Arrangements for temporary leave

The Aged Care Act 1997 and Aged Care (Transitional Provisions) Act 1997 allow a client to temporarily suspend their home care package for any reason. This is commonly known as ‘taking leave’.

Leave may be taken:

- For a hospital stay;
- For transition care - which may follow a hospital stay;
- To receive respite care; or
- For social reasons.

A client’s security of tenure is not affected while they are on leave.

The Charter of care recipients’ rights and responsibilities – home care, sets out a client’s rights and responsibilities when receiving care. This includes a responsibility for the client to provide you with enough information to deliver services in accordance with their care plan. The client must notify you that they are taking leave from their home care package and specify the date that leave commences. This notification does not have to be in writing, but you will need to record the leave dates.

Services must not be delivered if a client has taken leave from their package.

Impact of leave on the home care subsidy and supplements

The amount of home care subsidy paid to you is dependent on the type of leave the client takes from their home care package as set out in the table below:

<table>
<thead>
<tr>
<th>Type of leave</th>
<th>Impact on payment of subsidy and eligible supplements to provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>• Home care subsidy is payable (at the full basic subsidy rate) for up to 28 <strong>consecutive</strong> days in a financial year, for each episode of hospitalisation or transition care at each particular package level.</td>
</tr>
<tr>
<td>Transition care</td>
<td>• After 28 <strong>consecutive</strong> days, the subsidy is payable at 25% of the basic subsidy rate.</td>
</tr>
<tr>
<td></td>
<td>• After 28 <strong>consecutive</strong> days, primary supplements* are not payable.</td>
</tr>
<tr>
<td>Type of leave</td>
<td>Impact on payment of subsidy and eligible supplements to provider</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Residential respite care</td>
<td>• Home care subsidy is payable (at the full basic subsidy rate) for up to 28 cumulative days in a financial year at each particular package level.</td>
</tr>
<tr>
<td></td>
<td>• After 28 cumulative days, the subsidy is payable at 25% of the basic subsidy rate.</td>
</tr>
<tr>
<td></td>
<td>• After 28 cumulative days, primary supplements* are not payable.</td>
</tr>
<tr>
<td>Social leave (package suspended for any other reason)</td>
<td></td>
</tr>
</tbody>
</table>

* Primary supplements are oxygen, enteral feeding, dementia and cognition, and veterans’. However other eligible supplements (such as the viability and hardship supplements) continue to be paid during periods of leave.

Impact of leave on client fees

A client may be required to pay ongoing home care fees to the provider while they are on leave from their package. The home care fees that the client may be charged are dependent upon whether the client entered care before or after 1 July 2014. The amount and type of fee that can be charged while a client is on leave from their package is set out below:

<table>
<thead>
<tr>
<th>Leave type</th>
<th>Pre-1 July 2014</th>
<th>Post-1 July 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Basic daily fee</td>
<td>Income-tested fee</td>
</tr>
<tr>
<td>Hospital</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Transition care</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Residential respite care</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Social leave (package suspended for any other reason)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* Remains payable for up to 28 consecutive days in a financial year at a particular package level, after which the client can be asked to pay the lesser of their income-tested care fee (as previously advised) or 25% of the basic subsidy rate.

# Remains payable for up to 28 cumulative days in a financial year at a particular package level, after which the client can be asked to pay the lesser of their income-tested care fee (as previously advised) or 25% of the basic subsidy rate.

Impact of leave on monthly statements

Any subsidy, relevant supplements or home care fees paid or payable to the provider while the client is on leave must be included in the client’s monthly statement.
Leave balances

A client’s leave balance resets at two specific events:

- On 1 July each year; and
- If their package level changes at any time.

Leave balances are specific to each client and will transfer with the client, for example, if they change providers.

Worked example (post 1 July 2014 client)

Situation: A client has been in hospital for more than 28 consecutive days, and because they advised you to suspend their home care package, the basic subsidy has stepped down to 25% after the 28th day. The client then moves into transition care for a period. How is the rate of subsidy calculated and how do I calculate the home care fees payable?

Response: Hospital leave and transition care leave are two different types of leave.

Each time a client accesses either hospital leave (or transition care leave), their provider receives the full subsidy amount for up to 28 consecutive days, after which the subsidy reduces to 25% of the basic subsidy rate. The leave will also impact on their basic daily fee and income-tested care fee (if applicable).

In this example, the client’s provider would receive the full home care subsidy for up to 28 consecutive days for each episode of hospital leave, after which the subsidy would be reduced to 25% of the basic subsidy rate. If the client is admitted to transition care immediately after being discharged from hospital, the provider will receive the full subsidy for up to 28 consecutive days of transition care leave, after which the subsidy reduces to 25% of the basic subsidy rate. The client’s home care fees would be the same for 28 days for hospital leave and transition care leave and then the provider may need to calculate the new income-tested care fee after the basic subsidy rate reduces. The basic daily fee is not payable when a client is in transition care.

A worked example of how the income-tested care fee is adjusted is available at: www.agedcare.health.gov.au/programs/home-care/home-care-fees-for-consumers-entering-a-home-care-package-from-1-july-2014

KEY POINTS TO REMEMBER

- A client may take temporary leave from their home care package.
- A client’s security of tenure is not affected while they are on leave.
- Services must not be delivered when a client is on leave from their home care package.
- Leave arrangements are the same for each leave type across all four home care package levels.
- A client’s leave balance resets at two specific events: on 1 July each year; and if their package level changes at any time.
- All subsidy, supplements and home care fees paid or payable during periods of leave must continue to be included in the client’s monthly statement.
- The home care fees that a client may be required to pay are dependent on whether the client entered care before or after 1 July 2014.

FURTHER INFORMATION

- email: agedcarereformenquiries@health.gov.au

RELATED DOCUMENTS

- *Charter of care recipients’ rights and responsibilities – home care*
- *Aged Care Act 1997*
  - Eligibility for home care subsidy (section 46-1)
  - Suspension of home care services (section 46-2)
  - Responsibilities of home care providers (section 56-2)
- *Aged Care (Transitional Provisions Act) 1997*
  - Eligibility for home care subsidy (section 46-1)
  - Suspension of home care services (section 46-2)
- *Aged Care (Transitional Provisions) Principles 2014*
  - Home care fees (section 130)
- *Subsidy Principles 2014*
  - Suspension of home care services (section 72)
- For pre-1 July 2014 consumers opting into the new fee arrangements
  - Form - [Continuing Care Recipient opting into the New Aged Care Arrangements – From 1 July 2014](http://www.agedcare.health.gov.au/programs/home-care-packages-program)

*This fact sheet provides general guidance for home care package providers. It does not constitute legal advice, nor is it a substitute for responsibilities under the legislative framework.*