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Department of Health and Aged Care
Canberra ACT

Submission: Consultation on the new Aged Care Act

It has been difficult to provide feedback on the whole document as there are at least eight sections that are 'still to be drafted'. This makes it impossible to comment!

Concerns with the Proposed Australian Aged Care Bill

Summary:

Key Issues

Financial Burden on Pensioners - this is the key issue for pensioners receiving *Support at Home*:

If you take anything away from my submission, this is the most important aspect: please remove the co-payment requirement from Support at Home services!

- New contributions of 17.5% for domestic assistance and 5% for personal care services will add around \$100 per week to pensioners' expenses (See Table 2 below).
- Pensioners living below the poverty line cannot afford these additional costs, especially during a cost-of-living crisis.
- Rising prices for food, utilities, rent, and medical expenses leave no room for extra care-related expenses.
- Where was the genuine consultation with pensioners on the new *Support at Home* program under the aged care bill? Full or part-pensioners, who will now face unaffordable co-payments for essential services, feel let down and unheard. The Council of Elders and COTA have not truly represented the interests of full pensioners. Had there been proper consultation, no pensioner would have agreed to these co-payments, which jeopardize their ability to remain in their homes.

Quarterly Rollover Credit Cap (\$1,000)

- The \$1,000 cap may not cover essential expenses during medical emergencies, urgent home repairs, or sudden health deteriorations.
- Elderly individuals face unpredictable and costly health interventions, including hospital visits, specialized equipment, or temporary live-in care.
- A rigid cap increases financial vulnerability, forcing reliance on personal savings or external assistance.
- The cap does not account for rising costs in aged care services, healthcare, or basic utilities, reducing quality of life.

Care Management Funding (10%)

- Allocating 10% of funding to a single provider reduces flexibility and funding available for services.
- Members report issues under the CHSP system, including:
 - Underspent packages despite increasing needs.
 - Inability of providers to offer appropriate or timely services.
 - Lack of follow-up on urgent assessments.
- The definition of "provider" is unclear, with no evidence of organizations capable of delivering the full range of services under *Support at Home*.
- Forcing reliance on one provider limits choice, reduces funding for care, and creates potential conflicts of interest.
- Providers overseeing and delivering care may prioritize their services over recipients' needs.
- Care Management should be an opt-in service, accessed as required by recipients.

Transparency and Independent Oversight

- Recipients need independent access to package budgets via a portal, email, or mail.
- A proportion of Care Management funding should be allocated to independent specialists (e.g., Services Australia, GPs, and nurses) to oversee packages and assess care needs.

Consultation and Communication Issues

- Pensioners were not informed they would need to contribute to *Support at Home* care costs during consultations.
- The belief that only wealthy individuals would contribute was misleading, leading to shock and frustration among pensioners.

Impact on Quality of Life

- Many pensioners may have to choose between basic necessities (e.g., food, medication) and accessing critical care services.
- The bill's intent to empower seniors is overshadowed by the financial strain it imposes, increasing stress and reducing access to necessary care.
- If copayments are introduced, we may be forced into residential care much earlier than necessary; there is also uncertainty about whether the "grandfathering" of those already in the system will be upheld beyond three years or if it will be lost if funding levels change.

Comparison with NDIS

- The *Support at Home* scheme requires means-tested contributions, while the NDIS is not means-tested and offers fully funded support.
- This disparity creates a two-tiered system, disadvantaging elderly Australians despite their lifetime contributions to society.

Challenges for Non-Homeowning Pensioners

- Pensioners who rent face even greater financial strain, with rising housing costs further reducing their capacity to pay for care services.
- Non-homeowners are at higher risk of financial distress, housing insecurity, and poverty due to their lack of home equity.

Complexity and Accessibility Issues

- The system's complexity, acknowledged by Minister Mark Butler, makes it difficult for elderly Australians to navigate.
- If policymakers cannot clearly explain the system, it is unrealistic to expect elderly citizens to understand or manage it effectively.
- **Concerns about the \$15,000 cap for Home Modifications**
The proposed \$15,000 cap for home modifications is insufficient for necessary upgrades, especially for bathrooms, which often require extensive renovations like re-waterproofing, anti-slip flooring, and accessible fixtures that typically cost \$25,000–\$35,000 or more. Costs are driven by specialized equipment, high labour expenses, and regional variations. The insufficient cap could leave elderly and disabled individuals at risk, force families to bear extra costs, or push individuals into institutional care. Increasing the cap to \$35,000, providing subsidies, ensuring regional equity, and promoting cost transparency are recommended to address these challenges and uphold safety and independence at home.

