



Tasmanian Council of Social Service

Commonwealth Home Support Program – National Fees Policy TasCOSS submission

15 April 2015

TasCOSS is the peak body for the Tasmanian community services sector. Its membership comprises individuals and organisations active in the provision of community services to low-income, vulnerable and disadvantaged Tasmanians. TasCOSS represents the interests of its members and their clients to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage and promote the adoption of effective solutions to address these issues.

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Introduction

TasCOSS welcomes the opportunity to provide comment on the proposed National Fees Policy for services provided under the Commonwealth Home Support Program (CHSP). A number of TasCOSS member organisations have brought this proposed policy to our attention and have expressed serious concerns about the impact that the policy, if implemented would have on their low-income clients.

Having studied the proposal detailed in the consultation paper, compared it with the current fee structure for Tasmanians, and discussed the proposal with a number of relevant service providers, TasCOSS is also seriously concerned.

Our concerns

Our first and greatest concern is that the proposed fee policy explicitly precludes any capping of fees for multiple services. This will result in some service users paying significantly more for services than they currently pay. In Tasmania, many clients in receipt of a full Age Pension have fees for HACC services capped at \$10 per week. Under this proposed policy, a service user who is receiving basic assistance of (say) four hours per week (at the new fee of \$10 per service) will pay 300% more than the previous fee capped at \$10. This will be very difficult for a person living on a low and fixed income.

Our second concern is that this proposed policy will impose significantly increased fees, albeit at three different income-related fee levels. Minimum fees for full Pensioners are, in some cases, double those currently paid by many HACC service users in Tasmania.

A third concern is the effect that limited access to Home Care Packages has on those in need of higher support. Our members inform us that access to Home Care Packages is very limited and therefore people with higher needs who wish to stay in their homes have no choice but to remain in the CHSP and receive the multiple services they require from that program instead. This is inappropriate and expensive as we understand that the CHSP not only is not designed to provide that higher level of care, but also, under this proposed fees policy, will charge individual fees for each service received with no cap. Again, this will be difficult for many, and may cause serious financial hardship.

We welcome the provision for existing, higher-need clients to be 'grandfathered', we presume on their current fee arrangements, while they await the availability of a Home Care Package. However, this does not apply to those whose needs increase after the proposed fee policy is introduced.

We are also concerned with the arrangements intended for people experiencing financial hardship under the proposed fee policy. While the policy allows for fee reduction for those experiencing hardship, the arrangements detailed in the

consultation paper are stringent and require applicants for assistance to attest that they are unable to afford their fees due to:

- 'Circumstances beyond their control', or
- The fact that 'they have used their available financial resources to pay essential expenses, affecting their capacity to pay the relevant fee'.

This requirement, by not recognising the very low level of income support provided by the Age Pension, obliges a client experiencing hardship to claim: 'it's not my fault' or, alternatively: 'I've spent all my money'. In our view, this requirement is not only demeaning to individuals, but also insensitive and unrealistic.

Almost a third of Tasmania's population relies on Commonwealth pensions or allowances as their major source of income – and certainly this would include a large number of CHSP clients. With the Age Pension set at a low level, very little weekly income is left once costs for essentials such as housing, electricity, food, clothing, transport and health care are expended. This leaves Pensioners particularly vulnerable to financial hardship.

The proposed financial hardship arrangements do not appear to recognise this vulnerability, particularly where the proposal states, 'The financial hardship arrangements are not intended to apply automatically or permanently' (p9). In our view, given the small amount of income provided by the Pension, this is unrealistic at best.

TasCOSS believes that the best solution is to permit service providers to continue to cap fees at an affordable level for low-income clients under a national fee policy. We strongly recommend this action.

A final concern is the very short implementation period for the proposed fee policy – four months from 1 July to 31 October 2015. We believe that this is likely to cause exceptional hardship for those – at all income levels – who currently require multiple services in order to stay in their homes.

We hope these concerns are taken into consideration when formulating a final National Fees policy for the CHSP. We urge the Department of Social Services to bear in mind that support provided by the CHSP is essential, not only to enable people continue to live safely in their own homes, but also to assist people to maintain optimum wellbeing, including financial wellbeing.