

EXPLANATORY STATEMENT

AGED CARE ACT 1997

SECTION 44-12

DETERMINATION OF RATES OF FINANCIAL ASSISTANCE (ACA Ch. 3 No. 6/2005)

RESPITE SUPPLEMENT

Subsection 44-12 (3) of the *Aged Care Act 1997* (the Act) provides that the Minister may determine in writing the amount of the respite supplement.

The respite supplement is an additional daily amount that is paid to services for each respite care recipient occupying a place in the service that day.

All care recipients who meet the requirements of subsection 44-12(2) of the Act are eligible for the respite supplement. The respite supplement is an add-on amount consisting of an amount paid in recognition of the higher administration and care costs of respite care and an amount equivalent to the concessional resident supplement, paid because respite care recipients cannot be charged an accommodation bond or an accommodation charge.

Section 1 of this determination sets the respite supplement to be paid in cases where the respite care is provided by a certified or a non-certified residential care service from 1 July 2005.

Section 2 of this determination sets the respite supplement to be paid to services which provide a greater proportion of care to recipients of respite care than that specified in the conditions attached to the allocation of places to the approved provider of the residential care service. It sets the amount of the respite supplement in that case to nil (\$0.00).

Consultation

As the indexation of this supplement uses a well established formula for indexation, no specific consultation with industry was undertaken with respect to this instrument.