



Government of **Western Australia**  
Department of **Health**

# HOME AND COMMUNITY CARE PROGRAM

## WA HACC FEES POLICY

**July 2013**



*home and community care*

A JOINT COMMONWEALTH AND STATE/TERRITORY PROGRAM  
PROVIDING FUNDING AND ASSISTANCE FOR AUSTRALIANS IN NEED

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**More information**

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## 1. WA HACC FEES POLICY

The *WA HACC Fees Policy* was developed in line with the National HACC Fees Policy principles included in the HACC Program National Guidelines to promote equity between clients in receipt of similar community care services, and structuring client contributions to the cost of support they receive and their ability to pay.

The National policy principles provide a consistent framework for the collection of fees in the HACC Program and have guided the development of *the WA HACC Fees Policy* that requires HACC funded service providers to have a:

- Written Fees policy
- Consistently applied Schedule of Fees
- Fees cap for clients with multiple service needs
- Standard way to identify income
- Standard way to reduce fees
- Appeals mechanism

All income collected through fees is to be used to expand and/or enhance HACC service provision (Principle 11 of the National HACC Fees Policy). States and Territories monitor this through their acquittal process to the Commonwealth Government.

In most cases fees are only a small contribution to the actual cost of providing support.

Under the *WA HACC Fees Policy*:

- All HACC clients are identified as to their capacity to contribute to the cost of the support that they receive.
- Clients who are able to pay fees do so in accordance with the WA HACC Standard Fees Schedule.
- If clients are experiencing financial difficulties they may have their fees reduced either short term or long term.
- A client's financial inability to pay fees cannot be used as a basis for refusing support to people who are assessed as requiring HACC support.
- Clients receiving a number of support services from one or more service providers are protected from paying excessive fees by applying a 'Fees Cap'. This cap relates to the maximum amount (cap) a client will pay per week.

The following will expand on each of these policy principles and provide guidance on the application of these principles, the processes involved, and outlines the steps to be taken in determining and reviewing fees.

All HACC funded service providers are required to adhere to this policy.

## 1.1 HACC Service Provider – Written Fees Policy

HACC funded service providers should have a written fees policy regarding the fees to be charged for any support services and the payment procedures. Service providers need to make available and explain the written fees policy to all new and existing clients.

HACC clients should be informed of the WA HACC Standard Fees Schedule at the time of assessment, in discussions about their support plan, and prior to commencement of the support. At client reassessments, any changes in their support and circumstances (particularly in relation to their financial situation), fees need to be reviewed.

Service providers should have policies and procedures that include the following elements:

- Procedures for a client to appeal a fees decision
- How fees will be collected
- How the contribution by clients who receive a compensation settlement is managed
- Protocols if a client refuses to pay

## 1.2 Income Level Information

Clients are requested to identify their income range, whether they receive a pension, or are a non pensioner. On this basis HACC clients are categorised into two levels of income (see WA HACC Standard Fees Schedule).

The income ranges used are consistent with the ranges used to determine eligibility for Centrelink's maximum income to retain a Health Care Card and the maximum income rate for a part Aged Pension.

### Income Description

Level 1	<ul style="list-style-type: none"> <li>• People receiving full pension or equivalent pension eligibility income.</li> <li>• People with a health care card.</li> <li>• A single person or a couple who face additional costs (due to disability and/or other factors) which reduces their income to this level.</li> <li>• People receiving a part-pension or equivalent pension eligibility income.</li> <li>• A single person or a couple who face additional costs (due to disability and/or other factors) which reduces their income to this level.</li> </ul>
Level 2	<ul style="list-style-type: none"> <li>• Non-pensioner</li> </ul>

### **1.2.1 Whose Income is Assessed/Identified?**

- Where a client is living alone, that client's income is used (single).
- Where a couple are both HACC clients, their combined income is used (couple).
- Where one member of a couple is a HACC client, the couple's income would generally be used (couple). Service providers should, however, apply this guideline flexibly depending on individual circumstances.

### **1.2.2 Different Family Groupings Should be Assessed/Identified as Follows:**

- The client's income will be used for the purpose of setting fees where a client is living with a family member or carer.
- Where there is a child or children with a disability under the age of 16, the family's income is used.
- Where there is a family with an adolescent or adult with a disability aged 16 years or over, then that individual's income is used.
- Where there is a household of three or more unrelated people living together, the income of the client receiving HACC support is used, and services provided to only support that client.

