

Bills unlikely to raise human rights incompatibility

Aged Care (Bond Security) Amendment Bill 2013

Aged Care (Bond Security) Levy Amendment Bill 2013

Introduced into the House of Representatives on 13 March 2013

Portfolio: Health and Ageing

1.1 The Aged Care (Bond Security) Amendment Bill 2013 seeks to amend the *Aged Care (Bond Security) Act 2006* and the Aged Care (Bond Security) Levy Amendment Bill 2013 seeks to amend the *Aged Care (Bond Security) Levy Act 2006*. These bills form part of the legislative package that gives effect to the *Living Longer Living Better* reforms announced by the government in April 2012.¹ Under this package of legislation, it is intended that people who enter residential care or certain flexible care will, on a means tested basis, contribute to the cost of their accommodation – either through periodic payment, lump sum or a combination of both. For those that pay a lump sum, when they leave the aged care service the lump sum is to be refunded to the care recipient (less any allowable deductions).

1.2 Both these bills seek to ensure that the same protections exist for care recipients who pay the new lump sums as those that currently exist for people who pay accommodation bonds under the existing legislation:

- The Aged Care (Bond Security) Amendment Bill 2013 seeks to extend the operation of the existing Accommodation Bond Guarantee Scheme to these new lump sums. This Scheme provides a mechanism for the Commonwealth to repay existing outstanding bond balances to a care recipient if an approved provider becomes insolvent and is unable to refund bond balances owing to care recipients.
- The Aged Care (Bond Security) Levy Amendment Bill 2013 seeks to ensure that if the Guarantee Scheme is triggered and the Commonwealth has to repay accommodation bonds or payments, the Commonwealth will be able to recover its costs by imposing a levy on approved providers (as it can currently do in relation to repayment of existing accommodation bonds)

1 See also Aged Care (Living Longer Living Better) Bill 2013; Australian Aged Care Quality Agency Bill 2013; and Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013.

Compatibility with human rights

1.3 Both these bills are accompanied by self-contained statements of compatibility that state that the 'proposed amendments do not limit any human rights, nor propose any offences or penalties' and the bills are therefore 'compatible with human rights because it does not engage any of the applicable rights or freedoms'.

1.4 The committee considers that these bills do not give rise to issues of incompatibility with human rights.