New care allowance structure

Frequently asked questions

This document provides general information about the new care allowance structure that will come into effect on 1 January 2016. As part of the Department of Health and Human Services' (the department) commitment to providing up-to-date information for home-based carers and the professionals from whom carers receive support, this document provides answers to the most frequently asked questions (FAQs) about the new care allowance structure.

These FAQs are informed by feedback received during consultation with carers, service providers, departmental staff and peak body representatives on options for the development of the new structure.

The department would particularly like to acknowledge the participation of carers and home-based care providers in the consultation process during late 2015, which has helped shape the new care allowance structure. This information will help inform future improvements to the way additional financial support is provided to carers.

The scope of the care allowance structure includes foster carers, kinship carers, permanent carers and local adoption (special needs parents).

If you have any enquiries that are not addressed in the FAQs below, you may contact the organisation from whom you receive support, whether it be the department or a funded community service organisation.

Queries regarding the payment of care allowances to home-based carers via their nominated bank account should be directed to:

The Care Allowances Helpdesk

Department of Health and Human Services

Phone: 1300 552 319

Fax: 1300 788 062

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

Why change the care allowance structure?

The 2015–16 Victorian State Budget provided $31.4 million over four years to improve financial support for carers and also included a commitment to simplify the care allowance system to make it more easily understood.

The new care allowance structure spreads the additional investment across as many care arrangements as possible. It also reduces the number of possible care allowance combinations and supplementary allowances and incorporates the Education and Medical payment into the core allowance levels.

Why include the Education and Medical payment in the core allowance levels?

Traditionally, the Education and Medical payment has been paid through the department's care allowance system as a separate and quarterly in arrears payment in the months of January, April, July and October. Attaching the Education and Medical payment to the fortnightly care allowance is a more immediate contribution to meeting the education and health needs of children.

How does the current allowance structure translate to the new structure, and what does it deliver?

The new care allowance structure will deliver an immediate increase of $1,040 per annum to over 5,000 carers in receipt of the general / level one (base) rate. The new care allowance structure also introduces a single rate to replace the current complex HRA range.

The table below provides an overview of the new care allowance structure.

Current allowance name		New allowance name
General		Level 1
Intensive	**Level 1**	Level 2
	Level 2	Level 3
Complex	**Non-HRA**	Level 4
	HRA	Level 5

How will carers be additionally supported to meet the needs of children assessed with particularly complex needs?

Additional client support and placement support funds can continue to be accessed to help meet extraordinary care expenses. The child's case manager and care team will identify an individual child's support needs and whether associated extra expenses can be covered by the care allowance or another funding source. Where it is identified additional financial support is required, it is the role of the department, community service organisations (CSOs) and care teams to support home-based carers to identify and access the range of financial supports available.

What happens next?

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

What else is the department doing to improve the way financial support is provided to carers?

During consultation for the development of the new care allowance structure, it became clear that there are varied approaches across care arrangements and across department divisions in the provision of additional client and placement support funds to support extraordinary care expenses, that is, financial support separate to care allowances.

The department is continuing work to better understand and address this issue. Following extensive consultation in early 2016 with carers and stakeholders, the department will deliver a new statewide client support funding framework in July 2016. This will include guidelines that incorporate the equitable provision of additional funds, within a consistent framework across the state, to support carers to meet extraordinary expenses.