### **1.2.3 Types of Income**

#### **Department of Veterans' Affairs**

The Department of Veterans' Affairs (DVA) Income Support Pension or Service Pension is an income and asset tested pension similar to the Age Pension and Disability Support Pension paid by Centrelink. The income and asset limits are the same as those supplied by Centrelink and result in eligible clients receiving a Pensioner Concession Card (PCC).

The compensation pension, or DVA Disability Pension, is not income or asset based, and does not result in the issue of a Pension Concession Card. This pension is not counted as taxable income and is therefore not treated as income in the HACC assessment process. While the DVA issues a range of cards, it is only the DVA Pensioner Concession Card that is relevant to the HACC assessment process.

#### **Supplementary Income Payments and Primary Income**

Australian Taxation Office rules on supplementary income payments, such as Child Disability Allowance and Family Payments, should be applied. These two supplementary payments are not taxable income and therefore should not be included in income assessment calculations. There is a range of other payments that are deemed not taxable; these should be dealt with in the same way.

However, where the primary source of income is the Aged Pension, the Disability Support Pension and the Veterans' Affairs Pension, it should be included in the income assessment process.

## Compensable Payments

The HACC Program seeks recovery of costs for HACC support provided to clients who receive a compensation payment intended to cover the cost of community care. Service providers should liaise with a compensable client's legal representative about the actual unit cost of providing support services up to the point of a compensation settlement.

Up to the point of settlement, the client would be identified on their capacity according to income level and charged the appropriate fee. At the point of settlement, any monies designated for community care costs will be recovered directly by the service providers, less fees already paid. HACC support provided after the point of settlement should be charged according to the identified amount set aside for community care in the compensation package. If no amount has been identified the client should be charged according to their identified income level.

If a compensable client has expended their payment by way of compensation or damages, they will cease to be a compensable client and must be treated as any other HACC eligible client with support provided according to assessed need with fees charged according to income level. If the assessed fees cause hardship to the client they would need to complete a Confidential Client Fee Reduction Form.

### 1.3 WA HACC Standard Fees Schedule

The WA HACC Standard Fees Schedule was introduced in 2011 after consultation by the Aged and Continuing Care Directorate, Department of Health with HACC service providers (through the WA Assessment Framework Reference Groups), consumer groups, peak bodies and WA Country Health Services who supported the introduction of a standard fees schedule across all service providers.

This approach makes a client's journey easier in the HACC Program and streamlines processes for both the client and the service provider.

All HACC funded service providers are required to use the WA HACC Standard Fees Schedule. The Fees Schedule establishes the fees per units of service for clients at different income levels. This Standard Fees Schedule should be provided to clients.

Clients in the high Income range can be charged up to, but not exceeding, the actual unit cost of the unit of service provided.

The fee per unit of service can be reduced by HACC service providers in line with the *HACC Guidelines for Client Fee Reduction*.

Where a couple, or family, receive an hour of support they should not be separately charged (that is, charged for two hours of support), when the couple received only one hour between them.

The maximum fee that can be charged must be less than or equal to the actual unit cost of the support service. Any materials not covered by the fee, e.g. continence aids, cleaning materials, should be clearly identified.

### **1.3.1 Administering the Standard Fees Schedule**

Service providers should administer the WA HACC Standard Fees Schedule in a manner that best suits their service delivery.

Some service providers may choose to invoice clients on a weekly/fortnightly/four weekly basis according to the exact level of support utilised for that time period.

Service providers may decide that it is easier to determine the average level of support usage over a week/fortnight/four week basis. For example an average weekly charge may be more applicable for clients who receive a regular Home Maintenance service.

If service providers do choose to charge clients on an average basis then they should be able to illustrate to the client how the average was calculated.

### **1.3.2 Method of Fee Collection**

Service providers should take into account the special needs of key groups (such as homeless people, those with cognitive impairments and those requiring multiple support services) in devising collection mechanisms and should identify protocols accordingly.

## **1.4 Fees Cap**

Clients receiving a number of support services from one or more HACC service providers are protected from paying excessive fees by applying a 'Fees Cap'. This cap relates to the maximum amount (cap) clients will pay each week.

