



Budget 2018: What it means for carers

Set out below is an overview of the key 2018-19 federal Budget measures that may affect carers.

There may be other relevant measures that are not included in this overview and more detailed information can be found at www.budget.gov.au

Call the Department of Human Services (Centrelink) for information about income support payments:

- **carers** (Carer Payment and Carer Allowance) Mon to Fri 8 am to 5 pm on **132 717**
- **families** (Family Tax Benefit, Child Care Benefit, Parenting Payment, Double Orphan Pension, Baby Bonus) Mon to Fri 8 am to 8 pm on **136 150**
- **people with disability** (Disability Support Pension, Mobility Allowance, Sickness Allowance) Mon to Fri 8 am to 5 pm on **132 717**
- **students and trainees** (Austudy, Low Income Health Care Card, Pensioner Education Supplement, Youth Allowance) Mon to Fri 8 am to 5 pm on **132 490**, or for ABSTUDY Mon to Fri 8 am to 5 pm on **1800 132 317**

Please note that Budget measures must be passed by Parliament before they can come into effect

Summary

The Budget included the measures to design and fund an integrated service delivery system to carers that was announced in by the Minister for Social Services in March.

There were announcements to help older people stay in their own homes for longer including more home care packages. There were also changes announced to increase places in residential aged care facilities and for new facilities in rural, regional and remote areas. There will also be extra services for older people, especially mental health services. The mental health needs of older people has been a neglected area of aged care. Carers Australia supports these measures, but is concerned that the extra home care packages will still nowhere near meet demand. There is also a need for more access to respite care.

Changes to Government payments will place greater financial strain on some carers and people with care needs. Measures of concern include extending the Newly Arrived Residents Waiting period to four years and to Carer Allowance, Family Tax Benefit, Paid Parental Leave and other payments. Carers and people with care needs may also have compulsory deductions made from their payments to pay for fines imposed by state and territory courts, and Disability Support Pensioners in prison for longer than 13 weeks will have their payments cancelled, rather than suspended.

There will be improvements to jobseeker services for people with disability who would like paid work. The Government has also announced measures to provide continuity of support to people who currently access disability support services but are not eligible for the National Disability Insurance Scheme (NDIS). For example people with psychosocial disability. However, while they are expected to include mental health services, it is not clear which specific services will be continued.

Carer services

Integrated Carer Support Services

What has changed?

There are currently more than one hundred organisations funded by the Department of Social Services to deliver carer services. Of these, 38 organisations operate the 54 Commonwealth Respite and Carelink Centres (CRCCs).

The new Integrated Carer Support Service program will replace this fragmented funding with nationally provided online services. These services will include counselling, coaching, education and peer support. Face to face and phone services will also be delivered by a smaller number of regional hubs (Regional Delivery Partners). The aim is to deliver a more equitable and more efficient national distribution of carer support services. Regional Delivery Partners will be able to direct funding to eligible local services.

To this end \$113 million over five years has been added to the currently available funding for carer support services.

National online counselling, coaching, peer support and educational resources will commence in October 2018.

The new Regional Delivery Partner program will be implemented in September 2019.

Who does this affect?

The intention is that all carers seeking support services will have greater access to a more integrated and equitable system regardless of their own age or the age and condition of the person they are caring for and their location. Those who face challenges to accessing face-to-face services will have the option of accessing these services online.

Aged Care and services

More home care and residential aged care places

What has changed?

The Government will increase spending on aged care over five years, with funding for residential aged care and for home care to be combined, so that it can more flexibly meet demand.

New funding of \$1.6 billion over four years will provide:

- 14,000 new high level home care packages over four years for people who do not yet have a package and for people waiting for higher level packages, bringing the number of new places to 20,000 since the 2017 Budget
- 13,500 residential aged care places
- \$40 million to develop aged care facilities in rural, regional and remote communities.

Who does this affect?

These measures are designed to give older people and their carers and family more choice, helping people to stay at home longer and offering more choice of residential aged care. There are currently around 100,000 older people waiting for home care packages or higher care packages and this measure will help to some extent to reduce the waiting list and waiting times.

