EXPLANATORY STATEMENT

Social Security (Essential Medical Equipment Payment – Residences) Specification 2012

The Social Security (Essential Medical Equipment Payment – Residences) Specification 2012 (the Specification) is made under paragraph 917C(3)(c) of the Social Security Act 1991 (the Act).

Background

As part of the Clean Energy Household Assistance package, the essential medical equipment payment is an annual indexed payment of $140 paid to certain households where a person, for medical reasons, must use essential medical equipment or additional heating or cooling, resulting in higher than average energy use.

The essential medical equipment payment is provided for by Division 4 of Part 2.18A of the Act. A person is qualified for an essential medical equipment payment if they satisfy the medical needs requirement in section 917C, the concession card requirement in section 917D and the energy account requirement in section 917E, and otherwise meet the requirements of section 917B. Part of the medical needs requirement in section 917C is that the person’s home is either a private residence or a specified residence (EMEP residence) and that the person uses medical equipment or additional heating or cooling in that residence.

An essential medical equipment payment may alternatively be payable in relation to holders of concession cards under the Veterans’ Entitlements Act 1986 (the Veterans’ Entitlements Act) based upon identical criteria.

Purpose

The purpose of the Specification is to specify residences for the purposes of paragraph 917C(1)(c) of the Act. The Specification will also have effect for subsection 63C(3) of the Veterans’ Entitlements Act.

Each residence within Australia that is a person’s home is a specified residence in respect of the person except where it is an excluded residence of a type specified in Schedule 1 to the Specification. Private residences are already included by the relevant sections of the Act, and so are not covered by the Specification.

The effect of the Specification is to potentially allow a claimant to qualify for an annual essential medical equipment payment if their home is not a private residence, but is a specified residence.

The Specification commences on 18 June 2012.
Consultation

Consultation on the Specification was undertaken with the Department of Health and Ageing.

Ten peak medical organisations and 13 peak welfare organisations representing the disability, carers, veterans and seniors communities were offered the opportunity to comment on the details of the essential medical equipment payment, which included the list of residences to be excluded from payment eligibility.

Agencies representing the ageing and aged care community queried the intended exclusion of Residential Aged Care Facilities and were advised that special arrangements are in place to ensure residents do not incur costs associated with the use of medical equipment under the introduction of carbon pricing.

Regulatory Impact Analysis

The Specification is not regulatory in nature, will not impact on business activity and will have no, or minimal, compliance costs or competition impact.

Statement of Compatibility with Human Rights

The Specification is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the Human Rights (Parliamentary Scrutiny) Act 2011.

Human rights implications

The Specification does not engage any of the applicable rights or freedoms.

Conclusion

The Specification is compatible with human rights as it does not raise any human rights issues.