

# A GUIDE TO Aged Care *at home*



As we get older, most of us want to remain independent and in our own home for as long as possible, but this can be challenging without some help with household tasks and personal care.

Recognising this, the government runs a Home Care Packages program where approved aged care service providers work with individuals to deliver co-ordinated services at home.

Approval for a Home Care Package starts with an assessment by the Aged Care Assessment Team (ACAT). Eligibility for a Home Care Package, or other government subsidised help at home, is based on your care needs as determined through the assessment. You must also be an older person who needs co-ordinated services to help them stay at home or a younger person with a disability, dementia, or other care needs not met through other specialist services.

You can make your own referral via the government's My Aged Care website (<https://www.myagedcare.gov.au/>) or by calling 1800 200 422 and answering some questions.

## **Financial eligibility**

Your financial situation won't affect your eligibility. But once you have been

assigned a package, you will need a financial assessment to work out exactly how much you may be asked to contribute.

There are four levels of Home Care Packages – from Level 1 for basic care needs to Level 4 for high care needs.

The annual budgets for the packages are (in round figures) \$9,000 for a Level 1, \$16,000 for a Level 2, \$35,000 for a Level 3 and \$53,000 for a Level 4. The government contribution changes on 1 July each year.

The idea is that a person, using a consumer directed care approach, can decide how they would like to use that money for help which may include equipment such as a walker or services such as household tasks, personal care, or allied health.

Your contribution could be a basic daily fee up to \$11.26 a day, as well as an income tested fee up to \$32.30 a day or \$11,759.74 a year.<sup>1</sup> These fees are adjusted in March and September each year.

## **Expect a wait**

Demand for packages is high, with a wait of 3-6 months for a low-level package and 6-9 months for a higher level package.

It's not unusual to be approved for a high-level package but be offered or 'assigned' a lower level package as an interim measure.

Once approved for a Home Care Package, you must appoint a provider approved by the government, whose role is to administer, and manage the package for you.

The provider will charge a fee for their services which is deducted from the Home Care Package. This essentially reduces the amount of money from the package that can be spent on services. Administration costs can be 10-15 per cent of the package and case management another 10 per cent, or thereabouts.

The services offered and the way they are delivered can vary between providers, so comparing offers is important.



How much help you get from a package will depend on your care needs and fees, but generally a Level 1 package might provide two or three hours of help a week, a Level 2 about four hours, a Level 3 package about 8 hours and a Level 4 about 12 hours.

A recent Fair Work Commission ruling mandating minimum two-hour shifts for casual home care workers, while improving conditions for low-paid workers, is also expected to lead to increased costs for providers and ultimately Home Care Package recipients.

## Self-managed home care

One way to get more hours of help and have a greater say in who delivers it, is to self-manage your Home Care Package. As well as saving the case management fee you can generally negotiate directly with workers the hours worked and the rate of pay.

You still need an approved provider to administer the package, with the fee being about 10-15 per cent.

There are currently five providers offering a self-managed option. One way to find support workers to assist with your care needs is through one of several online platforms where carers register their willingness to help, along with their hourly rates.

## When paying privately makes sense

While Home Care Packages can provide some welcome financial assistance, if all you need is a couple of services such as cleaning or gardening, it can be more cost effective to pay privately.

Nick is the main carer for his wife Jean, who has a diagnosis of Alzheimer's Disease. Following an ACAT assessment Jean qualified for a Level 4 Home Care Package but received notification that she had been assigned a Level 2 package. The only help they currently needed was regular cleaning, although they knew the time would come when respite care would be useful to give Nick a break.

After crunching the numbers using the government's fee estimator, on a Level 2 package it worked out that after paying the income-tested care fee and case management and administration fees they would have about \$1,500 a year of government support to spend. It was cheaper to employ a cleaner privately and rely on family for other odd jobs.

Jean opted to decline the lower level package and wait for the approved Level 4 package, which would deliver financial benefits closer to \$40,000 a year after costs at a time when she was also more likely to use more services. By declining the lower level she did not lose her place on the waitlist, which was based on her priority and care needs at the time of assessment.

## Further reforms on the way

To improve delivery of help at home, further reforms are on the way from July 2023 with a new Support at Home Program.

*If you are weighing up your aged care options for yourself or a loved one, and would like to discuss financing arrangements, please get in touch.*

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