

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Senate Standing Committee on Community Affairs Legislation Committee

Inquiry into the Aged Care Bill 2024 (Provisions)

03 October 2024

PDR Number: IQ24-000122

No Worse Off Principle Applying to Transition into Support at Home

Written

Senator: Marielle Smith

Question:

How will the 'No Worse Off Principle' apply for people transitioning into Support at Home

Answer:

A no worse off principle will apply to the contributions arrangements for people who, on 12 September 2024, were either receiving a Home Care Package (HCP), on the National Priority System (NPS), or assessed as eligible for a HCP. These participants will be no worse off because of the reforms: they make the same contributions, or lower, than they would have had under HCP program arrangements.

The 86% of existing HCP recipients that do not pay an income-tested care fee, or those on the NPS or assessed as eligible for a package who based on their means assessment would not pay an income-tested care fee, will continue to make no contributions for the remainder of their time in Support at Home. This includes full rate age pensioners.

Existing HCP care recipients that are required to pay income-tested care fees or who, based on their means assessment, should be paying an income-tested care fee, or those on the NPS or assessed as eligible for a package who based on their means assessment would pay an income-tested care fee, will transition into Support at Home with special discounted contribution arrangements (see Table below).

When these participants move to residential care, they will stay on the existing contribution arrangements for residential care unless they opt to move to the new program contribution arrangements.

Changes to accommodation payments in residential care, namely Refundable Accommodation Deposits and Refundable Accommodation Contributions retention and indexation of Daily Accommodation Payments for non-supported residents, would still apply to these participants, since accommodation payments are an agreement negotiated between the resident and their provider.

Table 1. Support at Home transition contribution rates:

	Clinical supports	Independence	Everyday living
Full pensioner	0%	0%	0%
Part pensioner	0%	0%-25% based on an assessment of their income and assets.	0%-25% based on an assessment of their income and assets.
Commonwealth Seniors Health Card holders	0%		
Self-funded retiree (not eligible for a Commonwealth Seniors Health Card)	0%	25%	25%