

Financial Hardship Procedure

This procedure applies to Direct Care Services provided under the Commonwealth Home Support Program (CHSP). Carers and Disability Link (CADL) is committed to ensuring that clients who experience financial hardship can access funded aged care services without being disadvantaged by fees or contributions.

The procedure outlines the process of assessing CHSP clients who have expressed financial hardship to ensure decisions are made consistently, fairly and in line with legislative requirements.

Definitions

Financial hardship

Circumstances where an individual is unable to meet required CHSP contributions or specialist program fees without compromising their ability to pay for essential living expenses.

Procedure

Clients accessing CHSP services through CADL can apply for a waiver or reduction of required program fees or CHSP contributions due to financial hardship. Clients must submit this request in writing to the CHSP Coordinator using the Financial Hardship Form, which will be made available to them upon request. The CHSP Coordinator will assess the application and make a recommendation to Manager Direct Care Services, who is responsible for approving, declining, or modifying the recommendation and documenting the reasons for the decision. No contributions apply to hoarding and squalor assistance or sector support and development.

Application for Financial Hardship

The responsible coordinator will discuss the proposed contribution and capacity to pay privately with the client. The coordinator will consider essential living costs, partnered households, relevant compensation, and the combined cost of services.

As CHSP has no formal means test, to assess an application for financial hardship, clients may be asked to demonstrate their inability to pay program fees or CHSP contributions without compromising essential living expenses via the Financial Hardship Form. Examples might include pension or income statements, essential expenses such as rent.

Where the client can afford part, but not all, of the standard contribution, the contribution may be reduced to an amount considered reasonably affordable. Where payment of any contribution would compromise the client's ability to meet essential living expenses, the contribution may be waived.

A reduction or waiver will generally be approved for up to 12 months and reviewed annually, or earlier where the client's financial circumstances or service arrangements change. CADL will not apply a contribution greater than the actual cost of providing the service.

Only essential evidence should be submitted together with the Financial Hardship Form for the Manager Direct Care Services to review. If documents cannot be provided, alternative evidence may be considered on a case-by-case basis. Applications for financial hardship should be assessed within 2 weeks of receiving all required information. Where urgent hardship exists, interim approval may be granted by the CEO while supporting documentation is being obtained.

All information provided will be treated as private and confidential in accordance with privacy legislation and the Privacy Procedure. Documents will only be used for the purpose of assessing financial hardship and will be stored securely.

CADL is committed that no client will be refused service if they cannot make contributions due to financial hardship.

When assessing applications for financial hardship CADL will apply the following principles, working on a case-by-case basis:

- Consistency: all individuals who can afford to contribute to the cost of their care should do so. Contributions will not exceed the actual cost of service provision.
- Transparency: contribution and hardship policies are publicly available and explained to all new and currently contributing individuals.
- Hardship: waivers or reduction are granted only where paying the contribution would compromise essential living expenses. Evidence requirements and calculation principles are outlined in the policy.
- Reporting: the dollar amount of CHSP contributions collected is reported as required under the CHSP Grant Agreement.
- Fairness: decisions consider the individual's capacity to pay, based on income, essential expenses, and overall financial circumstances.
- Sustainability: revenue from contributions is used to support ongoing service delivery and expand the services that providers are currently funded to deliver.

Fee reductions or waivers will be determined based on the individual's capacity to pay, considering income, essential expenses, and overall financial circumstances.

Clients will be advised in writing of the outcome of their application, including any approved reduction, waiver, review date, and reasons where an application is declined.

Any agreed contribution, waiver or reductions will be documented in the client's Schedule of Supports, including how and when payments are to be made.

The completed form and approval from the Manager Direct Care Services must be saved to the client's visual care profile.

Review

Contribution agreements will be reviewed annually, or sooner if:

- The clients' financial circumstances change
- Service arrangements are modified
- The client requests a review.

CADL will report the dollar amount collected from contributions as required under the CHSP Grant Agreement.

Overdue Invoices

For overdue accounts, the Finance Team will check for errors and identify whether financial hardship may be contributing to non-payment. Where appropriate, the client will be offered information and assistance to apply for financial hardship. Unresolved accounts will be referred to the Manager Direct Care Services and managed in accordance with the Debtors Follow Up Procedure.

A Coordinator will not suspend services or arrange external debt recovery without a review of client rights, hardship and service continuity. CADL does not charge interest or late-payment penalties under this procedure.

Feedback and Complaints

Clients may request a review of hardship decisions or use CADL's complaints process without disadvantage. If they need independent advice, they can call the Aged Care Quality and Safety Commission on 1800 951 822.

Continuous Quality Improvement

CADL will review this procedure annually in line with the Aged Care Quality and Safety Standards and the CHSP Program Manual and or/Funding Agreement to allow this procedure to remain relevant and complaint.

Supporting Documents

- *Financial Hardship Form*
- *Privacy Procedure*
- *Feedback and Complaints Procedure*
- *Continuous Quality Improvement Procedure*
- *Debtors Follow Up Procedure*