

# Group Home Charges/Costs

## *Actual Cost v Fixed Fee/Charge*

<p><b>Most people in the general community pay their way by paying the actual cost of their daily living: Fixed fee payment is the reserve of aged-care residential, hostels, institutions and the like.</b></p>
--

## **Residents' Daily Support Costs**

Most people in the general community have the intellectual and physical capacity to undertake their often complex daily living. Whereas most with disabilities are unable to do so, in one way or another, often needing many levels of support. Their support service costs (support staff wages and associated overheads) should never be paid in full or part by the person or their stakeholders.

The cost of support services is the responsibility of government through block funding or individual support packages (ISPs). Residents of group homes should be responsible only for their daily living costs, which should be well within the capacity of their disability support pension (DSP).

Any consideration people with disabilities should contribute towards their support service costs, is punishing them for having a disability and not being able to adequately care for themselves.

## **Residents' Daily Living Costs.**

The residents of DHS group homes have paid the 'actual cost' of their daily living, like others in the general community, since long before the Disability Act 2006. The CERS (Client Expenditure Recording System) was taken over by State Trustees in 2001.

When the major institutions were closed in Victoria, there was intention that people moving into group homes in the community shall live like others in the community. CERS was developed to help achieve this intention, and has done so very well since its inception.

The Department of Human Services installed a fixed fee/charge system, calling it B&L, into the Disability Act 2006, especially for the non-government group home service providers not fully funded for support service costs by the department. Whereas, the department's own direct care services are fully funded.

The fixed fee/charge described in the Disability Act 2006, and Regulations 2007, under "Residential Charge, Services Component and B&L (Board & Lodging)" is intended to allow non-government group home service providers to have their

residents contribute towards their support service costs, as well as not provide a breakdown of fixed fee charges – like aged-care.

## **B&L Components of Concern** *Unjustified Fee Hike, Bulk Charge, Hardship Factor*

- The 50% Fee Hike is Totally Unjustified
- The Bulk Charge reduces the home to Hostel/Aged-Care Status, removing the potential for the residents of ever having real *Residential Tenancy Rights*.
- The Hardship Factor with its Means Test, reduces residents to subsistence living.
  
- The 50% increase, will give the DHS more money to waste

A bulk residential charge provides the DHS with the potential to remove State Trustees, reduce work for house supervisors, pay utilities in bulk, and many others. But removes accountability, transparency and rights for residents.

The hardship factor provides the DHS with the potential to say, “We are the Good Guys!” We will make sure, through a hardship payment, you are not disadvantaged by the increased charges. Whereas, the ‘means test’ for hardship will reduce residents to subsistence living, at best.

## **VCAT Hearing Order – 29 August 2013 ([Link](#))**

Although the Tribunal overturned the DHS intention to block VCAT from hearing matters relating to the department’s intended cost hike associated with their intention to implement the full impact of the Disability Act 2006 and Regulations 2007, the department remains intent to have the full intent of the residential charge aspect of the Disability Act 2006 replace CERS for the residents of its group homes.

The VCAT Order just allows residents and their stakeholders to apply for a hearing of any changes to charges and procedures.

We should hear more on the subject at the next VCAT Hearing on 13 September 2013, as the department’s legal team have been told the department must justify any increase to the current CERS actual cost, as the residents are currently paying their way.

### ***LIFESTYLE IN SUPPORTED ACCOMMODATION (LISA) INC.***

**Tel: 03-9434-3810: Email: [info@lisainc.com.au](mailto:info@lisainc.com.au) or [vk3qq@optusnet.com.au](mailto:vk3qq@optusnet.com.au)**

**Web: [www.lisainc.com.au](http://www.lisainc.com.au) : [www.lisa-aus.blogspot.com](http://www.lisa-aus.blogspot.com)**

**NOTE: We are always interested in feedback and information; general, specific, good or bad. If you wish anonymously: Our mail address is, 73 Nepean Street, Watsonia, 3087.**