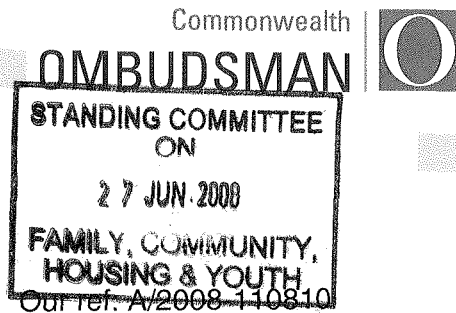


Submission No. 511

(Inq into better support for carers)

Ground Floor, 1 Farrell Place ■ Canberra
 GPO Box 442 ■ Canberra ACT 2601
 Phone 1300 362 072 ■ Fax 02 6249 7829
 ombudsman@ombudsman.gov.au
 www.ombudsman.gov.au



26 June 2008

Mr James Catchpole
 Committee Secretary
 Standing Committee on Family, Community, Housing & Youth
 PO Box 6021
 Parliament House
 CANBERRA ACT 2600

Dear Mr Catchpole

RE: INQUIRY INTO BETTER SUPPORT FOR CARERS

I refer to the Committee's invitation to the Ombudsman to make a submission to its inquiry into Better Support for Carers.

The office of Commonwealth Ombudsman was established by the *Ombudsman Act 1976* to investigate administrative actions by Commonwealth agencies.

My office typically receives 17,000-20,000 complaints per year, and investigates about a third of them. As well as cases generated by complaints, my office conducts investigations on an 'own motion' basis into wider issues in public administration. The office has extensive investigation powers, but prefers to investigate with less formality and greater efficiency where possible.

Given the nature of my office's role, I am unable to comment on some of the broader terms of reference, as I can only report on issues my office has observed through the complaints it has received. The types of complaints we receive from carers that relate directly to their carer roles invariably revolve around social security income support payments they receive from Centrelink. These would appear to relate to the following *Terms of Reference* criteria:

- *the barriers to social and economic participation for carers, with particular focus on helping carers to find and/or retain employment*
- *the practical measures required to better support carers, including key priorities for action*
- *strategies to assist carers to access the same range of opportunities and choices as the wider community, including strategies to increase the capacity for carers to make choices within their caring roles, transition into and out of caring, and effectively plan for the future.*

The issues that carers consistently raise with my office include:

- the quality of advice provided by Centrelink
- the number and frequency of reviews
- the processes for transitioning from carer payment (child) to carer payment (adult)
- different outcomes for carers based on primary payment.

I have expanded on these complaint themes in more detail below.

Quality of advice

Centrelink generally conducts its business with customers using a 'life events' model. Under this model, Centrelink undertakes to match claimants with all the correct payments and services applicable to their circumstances. In theory, when a customer or potential customer reports certain events that have occurred in their life, Centrelink staff should inform them about, and assist with access to the appropriate income support options and services that reflect their circumstances. For example, where a person reports to Centrelink that their partner has recently been in an accident and requires fulltime care, Centrelink would invite them to claim carer payment and/or carer allowance and also disability support pension or newstart allowance for their partner, depending on the nature and duration of their partner's medical condition.

In practice, the life events model does not always seem to illicit this advice. Our investigations have noted cases where Centrelink recorded that a person had reported a life change such as the above, but did not discuss the options of a carer payment claim.

In other cases Centrelink invited a claim for carer payment, but failed to advise that they might also qualify for carer allowance. In providing advice about only one facet of a person's entitlements, it would not be unreasonable for a customer to accept this information as being a definitive summary of all support available to them.

In other cases Centrelink invited claims for carer payment and carer allowance but overlooked the circumstances of their partner (who was receiving the care), when a claim for disability support pension or newstart allowance should have been invited for the partner, depending on the nature of their medical condition.

In responding to investigations involving compensation claims under the *Compensation for Deficit Caused by Defective Administration Scheme* (CDDA), Centrelink considers its duty of care does not extend to orally advising people of all of the payments they possibly qualify for and that the onus is on the person to explicitly ask about specific payments.

In my view this approach is incongruent with the objectives of the life events model because it would appear most customers have limited knowledge of the names of social security payments, and know even less about the differences in qualification criteria. Furthermore, what might well be their first contact with Centrelink can come at a time when they are under considerable stress, and trying to deal with a myriad of issues. It is relevant too that in most cases, the compensation payable under the CDDA scheme would equal the amount of benefit the person would have been paid if they were correctly advised.

Our experience has been that complainants are not aware of the difference between carer payment and carer allowance. Nor are they aware of other supplementary payments such as mobility allowance and pensioner education supplement that might be payable to the person who was receiving the care (the care receiver).

In most cases that we investigate, particularly those where the level of care required is high, the carer has taken on responsibility for managing the financial, as well as physical needs of the care receiver. They do not have time to research what payments or services might be available for them, whether online, or by phone enquiries or visits to Centrelink.

Peripheral issues observed by this office, but not related to our investigations of the suspension or cancellation of payments, related to the time pressures reported by carers. These would appear to be relevant to this enquiry.

Carers of people with high support needs have reported they have little time to deal with matters other than the bare necessities of day to day survival. This is because the event of getting out of the house often takes considerable planning, such as a temporary carer, or preparing the care receiver for the outing. Phone enquiries also often involve a significant time delay for them before being able to speak with an adviser – time they report they do not have.

Our investigations have noted instances where carers have not responded to notices from Centrelink that required action, because they had difficulty being able to allocate the time to make the necessary enquiries. In one instance the carer had reported making at least one attempt to make phone contact, but had abandoned the call because they had been needed elsewhere. While Centrelink cannot be criticised for this, I believe it is relevant to the considerations of the enquiry.

