

Senate Community Affairs Legislation Committee

ADDITIONAL ESTIMATES - 27 FEBRUARY 2014 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Aged Home Care Providers – Payment Delays

Question reference number: HS 177

Senator: Polley

Type of question: Written

Date set by the committee for the return of answer: 24 April 2014

Number of pages: 2

Question:

- a) Please provide data on which providers had payments delayed?
- b) How much funding was outstanding?
- c) The length of time the payments were delayed?
- d) Which providers have not received payments?
- e) When all affected providers have received their delayed payments?

Answer:

- a) As at 27 May 2014, there were no eligible home care providers that had not received payments from the department between July 2013 and May 2014.

The department makes monthly payments at the beginning of each month to aged care Home Care providers. The monthly advance is based on the claim submitted in a previous month. The advance is then reconciled when the provider submits their monthly claim adjustment for a particular month.

A new payment system for Home Care providers was released in October 2013. Payments have been made; however, there have been some system issues during transition to the new system which have resulted in delays to the processing of claim adjustments.

To minimise the impact on providers, the department has continued to issue monthly advance payments and make manual priority payments where appropriate.

As specified in section 47-4 (2) of the *Aged Care Act 1997*, the payment of advance payments to Home Care providers is contingent on the receipt by the department of a claim adjustment for the month preceding the previous month. For example, a May advance is only payable if a March claim adjustment has been received by the department. While the department has worked with providers to help them submit claim adjustments, where providers have not submitted relevant claim adjustments the department is unable to make advance payments.

The department has been working closely with providers and provider peak organisations to ensure that they are kept informed and that they are provided necessary assistance. Where providers have been impacted by the system issues and delays, the department has been assisting services by continuing to process advance payments where appropriate, assisting providers to lodge manual claims and providing additional information about progress of claims and advance payments.

- b) As at 27 May 2014, there were no eligible home care providers that had not received payments from the department between July 2013 and May 2014.

Processing of claim adjustments is ongoing and providers may receive additional funding as part of the adjustment process.

- c) Where appropriate, monthly advances have been paid to providers during the period between July 2013 and May 2014. While claim adjustments have been ongoing there have not been general delays to the payment of monthly advance payments.

- d) All eligible home care providers have received payments between July 2013 and May 2014.

- e) All eligible home care providers have received payments between July 2013 and May 2014.

The department anticipates that the processing of claim adjustments will be completed shortly. The department has continued to work closely with the sector throughout this period.