Changes to care allowance structure

Fact sheet for carers

About this fact sheet

The Department of Health and Human Services (the department) provides assessed and approved volunteer home-based carers a care allowance to assist in providing care for children who cannot live with their parents following intervention by child protection.

The care allowance contributes to the costs incurred while providing home-based care.

This fact sheet will help explain the new care allowance structure that will take effect 1 January 2016. The new structure is the first step of broader reform to simplify and improve consistency in the way financial support is provided to carers.

This fact sheet material is relevant to carers providing foster care, kinship care, permanent care and local adoption (special needs) and the professionals who support them.

At a glance…The new and simplified care allowance structure

The tables below demonstrate what will change and how the care allowance structure will look from 1 January 2016. Care allowance labels have been simplified and re-named to ensure they are more clearly understood.

Care allowance rates are also available at http://www.dhhs.vic.gov.au/carersupport.

New care allowance rates structure (per annum)				
Rate	**Age bands**			
	0–7	8–10	11–12	13+
Level 1*^	$9,680	$10,018	$11,095	$14,237
Level 2^	$10,219	$11,105	$13,129	$18,026
Level 3^	$13,330	$14,409	$17,180	$23,693
Level 4^	$25,604	$25,604	$25,604	$25,604
Level 5^	$39,442	$39,422	$39,422	$39,422
Therapeutic Foster Care (Level 3 plus loading)^	$16,444	$17,523	$20,294	$26,807
School Attendance Allowance	**5–11 year old**		**12–18 year old**	
	$333.66		$500.49	

*Plus new placement allowance of $58.96 per fortnight for first 6 months.

^ Education and Medical Payment included for eligible care arrangements.

Overview of changes

Current structure		Will become		Effect
General		Level one		• Increase of $1,040 per annum. • New placement allowance arrangements continue. • Education and Medical Payment included in allowance.
Intensive	Level 1	Level two		• Education and Medical Payment included in allowance.
	Level 2	Level three		
Complex	Non HRA	Level four		• Education and Medical Payment included in allowance.
	HRA	Level five		• Fixed rate set at previously highest available complex HRA care allowance. • Education and Medical Payment included in allowance.
Therapeutic foster care	Intensive Level 2 plus $3,114 loading	Therapeutic foster care	Level three plus $3,114 loading	Continue with existing care allowance arrangement - Level three plus $3,114 loading.
Tailored Care Packages	Complex HRA	Level five		• Education and Medical Payment included in allowance.
Education and medical payment (ed and med)		Included in level one through five		• Included in fortnightly care allowance. • No longer instalments in arrears. • Eligibility criteria arrangements continue.
Education assistance initiative (EAI)		School attendance allowance		• Eligibility criteria arrangements continue.

Effective date for changes to care allowance structure

Changes to the care allowance structure will occur automatically in the department's financial system. Applicable increases are aligned to the department's payment cycle dates, and changes to rates will be effective from the fortnightly payment period commencing 23 December 2015. The first payment incorporating the new rates will occur on 6 January 2016.

New statewide client support funding framework

Care allowance structure changes are the first step towards increasing consistency and transparency in the way financial support is provided to carers. In July 2016, the department will deliver a new statewide client support funding framework – with guidelines that incorporate the equitable provision of additional funds to support carers to meet extraordinary expenses. Consultation with carers and stakeholders will continue in February 2016 to develop a common understanding of existing arrangements and to gather suggestions on how the framework can be developed to achieve transparency, equity of access and simplified access to these funds across the state.

Milestone	Outcome
1 January 2016	New simplified care allowance structure.
1 July 2016	Statewide client support funding framework introduced, incorporates guidelines for the equitable provision of additional funds to carers that support extraordinary expenses.

More information

Queries regarding the administration of department care allowances to home-based carers should be directed to:

The Care Allowances Helpdesk

Department of Health and Human Services

Phone: 1300 552 319

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Email: caregivers.mgt@dhhs.vic.gov.au