Key Recommendations

1. **Abolish Contributions for Full Pensioners**
 - Waive contributions for full pensioners to reduce financial stress and ensure equitable access to essential care.
2. **Aged Care should be funded by a Levy**
 - Aged care in Australia should be funded by a levy because it provides a sustainable, equitable, and reliable source of funding to meet the growing needs of an aging population. By spreading the cost across the entire population, a levy ensures that all Australians contribute fairly to the provision of high-quality aged care services. This model avoids placing excessive

financial burdens on individuals and families, while supporting better access to care and reducing the risk of older Australians being forced into early residential care due to affordability issues.

3. **Reduce Contributions for Part-Pensioners**
 - Introduce scaled contributions based on income, reducing the burden on low-income part-pensioners.
4. **Subsidize Non-Homeowners**
 - Provide targeted subsidies or waivers for pensioners who rent, addressing their heightened financial vulnerabilities.
5. **Align with NDIS Principles**
 - Ensure aged care support is not means-tested or provide equal subsidies as seen in the NDIS for fairness and consistency.
6. **Simplify the System**
 - Make the program easy to understand and navigate through clear communication, accessible resources, and user-friendly platforms.
7. **Revise Domestic Assistance Policies**
 - Reassess SCHADS Award requirements, such as the two-hour minimum for services, to make domestic assistance more affordable.
8. **Increase the cap on funding for Home Modifications**
 - The cap of \$15,000 is totally inadequate and will mean most pensioners will not be able to afford a bathroom renovation. This will necessitate earlier entry into Residential Care Facilities.

By addressing these issues, policymakers can ensure the *Support at Home* program aligns with its original intent—empowering elderly Australians to live independently and with dignity.

There are many items in this document requiring revision from the point of view of the elderly citizens of Australia.

Subdivision B—Available ongoing home support account balance

193A Quarterly rollover credit

The recently proposed Australian aged care bill, which includes a quarterly rollover credit capped at \$1,000, has raised concerns about its adequacy in addressing the needs of elderly individuals, particularly during times of unexpected crises. While the concept of rollover credits provides some financial flexibility, the \$1,000 limit may fall short of covering essential expenses in scenarios such as medical emergencies, urgent home repairs, or additional care requirements stemming from sudden health deteriorations.

Elderly individuals often face unpredictable health issues that require immediate and sometimes costly interventions, including hospital visits, specialized equipment, or temporary live-in care. A rigid cap on rollover credits may leave them financially vulnerable, forcing them to rely on personal savings or external assistance, which may not always be readily available.

Additionally, the capped amount may not adequately account for the rising cost of living, particularly in aged care services, healthcare, and basic utilities. Without sufficient financial buffers, elderly Australians will experience increased stress and reduced quality of life, contrary to the bill's intent to provide robust support.

To address these concerns, the proposed cap needs to be reassessed, allowing for greater flexibility and higher limits in cases of documented emergencies or individual needs. Such measures would ensure that the aged care system offers not just basic support but a truly comprehensive safety net.

Arbitrary allocation of 10% of funding to single providers for care management will reduce flexibility and funding available for services

We rarely hear of positive experiences about providers effectively delivering 'end to end' services for older people under the current CHSP system. Members report a plethora of issues regarding providers managing their packages for in-home services including: *packages being underspent even when needs increase, impacting an individual's ability to access or be assessed for additional services; providers being unable to offer appropriate services and being unresponsive to changing needs; not following up on urgent assessments etc*

- *We are unclear what the definition of a "provider" is, and do not know of any existing organisations who could deliver the full range of services as outlined for providers under the Support at Home program.*
- Forcing older people to work through one provider (as Care Management funding will now go to a single provider regardless if they self-manage or not) reduces flexibility and the total amount of funding available for services.
- We question whether 'providers' as they exist in the current system are the best people/organisations to manage and oversee complex care needs AND provide care management oversight of packages. They have a conflict of interest in recommending services they offer, and in evaluating the services they provide.
- Given Care Management is a service defined under Clinical Care services, Care Management should be an opt-in service that package recipients can draw upon as required.
- All package recipients should be able to independently access information on their package budgets through a portal similar to My Aged Care, and via email or mail as required.
- A proportion of Care Management funding should be made available to independent and appropriately qualified parties such as Aged Care Specialists (Services Australia) to oversee Support a Home packages and to GPs and nurses at GP clinics to identify specific clinical care needs and other needs of older people who are eligible for *Support at Home* packages.