Mental health and dementia care support for older people

There will be a pilot program, costing \$5.3 million, to develop and invest in technological solutions to help people living with dementia, as well as helping their families and carers to develop skills and strategies for caring, so that they can live at home for longer.

The Budget will also fund (\$102.5 million) to support mental health needs, including through community mental health nurses for people over the age of 75 years living at home and people with a diagnosed mental disorder living in residential aged care facilities.

Who does this affect?

These measures will provide additional support to older people with dementia and/or mental illness, as well as their carers and family members, both in their homes and in residential aged care facilities.

Services to enable access to aged care

What has changed?

Funding has been provided in the Budget to help people find and access services through:

- trialling four programs, including 30 aged care hubs and 20 community hubs (where members support each other), to help people find services and make choices about their needs (\$7.4 million)
- a new assessment model and process to be delivered by new national assessment workforce (from 2020), as well as complementary supports to providers, older people and carers and family members (\$29.2 million and \$14.8 million across two measures)
- publication and comparison of the ratings performances of residential aged care providers on the My Aged Care website from 2020 (\$8.8 million)
- improvements to the My Aged Care website
- interactive online checks for people aged 45 years and 65 years to help them find information make choices about their health, lifestyle and finances (\$6.5 million)

Who does this affect?

Older people and their carers will benefit from new ways to navigate the aged care system, including to find out about the performance of residential care providers, and to find information about the services that are available to support them.

It is intended that the assessment process for older people and their carers seeking support services will be made easier and quicker.

Palliative care

What has changed?

There will be early access to specialist palliative and end of life care support in residential aged care facilities to reduce hospitalisations and better support older people and their families (\$32.8 million).

Who does this affect?

Older people and their carers will be better able to access palliative care in residential aged care facilities, so that people do not have to be moved to unfamiliar surroundings for end of life care.

Disability Services

Disability Employment Services

What has changed?

Three hundred billion dollars will be invested in Disability Employment Services over four years, including an additional \$3 million over 10 years for new reforms expected to improve outcomes to jobseekers with disability.

The Government will also continue to consult with stakeholders to develop a new model for supported employment (working in Australian Disability Enterprises) that will be consistent with NDIS principles.

Who does this affect?

People with disability seeking employment will get more help and have greater flexibility and choice when using specialist employment services. Providers will be better funded, including having more incentives to find sustainable employment, even for hard to place jobseekers.

People on NDIS packages who are employed or would like to be employed by specialist Australian Disability Enterprises will have more choice and control over the enterprises in which they work.

Continued support for people ineligible for the National Disability Insurance Scheme

What has changed?

Support will continue for a further five years (\$92.1 million) for people receiving support from programs currently transitioning to the NDIS.

Who does this affect?

At this stage, it is unclear which programs will be affected, including whether it will include carer services that are being absorbed into the NDIS.

Advocacy services

What has changed?

There will be additional funding for organisations that provide NDIS advocacy services for people with disability.

Who does this affect?

People with disability will continue to have access to expert individual advocacy services as the NDIS enters full scheme.

Health

Improvements to Medicare and Pharmaceutical Benefits Scheme

What has changed?

Overall funding for Medicare will increase by \$4.8 billion over four years.

New Medicare items (\$25.4 million) will include:

- a new pathology service for testing patients for mutations in the cystic fibrosis transmembrane regulator gene
- services to treat patients with idiopathic overactive bladder by percutaneous tibial nerve stimulation neuromodulation therapy
- processing and cryopreservation of semen to preserve fertility in post-pubertal males undergoing gonadotoxic treatment.

A number of newly listed medicines have been identified, including Carfilzomib/Kyprolis for refractory multiple myeloma, Ocrelizumab/Ocrevus for multiple sclerosis, Tenofovir/Truvada to prevent human immunodeficiency virus, Pembrolizumab/Keytruda for Hodgkin lymphoma, Nusinersen/Spinraza for spinal muscular atrophy, and Ribociclib/Kisqali for breast cancer. A further \$1 billion has been committed to list future drugs.

The Life Saving Drugs Program will also receive additional funding and pricing policies, similar to the Pharmaceutical Benefits Scheme (PBS), will be introduced.