Number and frequency of reviews

Centrelink conducts reviews of the ongoing payability of social security payments. Often these reviews involve examination of income and assets, or living arrangements. Some reviews are more targeted to the continuing qualification for payments such as carer payment and carer allowance, and consequently involve medical reviews and assessments. For example for a carer to continue receiving carer payment they must satisfy a number of requirements including:

- the care receiver must be disabled to an extent that warrants constant care and attention
- there must be verified circumstances that they provide fulltime care, for example, generally the carer must establish that they live with (or nearby to) the care receiver.

In conjunction with these requirements, the care receiver often receives disability support pension and is required to undergo entitlement reviews in relation to that payment. The carer often acts as a nominee for the care receiver and therefore must organise and participate in these reviews also. In total, carers may have to participate in all of the following reviews:

- carer circumstance reviews – actioned bi-annually
- care receiver health professional assessment reviews – actioned bi-annually
- disability support pension medical reviews for care receiver – actioned bi-annually
- mobility allowance reviews for care receiver – actioned annually.

While the frequency of these reviews does not appear to be gratuitous, where a person loses qualification for carer payment due to their partner's income, they are required to participate in some of these reviews even if they have done so recently. This would appear unnecessary, as in most instances Centrelink would already have up to date information in this regard.

Similarly, we have dealt with a complaint from a person in receipt of carer payment who was required to assist the care receiver to undergo a number of health professional assessments, which reportedly were distressing for both the care receiver, and consequently the carer. It was later discovered that these repeated assessments were not required by Centrelink procedures, as the care receiver had been originally assessed as having a permanent condition that was unlikely to improve (Down Syndrome).

Transitioning from carer payment (child) to carer payment (adult)

Due to the different medical qualification criteria between carer payment in respect of whether the care receiver has turned 16 years of age, there are two categories of carer payment – child and adult. This difference has led to several complaints regarding loss of qualification.

As the medical qualification criteria for a child requiring care is slightly more relaxed than those for an adult requiring care, carers often find they lose qualification for their payment when the child turns 16. A typical example would be where a parent has received carer payment for their child who has had a disability or illness since birth. When the child turns 16 years, the parent's carer payment might be cancelled because the care receiver does not meet the more stringent adult qualification criteria. This is the basis of confusion and some frustration for the carers affected, because they still provide the same level of care as before.

This may indicate that a clearer definition is needed of what is meant by carer, that is more readily understood by the general public. In the circumstances outlined above, that knowledge may have led to the carer taking earlier steps to be prepared for employment when the child turned 16.

Other service delivery issue complaints about the transitioning from carer payment (child) to carer payment (adult) have been that the child's possible qualification for payments in their own right have not been identified when the carer payment (adult) was assessed. In some instances this meant payments such as disability support pension, mobility allowance and / or pensioner education supplement were not paid because Centrelink did not invite a claim even though the detailed information they possessed indicated the child would most probably qualify.

Different outcomes for carers based primary payment

The different additional payments that are based on the primary social security payment can result in different economic advantages or disadvantages for carers. One example relates to bereavement payments, particularly if the carer – caregiver relationship does not meet the current 'member of a couple' definition under social security law. In such circumstances if the carer met the qualification criteria for age pension, as well as carer payment, they would need to choose which payment was most beneficial to them. If they were not members of a couple that choice could mean the difference between whether or not (in the event of the death of the care receiver) they could receive a bereavement payment for an extra 14 weeks.

Another policy decision related to the choice of primary payment concerns the portability restrictions. For example, carer payment can be paid if the carer provides care for the care receiver while they are travelling overseas together. This is restricted to 13 weeks for carer payment, while there are no such time limits applied for age pension. One such incident affected a daughter, caring for an elderly mother whose health was failing and wanted to pass away in her country of birth. The daughter had chosen carer payment over age pension and was caught overseas without payment because her mother's death occurred 4 weeks after her qualification for carer payment ceased because she was overseas.

Another source of complaints relates to qualification for one-off bonus payments. These have generally been payment specific, which has meant that bonus payments made to carers were not available to age pensioners and vice versa, notwithstanding that their caring roles were similar, if not identical.

These issues all illustrate the complexities of decisions that carers may need to make, without fully understanding the implications for their circumstances. The view that generally appears to be taken by Centrelink is that age pension is the most 'beneficial' payment, based largely on the fact that qualification for carer payment relies on the level of care given. There are also restrictions on the amount of respite care allowed, as well as hours of work performed. In most circumstances, that stance would appear to be reasonable, particularly as there is no difference in the payment rates.


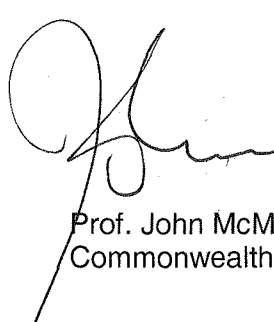
However there are still a significant number of exceptions that need to be addressed, and the number of 'exception' cases are likely to increase with the ageing of the population.

Conclusion

My office understands that carers play a vital role in sustaining Australia's current system of community-based-person-centred care. As many fulltime carers are primarily supported financially by the social security system, it is fundamentally important that this system does not work against them and supports them in focussing their efforts on those they assist.

I hope that the issues outlined above provide some direction to the Committee in its discussions. I thank the Committee for providing my office with the opportunity to make a submission.

Yours sincerely



Prof. John McMillan
Commonwealth Ombudsman