RECOMMENDATIONS

1. Abolish the 10% Care Management Funding to providers and redirect to cover the cost of greater subsidies to package recipients and to Services Australia Aged Care Specialists and GPs / GP clinics for Care Management.
2. - Enable package recipients to choose if they need additional Care Management services as part of their package, and which provider they would like to deliver these services.
3. - Services Australia should be responsible for making *Support at Home* budget information available to all package recipients.
4. Increase the Rollover Credit Cap

- **Action:** Raise the \$1,000 quarterly cap to reflect the actual costs of essential services, particularly for those requiring urgent medical care, home modifications, or additional support due to sudden health deterioration.
- **Rationale:** A higher cap would offer better financial protection during unforeseen crises and reduce reliance on personal savings or external assistance.
- **Establish an Emergency Credit Pool**

Action: Create a reserve fund or emergency credit pool that elderly individuals can access when their needs exceed the cap, subject to appropriate eligibility criteria.

Rationale: This would provide a safety net for those facing extraordinary circumstances while maintaining overall program sustainability.

Chapter 8—Funding of aged care services—individual fees and contributions

Again, I note there is no simplified outline of this chapter available!

As an Aged Pensioner, I believe that my husband and I, along with most Australian pensioners, will be significantly disadvantaged under the new Bill. We cannot afford to contribute to the cost of support workers in our home and would be forced into Residential Care Facilities prematurely if copayments are required. Minister Anika Wells has mentioned that those in the system or even on waiting lists will be ‘grandfathered,’ but I have not been able to obtain confirmation from her or her department that this will be honoured beyond three years, or whether we risk losing it if we move to a higher funding level. This uncertainty and lack of assurance highlight a critical issue that demands immediate attention.

Has the government not heard there is a cost-of-living crisis?!

We do not feel as though we have been heard. The consultation neglected to advise us that Aged Pensioners would be expected to pay a contribution towards the cost of our *Support at Home* Care. We were informed the wealthy would be asked to contribute to the cost of SaH. Not once was it indicated that Aged Pensioners would be expected to pay. To say this has been a shock is an understatement! We have been let down by the Council of Elders and COTA; they have not truly represented the interests of full or part pensioners. Many pensioners live week to week, with no disposable income. By the time we pay for electricity, water, insurance, rent etc, there is very little left for food, let alone co-payments for services.

The premise of the new Australian aged care bill is to empower elderly citizens with greater choice and control over their lives as they age, enabling them to remain in their own homes for as long as possible. While the objective is commendable, the new funding rules introduce significant financial burdens that could undermine this goal, particularly for pensioners who are already struggling to make ends meet.

The recent decision to remove the caps on cleaning and gardening services seems like a pyrrhic victory – no one will be able to afford those services. The SCHADS Award mandates we must employ our support workers for a minimum of two hours per service.

Under the new funding structure, contributions toward the cost of care—17.5% for domestic assistance services such as cleaning, shopping, cooking, and gardening, and 5% for personal care services such as showers—are expected to add an estimated \$100 per week to the outgoings of elderly Australians (Table 2 below). For many pensioners living below the poverty line, this additional expense is simply unaffordable, especially in the context of the ongoing cost-of-living crisis.

→ (2)→The following table sets out percentages for individual contribution rates for individuals for means testing classes and categories.

