

Services, Choice, Inclusions, Exclusion

The rules that limit how aged care package funds are spent are ageist. No other welfare payment is so restricted, not even the notorious Cashless Debit Card.

One consequence is that unspent funds per care recipient now averages \$14,674 each. In excess of \$4.3 billion of aged care funds have not been utilised (Stewart-Brown report 2025).

That means many older people are getting much less care than they were assessed for.

The Department of Health and Aged Care appears obsessed that these funds might be misused. In fact, misuse of package funds is very low. A Department sample audit (<https://www.health.gov.au/sites/default/files/2024-12/home-care-packages-program-assurance-review-no-4-excluded-items-public-summary-report.pdf>) found incorrect items cost only 1.2 per cent of care recipients' package funds and many of the instances found were due to errors of interpretation rather than deliberate fraud.

Most exclusions are common sense, but there are exceptions. For example, smoke alarms and cleaning solar panels. Oddly battery powered smoke alarms can be maintained by package funds but the more modern hard-wired alarms cannot. Window cleaning is included but not cleaning solar panels. Both benefit not only the client but the community as a whole.

For inclusions the devil is in the detail. Providers vary in the way they interpret them and provider's and consumer's manuals are often not in agreement, while other exclusions are listed in neither manual.

Most hassles appear to be around home maintenance. What is minor electrical and plumbing repairs? Some providers think they are limited to changing a light bulb or unblocking a toilet.

Many of us, especially country people, did our own home maintenance when we were younger and less likely to fall off ladders. Package funds can be used to replace do-it-yourself maintenance, but many providers resist this interpretation.

Another source of problems is social activities. The operating manual piously states: Provide encouragement to take part in social and community activities that promote and protect the care recipient's lifestyle, interests and wellbeing.

According to one Care Manager I spoke to, the only activity supported by providers is transport to medical appointments and shopping. I don't consider either to be a social activity.

One disappointment for me is that I naïvely thought care managers/partners promoted the interests of their clients. It appears that many work in opposition to them.

One care manager told me her provider lives in fear of audits. In consequence that refuse any expenditure that they have the slightest concern about.

There is also a lack of transparency about decision making by providers. It is difficult to get them to explain their reasoning. Often they refer to a Community of Practise collaboration of providers with the Department. I was refused access to their website but I gather that if a provider is in doubt about a care expense they find the lowest response made by other providers and adopt that position.

This collusion between competing providers harms consumers and is generally illegal in trade.

I am not proposing open slaver, but more flexibility to better fit our needs. We oldies know what we need better than a Canberra bureaucrat or an office-bound care manager.

I have two suggestions:

1. A proportion of package funds should be available to be spent at the discretion of the recipient on any item not specifically excluded.
2. Providers should receive a percentage of package money actually spent on care rather than a percentage of the client's total package.

This would give us improved choice and control about our home support while still limiting misuse of government funds.

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