EXPLANATORY STATEMENT

**Issued by the authority of the Minister for Mental Health and Ageing**

***Aged Care Act 1997***

***Aged Care (Residential Care Subsidy – Amount of Respite Supplement)***

***Determination 2013 (No. 1)***

The *Aged Care Act 1997* (the Act) provides for the regulation and 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 residential care 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.

The purpose of the *Aged Care (Residential Care Subsidy – Amount of Respite Supplement) Determination 2013 (No. 1)* (the Determination) is to set the amount of respite supplement with effect from 20 March 2013. This Determination also revokes *Aged Care (Residential Care Subsidy – Amount of Respite Supplement) Determination 2012 (No. 2)*.

The difference between the Determinations is that the amount of respite supplement for a day has been indexed, using a well established formula based on the Consumer Price Index as a measure of the movements in the non-labour costs of providers.

**Consultation**

Indexation of the supplement is in accordance with the general policy for indexation of aged care payments 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 disseminated via electronic media to approved providers.

This Determination commences on 20 March 2013.

The Determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003.*

**Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

**Aged Care (Residential Care Subsidy – Amount of Respite Supplement)**

**Determination 2013 (No. 1)**

This Legislative Instrument 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*.

**Overview of Legislative Instrument**

The purpose of the *Aged Care (Residential Care Subsidy – Amount of Respite Supplement) Determination 2013 (No. 1)* (the Determination) is to set the amount of respite supplement with effect from 20 March 2013. This Determination also revokes *Aged Care (Residential Care Subsidy – Amount of Respite Supplement) Determination 2012 (No. 2)*.

**Human Rights Implications**

This Legislative Instrument promotes the human right to health contained in article 12 of the International Covenant on Economic Social and Cultural Rights. The legislative instrument engages the right of everyone to the enjoyment of the highest attainable standard of physical and mental health by ensuring that the amount of the respite supplement payable to approved providers of residential aged care services is increased in line with the increase in the non-labour costs of providers. This helps to ensure that the standard of care and services provided to recipients of residential aged care services is maintained.

**Conclusion**

This Legislative Instrument is compatible with human rights as it promotes the human right to health.

**The Hon Mark Butler MP, Minister for Mental Health and Ageing**