Percentages				
Item	Column 1 For an individual in the following means testing class ...	Column 2 the percentage for the means testing category clinical supports is ...	Column 3 and the percentage for the means testing category independence is ...	Column 4 and the percentage for the means testing category everyday living is ...
1	Full-pensioner	0%	5%	17.5%
2	Part-pensioner	0%	the amount of the percentage calculated in accordance with section 314DA	the amount of the percentage calculated in accordance with section 314DA
3	Seniors health card holder	0%	the amount of the percentage calculated in accordance with section 314DA	the amount of the percentage calculated in accordance with section 314DA
4	Self-funded retiree	0%	50%	80%

Table 1: Contribution Rates
Source: <https://www.health.gov.au/resources/publications/new-aged-care-act-rules-consultation-release-2a-funding-for-support-at-home-program?language=en>

Predicted Contributions (copayments) per week for services rendered by support workers.

Please note that the government has mandated we employ support workers for a minimum of two hours per service. I have used costs based on what I pay or what I have heard other say they pay.

Service →	Hours per week	Cost	Contribution %	Total
Cleaning	2 @ \$65/hr	\$130	17.5	→ \$22.75
Gardening	2 @ \$65/hr	\$130	17.5	→ \$22.75
Shopping	2 @ \$65/hr	\$130	17.5	→ \$22.75
Showering	2 @ \$100/hr 3 services per week	\$600	5	→ \$30.00
				→ \$98.25

Table 2: Predicted Contributions Support at Home

The sharp increases in essentials such as food, utilities, rent, and medical expenses have already stretched pensioners' budgets to the breaking point. Adding this new financial burden exacerbates an already precarious situation, forcing many to make difficult choices between accessing essential aged care services and meeting their basic needs. Do they buy food and medication, or do they pay towards having their house cleaned?!

Moreover, the intent of the bill—to provide more autonomy and support for seniors—risks being overshadowed by the financial strain it imposes. Instead of feeling empowered, many elderly Australians may feel pushed further into financial insecurity, leading to stress, reduced quality of life, and the potential neglect of necessary care services due to unaffordability.

Policy makers must revisit these funding rules to ensure they align with the bill's original intent. Possible adjustments could include increasing government subsidies, implementing caps on contributions for low-income individuals, or providing additional financial support for pensioners. These measures would ensure that all elderly Australians can access the care they need without facing undue financial hardship, truly enabling them to live with dignity and independence in their own homes.

In an interview with David Bevan, ABC Adelaide Mornings Program (Monday, 2 December 2024, 9am), prompted by my phone call to David, Minister for Health and Aged Care, Mark Butler, stated for the second time the tables are ‘complicated’! While the Minister emphasizes that the system was carefully developed through consultations and negotiations, his inability to articulate how it works highlights a critical issue. If the Minister responsible cannot succinctly explain the policy, how can elderly Australians—many of whom already face challenges navigating complex bureaucratic systems—be expected to understand and navigate it? (Source: <https://www.health.gov.au/ministers/the-hon-mark-butler-mp/media/radio-interview-with-minister-butler-and-david-bevan-abc-adelaide-mornings-11-november-2024?language=en>)

The requirement for elderly aged pensioners to pay towards *Support at Home* services is fundamentally unjust and unfair. Unlike the National Disability Insurance Scheme (NDIS), which is not means-tested and does not require recipients to make financial contributions, aged pensioners—many of whom already live below the poverty line—are being asked to shoulder additional costs for essential services.

This disparity highlights a troubling inconsistency in the government's approach to supporting vulnerable populations. While NDIS recipients receive fully funded support, elderly Australians, who have contributed to society throughout their lives, are being financially penalized in their time of need. This creates a two-tiered system of care that undermines the principle of equity and fails to recognize the unique financial struggles faced by older Australians.

Forcing aged pensioners to pay for critical services such as domestic assistance and personal care adds undue stress to an already vulnerable demographic. Policymakers must address this inequity and ensure that elderly Australians are afforded the same dignity and financial support as other groups requiring government assistance.

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The financial burden imposed by the *Support at Home* contributions is even more severe for pensioners who do not own their own homes. These individuals are often in precarious financial situations, as they must allocate a significant portion of their limited income to rent or other housing costs. With rental prices continuing to rise amid a cost-of-living crisis, these pensioners face disproportionate hardships compared to homeowners.

For non-homeowning pensioners, every dollar matters. Adding the cost of *Support at Home* services—estimated to increase expenses by \$100 per week—on top of already strained budgets can push many into severe financial distress. This group, which typically lacks the financial security of home equity, is less able to absorb additional costs and is at greater risk of housing insecurity or falling into poverty.