### **1.4.1 Increases in the Fees Cap**

The Fees Cap is increased for clients in receipt of the maximum age pension rates effective from 1 July annually to align with maximum contributions paid by recipients of other Australian Government community care packages. This will change the current maximum client contribution. Refer to the WA HACC Standard Fees Schedule.

It is a requirement that service providers charge only up to the maximum weekly Fees Cap specified for the income level. This applies regardless of how many support services are received, or how many service providers are involved.

The Fees Cap for the two income ranges applies equally to individuals or couples. This approach has been taken in the interests of simplicity, and to accommodate clients' changing needs. All HACC support services except those specifically excluded (see list below at 1.4.3), are included in the Fees Cap.

### **1.4.2 Service Providers Administering the Fees Cap**

It is acknowledged that the administration of the Fees Cap across service providers will rely on co-operation between service providers. It is expected that all assessors/service providers when making contact with a client for the first time will clarify any involvement of other service providers. If another service provider is identified, subsequent service providers should explain the Fees Cap to the client and

seek permission to contact the other service provider(s) to facilitate administering the Fees Cap.

### 1.4.3 Support Services in the Fees Cap

The table below summarises the types of HACC support that are **included** or **excluded** in the WA HACC Fees Cap. It also shows HACC support that **does not have a fee**.

	Support <u>Included</u> in Fees Cap	Support <u>Excluded</u> in Fees Cap	Support that does not have fees charged
Domestic assistance	✓		
Personal care	✓		
Respite care	✓		
Social support	<ul style="list-style-type: none"> <li>• Shopping only accompanied</li> <li>• Activities to support the client to integrate into the community, including a group activity</li> </ul>		<ul style="list-style-type: none"> <li>• Volunteer home visits</li> <li>• Telecross telephone support services</li> </ul>
Other food services (meal preparation in the home)	✓		
Allied health	✓	Podiatry *	
Nursing	✓		
Delivered meals at home or centre		✓**	
Home maintenance	✓		
Home modification		✓***	
Centre based day care (excludes transport & meal)	✓		
Transport		✓***	
Counselling/support information & advocacy			<ul style="list-style-type: none"> <li>• Advisory</li> <li>• Advocacy</li> <li>• Counselling support</li> <li>• Carer Support</li> </ul>
Other HACC Services			<ul style="list-style-type: none"> <li>• Client Care Coordination</li> <li>• Provision of information</li> <li>• Assessment &amp; Review</li> </ul>

Note: \* This applies to existing separately HACC funded podiatry services only  
 \*\* The cost of the actual meal should be paid for by the client.  
 \*\*\* A fee linked to the cost of the job or kilometres travelled will apply.

### **Social support services**

- **A fee is not incurred** when social support includes volunteer visiting and telephone based monitoring services.
- **A fee is incurred** when the main objective of taking the client shopping is to purchase food and foster independence. Therefore shopping regardless of whether the client is accompanied by the carer or not incurs a fee.
- **A fee is incurred** when activity is aimed at integration into the community, including group activities not associated with centre based day care.

### **Centre based day care**

- **A fee is incurred for** centre based day care and may comprise three components of service:
  - Centre based day care activity
  - Meal
  - Transport to and from the centre
- A fee for centre based day care activity is included in the Fees Cap.
- Fees for meals at the centre (delivered or centre based) and transport to and from the centre are not included in the Fees Cap.

### **Counselling/support information and advocacy**

- **A fee is not incurred** when the primary focus of a service is information, advisory and advocacy support.

### **Service types outside the Fees Cap**

- Meals represent costs of everyday living. Service providers providing meals (delivered or centre-based) are required to charge the client the full cost of the meal.
- Transport trips are according to ranges of kilometres travelled and fees are charged for each trip (to and from a destination = 2 trips).
- Podiatry services that have been historically funded separately by the HACC Program are a subsidised cost to clients, and service providers providing this service are required to charge a fee outside of the standard fee for Allied health.
- Home modification is the only service where a negotiated fee linked to the cost of job will apply.

## **1.5 Fee Reduction Information**

Fees may be reduced where clients are experiencing financial difficulties in paying fees. The aim of the fees reduction process is to ensure that clients are not disadvantaged because of additional costs associated with their ongoing care or with any sudden changes in their circumstances. Service providers, in consultation with clients, need to establish whether a long or short-term fee reduction may be necessary.

