

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Ageing

Aged Care Act 1997

User Rights Amendment Principles 2010 (No. 1)

The *Aged Care Act 1997* (the Act) provides for the funding of aged care services. Persons who are approved under the Act to provide residential aged care services (approved providers) can be eligible to receive residential care subsidy payments in respect of the care they provide to approved care recipients.

Subsection 96-1(1) of the Act allows the Minister to make Principles providing for various matters required or permitted by a Part or section of the Act. Among the Principles made under subsection 96-1(1) are the *User Rights Principles 1997* (the User Rights Principles).

The purpose of the *User Rights Amendment Principles 2010 (No. 1)* (the Amending Principles) is to specify for the purposes of paragraph 57A-6 (1) (c) of the Act the maximum daily accrual amount of accommodation charge for specified types of post-2008 reform resident who enter care in the period from 20 March 2010 to 19 September 2010.

The Amending Principles are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

Consultation

As the indexation of the accommodation charge uses a well established formula based on the consumer price index, and is in accordance with policy upon which extensive consultation was undertaken, no specific consultation was undertaken with respect to this instrument.

Information about the increase in the amount of accommodation charge will be disseminated via print and electronic media to approved providers.

Details of the Amending Principles are set out in the attachment.

ATTACHMENT

Clause 1 states that the name of the Amending Principles is the *User Rights Amendment Principles 2010 (No. 1)*.

Clause 2 states that the Principles commence on 20 March 2010.

Clause 3 states that Schedule 1 amends the User Rights Principles.

Schedule 1 Amendments

Item 1 amends section 23.81P of the User Rights Principles, making typographical changes to allow for new subparagraphs as per Item 2 below.

Item 2 inserts new subparagraphs 23.81P (5) (b) (v), 23.81P (6) (c) (v) and 23.81P (8) (d) (v), specifying for paragraph 57A-6 (1) (c) of the Act the maximum daily accrual amount of accommodation charge for the specified type of post-2008 reform resident.