Expecting pensioners who rent to pay for essential care services, while simultaneously managing rising housing costs, is deeply inequitable. It exacerbates financial inequality among older Australians and creates an urgent need for targeted policy interventions. Potential solutions could include subsidizing *Support at Home* contributions for renters, waiving costs for those below a certain income threshold, or restructuring the program to ensure equitable access to essential care services for all elderly Australians, regardless of their housing status.

The article on *Invox* discusses the complexities and challenges of the new *Support at Home* (SaH) program for aged care in Australia, particularly focusing on the consumer contribution framework and the administrative burden for providers.

One pensioner's fears about Co-Payments for Full Pensioners Under Support at Home

I am single, 70 never married & don't have children, supported fully by the aged pension & my level 3 HCP (fully-managed). I have no assets as I've never owned a home. I've rented my entire life. I am currently in the private rental market although I've applied for social housing but have not been successful as I'm not considered a 'high priority'.

I have very meagre superannuation - approx \$60,000 - of which I draw \$500/month to supplement the aged pension. After rent & private health insurance (which I've barely managed to maintain but necessary for my health issues) there is nothing left to pay a 17.5% co-pay for my HCP social & domestic services (shopping & cleaning). I appreciate that allied health services will be fully subsidised under the new SAH system but I don't need those types of services on a regular basis. What I do need to continue living at home is my weekly 2.5hrs shopping & weekly 2hr cleaning services.

I have purchased several items through my HCP: a raised toilet seat, wheelie-walker, shoes from The Foot Doctor, ankle brace, moonboot, recliner/lift chair, & am in process of upgrading my mobility scooter. I have done my own research, visited vendors & chosen each item myself after trialling several suitable models. I've had no issues with my provider agreeing to my chosen items. Yes, the 'expensive' items have needed OT approval but I engage my own OT, I do not use my provider's OT (though they outsource an OT through a third-party supplier). My OT is cheaper than what my provider charges for an OT assessment & report. By doing my own research & trialling/testing items I only need the OT at the end of the process to basically approve my choice

& submit a report to my provider. So far I've had no refusals for any items I've requested through my HCP.

Equipment purchases will be totally different under the new system as we won't be allowed to carry forward any left-over/accumulated funds greater than \$1000/quarter. Our funds will be paid to the providers on a quarterly basis, not monthly as happens now. There will be a different fund for equipment purchases (AT-HM or Assistive Technology - Home Modifications). Ostensibly this will mean we won't have to 'save up \$\$' to make purchases but the new model doesn't seem to include expensive items, e.g. \$7000-\$9000 mobility scooters if you need a heavy-duty model to withstand hilly terrain & rough road surfaces (due to lack of footpaths in the suburbs). Some recliner/lift chairs are \$4000-\$5000++.

Although the new system will cap the amount a provider charges for 'mgmt fees' this will be off-set by increased hourly rates for services.

We need to use our collective voices to let the ministers & government know/understand that pensioners simply cannot afford these co-pays for essential services. Shopping is one of my only outings of the week, it provides social stimulation, needed to maintain mental health. Cleaning also provides social interaction between my cleaner & me. Living alone, you come to appreciate these visits, especially if you have regular workers who get to know you.

Key Points:

1. Consumer Contributions:

- The SaH program introduces means-tested consumer contributions, varying based on service type:
 - Clinical services have no contributions.
 - Independence services have moderate contributions.
 - Everyday living services have the highest contributions.
- Contributions will only be paid for services delivered, making the system more complex to manage for providers and consumers alike.

2. Funding and Complexity:

- The maximum ongoing funding is capped at \$78,000 annually, which is insufficient for higher-need individuals to stay at home. For example, continuous care (three daily visits) would require at least \$100,000 annually under current rates **【30†source】** .
- Additional support classifications (e.g., restorative care and end-of-life care) provide extra funding but are limited in scope and duration.
- Assistive technology and home modifications are capped at \$15,000 each, which is often inadequate for comprehensive renovations like bathrooms **【30†source】** .

3. Implementation Challenges:

- SaH introduces 10 package classifications with different service and fee structures, resulting in a significant administrative burden for providers.
- Existing Home Care Package (HCP) clients will be "grandfathered," retaining their current arrangements, leading to dual systems that will persist for decades, adding further complexity.

