updated with a copy of the new agreed Pricing Schedule signed by Acorn Home Care and the consumer or their representative.

Basic daily care fee considerations⁸

For consumers whose package commenced before July 2014, consumers receiving a home care package are consulted about the fees which will not exceed those calculated in accordance with the *Aged Care Act 1997* and *User Rights Principles 2014* not exceeding 17.5% of care recipient's total pension (for single and married consumers) if the consumer is in receipt of the basic pension. If a consumer's income is more than the basic rate of the single pension, they may be required to pay up to 17.5% of the person's income to the level of the basic pension plus up to 50% of income above the basic pension.

For consumers whose package commenced after July 2014, fees for full pensioners remain the same and a basic daily fee of up to 17.5% is charged to the consumer. If the consumer has more income than a full pensioner, we ask the consumer to contribute more to the cost of the care we provide through an income tested care fee. The amount that is charged is calculated by the

⁷ Australian Government Department of Health [Improving Home Care Pricing](#) Accessed June 2019. The development of a Detailed Pricing Schedule must be implemented by 1 July 2019. Home Care Providers will also be required to undertake the following for new clients from 1 July 2019, and for existing clients, before 1 July 2020:

Print a copy of the pricing Schedule and include it within each client's Home Care Agreement, noting that existing clients Home Care Agreements can only be changed through mutual consent, following consultation

Charge client's the price in the schedule that is included in their Home Care Agreement. In limited circumstances, if a provider needs to charge a different amount for a particular service, they will need to discuss and agree this amount with their client and detail the different price and the reason within their Home Care Agreement.

Change their existing administration charging practices, as they will no longer be able to charge separately for business-related costs. If providers wish to charge for these costs, they will need to be included within the price for care and services, to ensure people can see the all-inclusive costs for delivering the service. For more information, please refer to the 'Resources' section below.

⁸ Australian Government Department of Health Home Care Packages Program Operational Manual Section 7: Determining a Consumer's Fees and Charges Updated December 2015 pp 20-23. This reference applies to Fee Considerations, Review of Fees and Fee Caps

Department of Human Services (Centrelink) or the Department of Veterans Affairs and advised to both the consumer and Chinese Welfare Services.

Means not disclosed⁹

New consumers are able to complete the income test form to help determine their aged care fees and accommodation costs before or at the time they commence a HCP.

If the consumer does not complete their income test form within 35 days of commencing services, which includes two reminders from the Department of Human Services, the consumer will be classified as "Means not disclosed" and asked to pay the maximum income tested care fee.

Fee caps

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

Individualised budget¹⁰

Each consumer receives an individualised budget that includes:

- All income (Government subsidy, supplements, consumer contributions)
- All expenses (charges for agreed services, purchased services and income-tested care fee, when applicable)

Note: For details of services that can be provided and services that are excluded, in the provision of Home Care Packages, see 1.2.2 Home Care Packages.

8.5.2 FEE MANAGEMENT

Principles

Fee reduction

We recognise that some consumers have a limited capacity to pay for support; however, the payment of a fee for service by consumers who have the capacity to pay is endorsed. People who are assessed as needing support are eligible to receive support, regardless of their capacity to pay. Consumers are informed of the fee reduction process in the Consumer Handbook.

Information obtained about a consumer's income is treated as private and confidential.

Refusal to pay

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

⁹ Australian Government Department of Health Email Advice [Means not Disclosed in Aged Care](#) 3 October 2018

¹⁰ Australian Government Department of Health Home Care Packages Program Operational Manual Section 8.3 Individualised Budget Updated December 2015 p30

If, after consultation the consumer is considered able to pay their fees and refuses to pay, they are provided with a letter outlining the action to be taken by us. This can include cessation of services.

Appeals on fees

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

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

No consumer is disadvantaged or penalised as a result of lodging an appeal and if appropriate, fees are reduced while the appeal is being considered. Consumers can also request assistance to lodge an appeal.

Paying fees

Invoices

Invoices are issued at the end of each month by the Finance Team. The Team also follows up on outstanding invoices in consultation with the Team Leaders.

Fee Payments

Consumers can pay their contribution for services by cheque, cash, EFT or direct debit. If consumers choose to pay by direct debit, they are provided with a Direct Debit Form to complete.

The necessary information for fee payments is included in the Consumer Handbook.

CHSP

Fee schedule

Fees charged for support services are set in accordance with the CHSP fees policy above and are revised annually in March/April for the next financial year. Current fee levels are shown in our Fee Schedule (which is based on the Department of Health information).

CHSP fee reductions

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

- Consumers can nominate whether they wish to be considered for a fee reduction. Clear guidelines are included with the Fee Reduction Form to indicate the circumstances where a fee reduction might be appropriate
- To assist consumers, 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) and the consumer is given clear instructions about whose income is to be assessed (single, or couple)
- The relevant team member considers any exceptional and unavoidable expenses the consumer may have, such as high pharmaceutical expenses
- Income is assessed at service commencement to determine the consumer's ability to pay based on their individual circumstances
- Consumers 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 consumers request assistance, the fee can be waived. Consumers are advised and reassured that support will not be refused or withdrawn if they are unable to pay the fee
- Consumers are advised of the result of their application for a fee reduction within 15 working days from the date of lodgment and the relevant team member makes the decision.

HCPs

HCP fee reductions¹¹

If a consumer thinks they will face financial hardship when paying the required fees, they can ask to be considered for financial hardship assistance in regard to their basic daily fee and/or the income-tested care fee. This requires an application to the Department of Human Services/Centrelink. Each case is considered on an individual basis.

¹¹ Australian Government Department of Health Home Care Packages Program Operational Manual Section 7: What if the consumer cannot afford the fees? Updated December 2015 p 24. Note that financial hardship is not available to consumers who commenced a Package before 1 July 2014