The service provider will need to consider the following factors when making a decision regarding reducing fees:

- Do clients incur any significant additional costs which affect their capacity to pay the identified fees for the support services they receive?
- What fees are clients able to pay?

Financial inability of clients, who are assessed as requiring HACC support, to pay fees cannot be used as a basis for refusing support.

### **1.5.1 Fee Reduction Process**

The *WA HACC Fees Policy* was developed with the aim of achieving consistency and fairness for clients paying a fee by ensuring that all clients' capacities to pay are identified in the same way.

Clients are requested to identify their capacity to pay fees according to the income levels.

Once the support plan is developed and prior to service delivery, fees for support are identified.

If clients cannot afford to contribute to the cost of their support they will be required to complete a Confidential Client Fee Reduction Form.

The service provider provides a Confidential Client Fee Reduction Form to the client to complete and negotiates how much of the fees are reduced, and the period for which this would apply. Each service provider should develop their own guidelines and make them known to clients. Figure 1 on page 10 illustrates the process and shows the steps to be taken when reducing fees.

There are a number of factors that could impact on clients' financial ability to pay. Many people with disabilities incur additional costs, both one off and ongoing, associated with their disability or medical condition. Both will impact on their ability to pay for HACC support. When assessing clients' abilities to pay for HACC support, it is important to take this into account. As a guideline, if these additional costs represent ten per cent or more of clients' income, then a decision to reduce fees may be taken.

The Confidential Client Fee Reduction Form provides information on how to assess the additional costs/other factors when reducing assessed fees. These may include the following:

#### **Additional Costs Due to Disability**

- Medications
- Alternative therapies
- Aids and equipment
- Specialist care
- Special clothing
- Special foods
- Temporary care or respite (non HACC)
- Medical supplies

### **Location Related Costs**

- Increased property costs where this is related to the additional cost of disability (for example, if the client had to modify their house or move to get access to services, or replace carpets and bedding).
- High accommodation costs for people on low income in private rental, boarding houses or supported residential services. This may also be a factor for low-income households paying rent.
- Specialist care or related costs, such as accommodation when travelling to another location to see medical specialist.

### **Other Factors**

- Health or medical insurance, where higher costs are paid due to disability
- The cost of other services, when there is no flexibility in the fee charged