4. Impact on Providers:

- Care management funding will drop to 10% of the package value, down from a maximum of 20%, reducing the capacity of providers to support consumers effectively.

Overall, while SaH aims to provide better independence at home, many stakeholders view it as underfunded, overly complex, and potentially burdensome for both consumers and providers. For more details, visit [Invox's analysis](#).

Recommendation:

To ensure fairness and equity in the *Support at Home* program, the following changes to the co-payment structure should be implemented:

1. **Abolish Co-Payments for Full Pensioners:** Full pensioners, who are among the most financially vulnerable, should not be required to make co-payments for essential services. This will ensure they have unhindered access to the care they need without further financial strain.
2. **Reduce Minimum Co-Payments for Part-Pensioners to Zero:** Part-pensioners, while having slightly higher incomes than full pensioners, still face significant financial challenges. Eliminating minimum co-payments for this group would offer much-needed relief.
3. **Introduce Scaled Co-Payments for Self-Funded Retirees:** Self-funded retirees, who generally have greater financial resources, should contribute through a fair and progressive co-payment system based on their income and assets. This approach balances individual responsibility with social equity.

Cost Offsetting Measures:

The financial impact of these changes can be offset by reallocating funds currently provided to service providers. A thorough review of provider funding could identify inefficiencies and ensure that public funds are directed toward directly benefiting elderly Australians. Additionally, better oversight and accountability for providers could enhance service delivery while optimizing costs.

This revised approach would align the *Support at Home* program with principles of fairness, ensuring that vulnerable seniors are not disproportionately burdened while still maintaining a sustainable funding model.

Recommendations for Improving Care Management in the *Support at Home* Program

The proposed allocation of 10% of funding to single providers for care management under the *Support at Home* program raises significant concerns about the reduction of flexibility, inefficiencies in service delivery, and potential conflicts of interest. The following recommendations aim to address these issues:

Key Issues

1. **Arbitrary Allocation of Care Management Funding**

- The 10% allocation reduces the funding available for essential services, limiting older people's ability to access the care they need.
- 2. **Lack of Flexibility**
 - Forcing individuals to work through a single provider limits choice and may result in inadequate or unresponsive service delivery, particularly for those with complex or evolving care needs.
- 3. **Conflict of Interest**
 - Providers responsible for both delivering and managing care have inherent conflicts of interest, potentially prioritizing services they offer over what is best for the recipient.
- 4. **Ineffective Oversight and Transparency**
 - Current providers often fail to deliver comprehensive care management, leaving packages underspent even when needs increase, and delaying access to urgent assessments.
- 5. **Unclear Definition of "Provider"**
 - The lack of clarity around the term "provider" raises questions about whether any existing entities can effectively deliver the wide range of services required under the program.

Recommendations

1. **Abolish the 10% Care Management Allocation to Providers**
 - Redirect these funds toward increasing subsidies for package recipients and funding independent care management services provided by Services Australia Aged Care Specialists, GPs, and GP clinics.
2. **Opt-In Care Management Services**
 - Make care management an optional service within the package, allowing recipients to decide if and when they need it.
 - Enable recipients to choose their care management provider to ensure tailored and responsive support.
3. **Independent Oversight of Care Packages**
 - Allocate a proportion of care management funding to independent, qualified parties such as Services Australia Aged Care Specialists.
 - GPs and nurses at GP clinics should play a key role in identifying clinical and other care needs for eligible recipients.
4. **Improve Transparency and Access to Budget Information**
 - Develop a portal similar to My Aged Care that allows package recipients to independently access detailed budget information.
 - Ensure alternative methods, such as email or mail, are available for those without internet access.
5. **Broader Definition and Accountability for Providers**
 - Clearly define "providers" within the program and establish accountability standards to ensure they meet the full range of care needs without conflicts of interest.

Part 4 Subsidy for Home Modification

Concerns About the \$15,000 Cap for Home Modifications

The proposed \$15,000 cap for home modifications under the new aged care bill is inadequate for essential upgrades, particularly for bathroom modifications. These modifications are critical for ensuring the safety and accessibility of elderly or disabled individuals but often exceed the allocated cap due to the complexity and costs involved.

