



Responses to questions from the Home Care Packages program – Indirect and care management charges webinar

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HCP PA Review of indirect and Care management charges

Q. It would have been useful to include in the report the names of the service providers that participated in the review?¹

A. The Department reserves the right to name providers in public reports from program assurance reviews where the benefits of doing this outweighs the risks, or where providers do not cooperate with a review.

In relation to the inaugural review, this was the first in an ongoing program of reviews. Selected providers cooperated with the Review Team and many are already pre-emptively making improvements in response to the findings in their individual reports. As such, the Review has made a positive impact, without needing to name providers publicly.

Information from the Review is also being shared with the Aged Care Quality and Safety Commission (the Commission) where relevant. The Commission, as the independent regulator, can consider the information as appropriate.

Q. Did you collect the average hours per week the care managers were engaging with the consumers as a function of their care management?²

A. The department did not specifically focus on care managers. However, we did consider average care management hours per week, either based on what the provider advised us or what was listed on the provider's website. For individual providers we have engaged with them where we had some questions around care management effort versus charges.

Q. Can you provide the number of potentially excluded purchases that were discovered?

A. While 'excluded/included items' were out of scope for the Review, the Review Team has a responsibility under the Australian Public Service Act 1999 and the Public Governance, Performance and Accountability Act 2013 to identify and report any issues it incidentally finds while examining providers' documentation, regarding the use of Commonwealth funds.

We can advise the types of items that could be of potential concern – these are covered in our report. Examples include: fuel gift cards, TVs, entertainment items, air conditioners, kitchen appliances and vacuum cleaners, holidays including flights, accommodation (categorised as respite) etc., to name a few.

The Department is committed to reviewing and updating its guidance so that care recipients and providers are clear on requirements. The Department is currently prioritising updating the

¹ Response provided during webinar and paraphrased in this document. Verbatim response can be read in the webinar transcript.

² *ibid*

operational manuals for providers and care recipients. Once guidance has been clarified, if needed, the Department may undertake a program assurance review on excluded/included items later.

Q. How can the term “value for money” be defined and made objective for a wide range of services, goods and equipment?

A. As acknowledged in the Public Summary Report, value for money can be a subjective concept for providers as well as care recipients. Because of this subjectivity, pricing transparency and the ability to empower care recipients to make well-informed decisions is critical to support genuine consumer choice and control.

The HCP Program Assurance Framework underpinning the Review uses the following three components for determining a value for money:

- **Efficient:** the achievement of the maximum value for the resources used.
- **Effective:** the extent to which intended outcomes or results are achieved.
- **Justified:** providers can justify (through verifiable information provided to the Review team) their charges to care recipients.

Q. When looking at pricing, has there been considerations to the provider's overheads - wage increase to case management, personal care staff etc?

A. The review sought the pricing methodology/considerations from providers to understand on what basis providers set indirect and care management charges.

Upcoming HCP PA reviews

Q. When will we know if we are in scope for review 2 and/or review 3?

A. This information has been advised through the Your Aged Care Update and has also been published in our updated program assurance [annual plan for 2022-23](#). Selected providers will receive a detailed notice.

Broadly speaking, the scope and purpose of the two reviews is as follows:

- **Review 2** - Unspent funds review will assure the accuracy of the reported amount of Commonwealth portion of unspent funds of selected providers, including selected care recipients. Review 2 commenced in late August 2022 and will go through to early 2023.
- **Review 3** - Pricing transparency review will check that all current HCP Providers' pricing is available on the My Aged Care website. Review 3 commenced in September 2022.

HCP PA Community of practice

Q. For the Community of Practice, would you please confirm you have to click the hyperlink sent and confirm registration (lot of phishing emails around so want to confirm this is required)³

A. A new user who signs up to the Community of Practice will receive an email from HCP Program Assurance Community of Practice requesting they click on a link to confirm their email address. The new user must press on the activation link (hyperlink) and will then be taken to the Community of Practice where they are required to click on a button to activate their account. When they click the button, they receive a message stating a moderator must approve their account. Once their account is approved, the new user will receive another email from HCP Program Assurance Community of Practice stating they can access their account by logging in at www.hcpcommunity.com.au using their username and password.