There will also be savings (\$189.7 million) from implementing recommendations of the Medicare Benefits Schedule Review Taskforce, including by:

- adding new renal medicine items to fund dialysis services in very rural and remote regions
- restricting the use of urogynaecological mesh and adding new interim services to remove urogynaecological mesh
- making it easier to get a knee x-ray.

Who does this affect?

People, and their carers, with a number of illnesses using medications previously not covered by the PBS, including for some breast cancer and muscular atrophy treatments, will have access to low cost drugs.

Social services and Centrelink payments

Income testing the Carers Allowance

Who does this affect?

New application of an income test means families with a household income of \$250,000 or more per year will no longer be eligible for Carer Allowance or the Child Health Care Card Only. All of the savings from this measure will be reinvested in carer services through the new Integrated Carer Support Services program.

Who does this affect?

It is expected that one per cent, or 7000 Carer Allowance recipients will be affected and around 400 holders of the Carer Allowance (Child Health Care Card Only).

Extension of the Pensioner Loan Scheme

What has changed?

Currently, the Pensioner Loan Scheme (PLS) enables part pensioners and some self-funded retirees to draw a fortnightly payment, up to the rate of Aged Pension, against the value of their assets, similarly to a reverse mortgage from a bank. The PLS is being extended from part pensioners and those self-funded retirees who would have some pension payable under the assets or income test, but not when both are applied together, to all pensioners and self-funded retirees, with payments increased to up to 150 per cent of the Aged Pension rate. The current interest rate of 5.25 per cent per annum will not change.

Who does this affect?

Everyone over the age of 65 years who owns their own home (or another significant asset), will be able to draw on the value of their home to receive up to 1.5 times the rate of Aged Pension.

Residency requirements for Government payments

What has changed?

Announced in the Mid Year Economic and Fiscal Outlook (MYEFO) statement, the existing two year newly arrived residents waiting period, which applied to Carer Payment and other income support payments, was to be extended to three years and applied to payments that were not affected

previously, including Carer Allowance, Family Tax Benefit and Paid Parental Leave. This measure proposes to extend the waiting period to four years.

This measure is opposed by Carers Australia and many other organisations, and was recently the subject of an Inquiry by the Senate Community Affairs Committee. The Committee will report on 18 May 2018.

It is not clear whether this measure will be passed by the Senate.

Who does this affect?

Carers and people with care needs who have less than four years' permanent residency, except for humanitarian entrants (asylum seekers and refugees).

Reduce Centrelink call wait times

What has changed?

The Government will provide funding of \$50 million, from other areas of the Department of Human Services, to reduce Centrelink call waiting times and processing times for claims and other documentation.

Who does this affect?

People seeking information about payments, or lodging claims for payments, including for Carer Payment and Carer Allowance.

Welfare Payment Infrastructure Project

What has changed?

The Government has committed to continuing the Welfare Payment Infrastructure Project (WPIT) to continue replacement of the ageing Centrelink IT system, with greater automation of the claim processing and payment system. This funding had been allocated in previous Budgets.

Who does this affect?

There has been some additional automation for student payments and the next area of work will be for carer claims, processing and payments.

Cancellation of Disability Support Pension for prisoners

What has changed?

Currently, people receiving Disability Support Pension (DSP) who are serving prison terms can have their payments suspended for two years. This means that the payment can be immediately reinstated upon release. From 1 January 2019, DSP prisoners will have their payment cancelled after 13 weeks.

Who does this affect?

DSP recipients who are in prison for more than 13 weeks will have their payments cancelled (rather than suspended), so that they will have to reapply for DSP on their release.

Deduction from, and suspension/cancellation of payments for outstanding state and territory fines and warrants

What has changed?

Subject to negotiation with the states and territories, payments for fines will be able to be deducted from income support payments, and those payments may be suspended or cancelled altogether for people who have outstanding arrest warrants for criminal offences.

Who does this affect?

People receiving payments, including carers and people with care needs, who have outstanding fines will have payments deducted from their payments. Payments may be stopped altogether for people who have an outstanding arrest warrant.