

## **EXPLANATORY STATEMENT**

**Issued by the authority of the Minister for Ageing**

*Aged Care Act 1997*

*Determination under Subsection 44-13(6)*

*Aged Care (Residential Care Subsidy – Amount of Oxygen Supplement) Determination  
2009 (No. 1)*

The *Aged Care Act 1997* (the Act) provides for the funding of aged care services. Persons who are approved under the Act to provide residential aged care services can be eligible to receive subsidy payments in respect of the care they provide to approved care recipients.

Paragraph 44-13(6)(a) of the Act provides that the Minister may determine by legislative instrument the amount of the oxygen supplement for a particular day. Paragraph 44-13(6)(b) of the Act provides that the Minister may determine by legislative instrument a method for working out the amount of oxygen supplement for a particular day.

An oxygen supplement will be provided where a care recipient needs to use oxygen on a regular and continuing basis. It does not include the provision of oxygen on a short-term, episodic or emergency basis. It is a daily supplement for eligible recipients.

This determination sets the oxygen supplement rate at \$9.51 with effect from 1 July 2009 and revokes Determination ACA Ch. 3 No. 13/2008, legislative instrument F2008L02229.

The determination also outlines a method for calculating the amount of oxygen supplement to be paid where the actual cost to the approved provider of administering oxygen to the care recipient is equal to, or more than, 125% of the daily rate.

### **Consultation**

As the indexation of the supplement uses a well established formula based on the consumer price index published by the Australian Statistician, and is in accordance with policy upon which extensive consultation was undertaken, no specific consultation was undertaken with respect to this instrument.

Information about the increase in the amount of the supplement will be disseminated via print and electronic media to approved providers.