

## EXPLANATORY STATEMENT

Issued by the authority of the Assistant Minister for Social Services

*Aged Care Act 1997*

*Fees and Payments Amendment Principle 2014 (No. 1)*

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

Section 96-1 of the Act allows the Minister to make Principles providing for various matters required or permitted by a Part or section of the Act.

Among the Principles made under section 96-1 is the *Fees and Payments Principles 2014 (No. 2)* (the Principles).

Chapter 3A of the Act and the Principles deal with matters relating to contributions care recipients may make to the cost of their care, by paying resident fees or home care fees, as well as fees and payments care recipients may pay for, or contribute to the cost of, accommodation provided with residential care or eligible flexible care.

The purpose of the *Fees and Payments Amendment Principle 2014 (No.1)* (the Amending Principle) is to remove subsection 41(2), section 42A, subsection 61(2) and section 61A from the Principles, being requirements for approved providers to comply with Part 3A.3 of the Act in relation to managing refundable deposits, accommodation bonds and entry contributions. These requirements will instead be included in the Act once the *Aged Care and Other Legislation Amendment Bill 2014* receives Royal Assent. The approved provider responsibility to comply with Part 3A.3 of the Act was included in the Principles as an interim measure only and can be removed when the responsibility is expressed in the Act.

The Amending Principle is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

### Consultation

As the amendments in the Amending Principle are minor and machinery in nature, no specific consultation was undertaken in relation to this instrument.

### Regulation Impact Statement

The Office of Best Practice Regulation has advised that a Regulation Impact Statement is not required (OBPR ID 17515).

### Commencement

This Amending Principle commences on the day after it is registered, or the day after the *Aged Care and Other Legislation Amendment Bill 2014* receives Royal Assent, whichever is later.

## **Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

### ***Fees and Payments Amendment Principle 2014 (No. 1)***

The *Fees and Payments Amendment Principle 2014 (No. 1)* (the Legislative Instrument) is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

### **Overview of the legislative instrument**

The Legislative Instrument makes technical amendments that remove requirements for approved providers to comply with Part 3A.3 of the Act in relation to managing refundable deposits, accommodation bonds and entry contributions, as these requirements have been included in the Act. These amendments do not alter existing arrangements; rather they merely reflect a relocation of relevant provisions.

### **Human Rights Implications**

The Legislative Instrument does not engage any of the applicable rights or freedoms.

### **Conclusion**

The Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

**Senator the Hon Mitch Fifield**  
**Assistant Minister for Social Services**