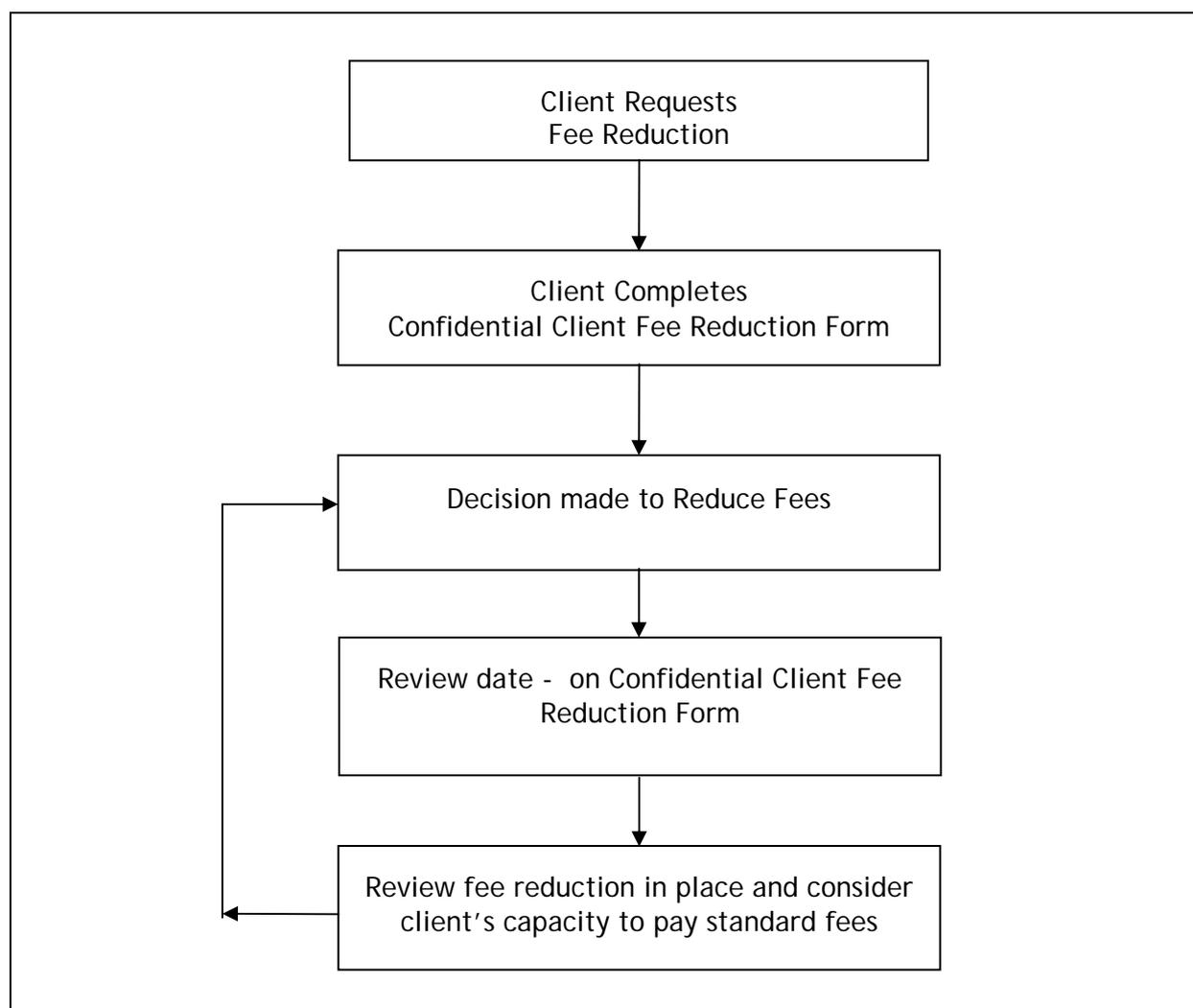
### **Outcomes for Fee Reductions**

Offer a fee reduction to the next lowest fees rate:

- A Level 2 fee rate client may be charged the Level 1 fee rate.
- A Level 1 fee rate client may contribute any amount they are able to make.

#### **1.5.2 Appraising the Fees Reduction**

- Fee reduction arrangements for clients are not intended to apply automatically or permanently. Each case of fees reduction should be reviewed. The reduction should be reviewed at a specified period of time (eg monthly, quarterly, annually) and the review date nominated on the Confidential Client Fee Reduction Form. Service providers should establish consistent mechanisms for reviewing the nominated fee reduction arrangements.
- Monitoring clients' abilities to pay fees is part of the formal and informal review. Renegotiation of fees should occur where clients' financial circumstances have changed.
- Clients or service providers can initiate a review of fees. When clients initiate a fees review, these requests should be responded to promptly.
- If fees are to be reduced, support must not be any different than support provided for full fees paying clients.
- Clients should be made aware of their right to appeal against any determination by a service provider regarding fees reduction and the appeals process that applies.

**Figure 1: Process for Fee Reduction**

## 1.6 Appeals

Clients are entitled to appeal the level of fees they are paying if they believe they are experiencing financial difficulties. Clients may appeal themselves, or request an advocate to represent them.

The service provider must have a policy that describes the appeals process that applies to fee arrangements. The policy should be:

- freely available
- clearly explained to clients of the service at the time of initial assessment/visit and also during follow-up reviews/re-assessments/visits
- well publicised
- be in writing and in appropriate languages
- include information about clients' rights to complain
- provide information explaining the services offered by Advocare and the assistance they can provide to clients when they wish to make a complaint.

At the beginning of the complaint management process, the service provider should explain that Advocare is able to support the client to advocate to resolve the complaint with the service provider, and that the service provider can refer and assist the client to access these services.

Refer to the WA HACC Programs complaints process for more information:  
<http://www.health.wa.gov.au/HACC/complaints/index.cfm> and brochure:  
[http://www.health.wa.gov.au/HACC/docs/Complaints\\_Brochure.pdf](http://www.health.wa.gov.au/HACC/docs/Complaints_Brochure.pdf)

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