HCP Operational matters

Q. The presenter said that the client statement format is not mandatory, but I recall seeing a release from the department that the better practice client statement is mandatory from September.⁴

A. The Better Practice Home Care Packages (HCP) Monthly Statement Template has been designed to support providers to improve the overall quality of their HCP statements, making it easier for care recipients to understand and be supported to make informed choices around the use of Package funds for their care.

The template is not mandatory at this time; however, it is encouraged that Home Care Providers align their statements to this better practice example.

The template is available at <https://www.health.gov.au/resources/collections/monthly-statement-resources>.

Q. When will the updated HCP Manual be released?⁵

A. The Department is aware that providers and care recipients are wanting greater clarity and certainty on the inclusions and exclusions for the program.

Rather than update the manual on a piecemeal basis, the department is consolidating feedback from a range of consultation and feedback mechanisms (e.g., consultation on Support at Home and

³ Ibid, pg 1

⁴ Ibid, pg 1

⁵ Ibid, pg 1

the first Program Assurance review). At this stage, we are confident that the updated manual will be available within the next couple of months.

Q. Since the review, the minimum shift is two hours. This has resulted in many consumers losing services. What will happen to value for money now?

A. Employment conditions changed for home care workers covered by the Social, Community, Home Care and Disability Services Industry (SCHADS) Award. The Fair Work Commission (FWC) made these changes to the Award as part of their four-yearly review of modern awards and was satisfied that varying the Award was necessary to ensure that modern awards, together with the National Employment Standards, provide a fair and relevant minimum safety net of terms and conditions.

These changes will ensure better pay for many workers and provide safeguards to attract more workers into the aged care sector.

Changes that have affected home care employees and employers, include that casual and part-time home care employee be paid for a minimum of two hours for each shift. For more information see: <https://www.fairwork.gov.au/newsroom/news/1-july-2022-changes-social-community-home-care-and-disability-services-award> The important thing to note is that changes to home care worker employment conditions do not change the rules for the Home Care Packages Program.

Providers and care recipients can access information on navigating these changes at: <https://www.health.gov.au/resources/publications/impact-of-changes-to-the-schads-award-for-the-home-care-packages-program> and <https://www.myagedcare.gov.au/sites/default/files/2022-06/home-care-packages-program-and-changes-employment-conditions-for-home-care-workers.pdf>

Providers are expected to explore alternative options via other work activities or scheduling arrangements before negotiating changes to a Home Care Agreement. Any changes proposed must be reasonable, fair and must align with the care recipient's assessed aged care needs and goals and with the available subsidy and unspent funds. Changes cannot be made to the Home Care Agreement, care plan or individualised budget without a care recipient's informed consent, this includes any increase in service times or prices.

Q. How many providers used Pending from planned budget but did not remove pending items that were duplicates or services not provided? My service provider has items from 6 months ago in pending and add up to over \$1000 of funds not available for use.

A. Providers are required to discuss future planning, including any large purchases, with their care recipients and take these into account when planning package budgets. This must then be documented in a care recipient's Home Care Agreement and their care plan. Providers must ensure care recipients understand and agree to their care plan before services are put in place.

Unspent funds can be used to pay for a care recipient's future care and services, such as in the event of a change in care needs. In some cases, care recipients and providers may agree to not fully utilise the package budget on care and services in order to 'save' unspent funds for future use.

Charging and claiming for “contingency” is not consistent with the policy intent of the Home Care Packages Program.

Additional fees cannot be charged and accrued for future needs. Under Improved Payment Arrangements, from 1 September 2021, any additional fees should only be used for current identified and delivered care and service needs, noting:

- payment by Services Australia is only paid in arrears for services already delivered and providers should no longer be accruing unspent funds.
- the Department does not support unnecessary fees which may have adverse impacts on the financial wellbeing of care recipients and do not serve to benefit the care recipient.
- any additional fees a care recipient contributes are drawn down first by deduction from the price reported to Services Australia as part of a monthly claim.
- where the claim is less than the subsidy, any unspent funds accruing would be the Commonwealth portion in the home care account and these funds would therefore not be available for reimbursement to the care recipient upon departure.

In line with the Aged Care Act 1997, Part 3A.1, 52D-1(d): if the care recipient dies or provision of home care ceases—any fees paid in advance in respect of a period occurring after the care recipient’s death, or the cessation of home care, must be refunded in accordance with the Fees and Payments Principles.

