

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Ageing

Aged Care Act 1997

***Aged Care (Residential care subsidy – amount of respite supplement)
Determination 2009 (No. 1)
(ACA Ch. 3 No. 4/2009)***

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 44-12(3) of the Act provides that the Minister may determine, by legislative instrument, the amount of the respite supplement.

The respite supplement is an additional daily amount that is paid to services for each eligible care recipient being provided with respite care through the service on that day.

All care recipients who meet the requirements of subsection 44-12(2) of the Act are eligible for the respite supplement. This Determination sets the amount of the respite supplement with effect from 20 March 2009.

The Determination revokes the previously made Determination.

This Determination differs from the previously made Determination in that the amount of the respite supplement for a day has been increased in accordance with increases in the consumer price index published by the Australian Statistician.

This determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

Consultation

The Department of Health and Ageing (the Department) undertook extensive consultation on the policy, which included policy on increases in the rates of supplements, that was implemented through the *Aged Care Amendment (2008 Measures No. 1) Act 2008* and related amendments to the Principles and other instruments made under the Act.

Further consultation was undertaken by the Department on aged care funding arrangements as part of the Review of the Conditional Adjustment Payment and there is ongoing consultation with the aged care industry on funding arrangements.

As the indexation of the supplement 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 the supplement will be sent to all approved providers by facsimile and will be available to the public on the Department's website.