Why Bathroom Modifications Exceed \$15,000

1. Comprehensive Renovations Required

- Bathrooms need extensive modifications to ensure they are safe and accessible. This often includes installing grab rails, wheelchair-accessible showers, anti-slip flooring, widened doorways, and modified toilets and vanities.
- Breaking the waterproof membrane, as required in most modifications, necessitates a complete overhaul of the flooring to prevent future water damage and comply with building codes.

2. Costs of Replacing Waterproofing and Retiling

- Once the waterproof membrane is broken, the entire floor must be removed and re-waterproofed. This process involves significant labour and material costs.
- Retiling the floor and walls adds to the expense, particularly as durable, non-slip tiles suitable for disability use are often more expensive than standard tiles.

3. Specialized Equipment and Installations

- Features such as walk-in showers, foldable seats, and height-adjustable fixtures are often required, and these specialized items are costly.
- Custom designs to accommodate individual needs, such as hand-held showerheads or adjustable height basins, further increase the expense.

4. Labor Costs

- Licensed professionals, including plumbers, electricians, and tilers, must be employed to meet safety and building standards. Labor costs alone can account for a significant portion of the overall budget.
- The SCHADS Award requirement for minimum hours adds to Labor costs, further stretching the budget.

5. Regional and Market Variations

- Costs can vary significantly based on location, with regional areas often incurring higher expenses due to limited contractor availability and higher material transportation costs.

Real-World Cost Estimates

- A typical bathroom modification that includes demolition, new waterproofing, tiling, and the installation of accessible fixtures often ranges between \$20,000 and \$35,000.
- Complex modifications for individuals with severe disabilities may cost even more, depending on the level of customization required.

Impact of the \$15,000 Cap

- Elderly and disabled individuals may face safety risks if they cannot afford essential modifications due to the insufficient cap.
- Families may need to cover the additional costs out of pocket, creating significant financial stress, particularly for low-income households or pensioners.
- Without full modifications, individuals may be forced into premature institutional care, undermining the goal of enabling them to remain in their homes.

Recommendations

1. Increase the Cap

- Raise the cap to at least \$30,000 to reflect the true costs of bathroom and other essential home modifications.

2. Offer Emergency Subsidies

- Provide additional funding for individuals whose modification needs exceed the cap due to disability or specific structural challenges in their homes.

3. Ensure Regional Equity

- Adjust caps to account for regional cost variations, ensuring all Australians have equitable access to essential modifications.

4. Facilitate Cost Transparency

- Require contractors and service providers to offer detailed cost breakdowns, allowing recipients to maximize their funding allocation efficiently.

By addressing the insufficient cap, the government can ensure that elderly and disabled individuals can safely remain in their homes, aligning with the bill's intent to promote dignity, independence, and quality of life.

Here are some sources and insights that support my submission about the unfairness of the new Australian Aged Care Bill, particularly concerning the introduction of co-payments for pensioners:

These sources provide a strong foundation to highlight the financial and social challenges the proposed changes pose for pensioners. Advocating for the removal or reduction of co-payments for essential home services aligns with ensuring equity and maintaining the dignity and independence of older Australians.

1. <https://hellocare.com.au/pensioners-could-be-100-out-of-pocket-per-week-under-new-support-at-home-system/>
2. <https://www.invox.com.au/news-resources/home-mods-scheme-falls-short?fbclid=IwY2xjawG6L->

- [JleHRuA2F1bQIxMAABHeTrervC0Fzkq0p3SVbpsiV0DAOObAh - w1EKwp_q0Qb0xNldd4W2jzlQ_aem_LWDXOhoMS4nbScX6khc4UQ](https://www.invox.com.au/news-resources/consumer-contributions)
3. <https://www.invox.com.au/news-resources/consumer-contributions>
 4. <https://www.health.gov.au/ministers/the-hon-mark-butler-mp/media/radio-interview-with-minister-butler-and-david-bevan-abc-adelaide-mornings-2-december-2024?language=en>
 5. <https://www.cfs.com.au/personal/tools-resources/market-insights-news/age-care-reforms.html>
 6. https://www.youtube.com/watch?v=IAZrV8dcRdI&ab_channel=VillageLocal

Thank you for taking the time to read and consider my submission. This is an incredibly serious matter for all Australians, not just those already in the system, but for those who are still to attain 'old age'.

Yours sincerely,

Hannelore (Hanna) Law