Q. Would you provide clarity on use of package funds for massage therapy? Guidance on using package funds for hairdressing, manicure, pedicure would also be useful.

A. Allied Health services such as remedial massage and lymphoedema massage can be provided where it addresses aged-related decline, and it is provided by a registered/accredited provider.

Personal care can be provided to assist in maintaining appropriate standards of hygiene and grooming, including individual attention, supervision, and physical assistance with:

- bathing, showering,
- personal hygiene and grooming,
- teeth and denture cleaning dressing and undressing,
- applying/removing anti-embolic stockings and using dressing aids,
- toileting and the use of over toilet chairs,
- assistance with mobility and dexterity, and
- transfers in and out of bed.

Excluded from the Home Care Package is beauty therapy (e.g., manicures) and hairdressing as this is considered a general income cost.

Q. Would you please clarify pricing when using subcontractors – when we need to use a brokered service provider worker to supplement our workforce to provide flexibility and continuity of service (particularly during COVID), we continue to charge our agreed/advertised hourly rate. This is disclosed in our service agreement. There are no “surcharges” for this. The monthly statement includes the agreed/advertised hourly rate.

A. As per the Aged Care Act 1997 and the User Rights Principles 2014, providers must not charge care recipients more than a reasonable amount for travel, sub-contracting and package management.

Providers must indicate in their home care pricing schedule whether they charge an additional amount for any services they sub-contract from another service provider.

Some providers are charging a per visit travel fee which is a set amount rather than per km fee - therefore it is not picked up in the MAC pricing comparison tool meaning the number of hours shown is higher than actual hours.

The department is aware that this is the case and will look at providing additional guidance on travel.

My aged care website

Q. Like for like comparison on My Aged Care is acknowledged as a difficulty. Shouldn't there be more filters on My Aged Care to narrow comparisons in supporting consumer choice?

A. The My Aged Care website [Find a Provider](#) tool helps older Australians to find and compare aged care providers in their local area which can best meet their needs. Using the tool, an individual can enter their location, select the type of care they are looking/approved for, and view local providers in their area. If they have specific care needs, they can also refine their search results to show providers that offer specialised or cultural services.

In October 2021, the Department enhanced the Find a Provider tool by increasing the number of Home Care Package and Residential Aged Care Providers that can be shortlisted for comparison, from three to eight. Using the 'Compare function' in the Find a Provider tool, website users can save eight Providers to their compare list and then view a side-by-side comparison of three Providers' details at a time. The website [Compare Providers](#) page provides instructions on how to use this feature.

Search categories that can currently be used to compare Providers include – Provider location & hours of operation, Quality (Non-compliance & sanctions), Home Care package support levels offered, Basic daily fees, Care management and other costs, prices for common services, Language/Faith services, Specialisations and Service availability.

A further Home Care Package Pricing Transparency enhancement was released on the Find a Provider tool in April 2022, providing:

- an improved layout to display Provider Costs,
- a new Quick Costs Checker tool for common services, and
- Cost Comparison indicators to compare average pricing at a geographic level.

Additional information about this feature is available at [New Home Care Package costs checker now live | My Aged Care](#).

The changes will better inform older Australians about the breakdown of a Home Care Package budget, by package level, and enable them to compare the prices of like services between providers. Further information on these enhancements can be found on the [Department's website](#).

Support at home

Q. It has been said by the department that no one will lose accrued funds when the system changes in July 2024. Why would we need the funds if the system will provide whatever is needed anyway?

A. If you accrued the funding before 1 July 2024, you are still entitled to keep it (either with your provider or in your Services Australia account), but you will only be able to spend it on items on the Approved Services List in the future.

If the consumer is reassessed after 1 July 2024, they wouldn't need those unspent funds because the assessment will better match their funding to their needs.

If consumers need goods and equipment or home modifications, they won't need to save up for them under future arrangements, but we aren't forcing everyone to be reassessed - therefore existing clients can keep their unspent funds and will remain on whatever package level of ongoing funding they were at before support at home, until such time as they choose to be reassessed.

We are still finalising what will happen with accrued unspent funds should a client choose to be reassessed from 1 July 2024.