



Australian Government

**Department of Families, Housing,
Community Services and Indigenous Affairs**

**SUBMISSION TO THE SENATE STANDING
COMMITTEE ON COMMUNITY AFFAIRS
INQUIRY INTO SOCIAL SECURITY
LEGISLATION AMENDMENT (IMPROVED
SUPPORT FOR CARERS) BILL 2009**

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INTRODUCTION

The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), through the Minister for Families, Housing, Community Services and Indigenous Affairs, has policy responsibility for income support and supplementary payments to carers.

These payments include:

- Carer Payment, which is an income support payment to carers of children (aged under 16 years) and adults (aged 16 years and over) with disability or medical condition, who are unable to support themselves through substantial workforce participation because of the demands of their caring; and
- Carer Allowance, which is a supplementary payment available to carers of children (aged under 16 years) and adults (aged 16 years and over) with disability or medical condition, who provide daily care and attention in a private home of the care receiver/s.

The *Social Security Legislation Amendment (Improved Support for Carers) Bill 2009* (the Bill) makes amendments to the *Social Security Act 1991* and the *Social Security (Administration) Act 1999* to improve income support arrangements for carers of children aged under 16 years with severe disability or severe medical condition (or with a care load equivalent to that of the care load associated with caring for a child with severe disability or severe medical condition).

The amendments relate to both Carer Payment and Carer Allowance and include:

- new, fairer qualification criteria for Carer Payment in respect of a child aged under 16 years;
- amendments to the qualification requirements for a carer of a child with a terminal condition;
- more generous arrangements for carers of children in hospital; and
- automatic qualification for Carer Allowance based on qualification for Carer Payment in respect of a child aged under 16 years.

The Bill responds to the recommendations of the 2007 report of the Carer Payment (child) Review Taskforce, *Carer Payment (child): A New Approach*. The Taskforce found that many carers were ineligible for Carer Payment (child) because of its overly complex and restrictive qualification requirements.

The Bill will meet the needs of thousands of families and carers caring for children with disability and medical conditions. In the first year it is estimated that up to 19,000 additional carers will become eligible for Carer Payment.

This submission to the Senate Standing Committee on Community Affairs is presented in three parts. Part 1 provides key background information on the Carer Payment reforms. Part 2 details the key elements of the Bill. Part 3 provides key information on the implementation of the reforms including complementary non-legislative changes, and the Government's broader reform agenda for carers and people with disability.

1. Background

The Bill is the first part of the Government's response to the report of the Carer Payment (child) Review Taskforce, *Carer Payment (child): A New Approach* (the Report). Government commissioned the review in 2007 to investigate concerns raised by carers and the community that the eligibility requirements for Carer Payment in respect of a child aged under 16 years were too stringent, making the payment inaccessible to those most in need. The review examined the payment's eligibility requirements and its overall effectiveness in providing a safety net for carers of children with severe disability or medical condition.

In November 2007, the Carer Payment (child) Review Taskforce presented its final report to Government. The Report made 32 recommendations for improving Carer Payment (child) arrangements including:

- changes to eligibility requirements and a new assessment process to recognise the level of care required by the care receiver and provided by the carer;
- better support for carers through improved service delivery, including case coordination and more accessible information about payments;
- increased support for carers to participate in the workforce through improved access to the Job Network, help with child care arrangements and assistance for employers; and
- increased recognition for carers through carer recognition legislation and a national action plan for carers.

In the 2008-09 Budget, the Government committed \$273.6 million, over five years, for changes to the qualification criteria and assessment process for Carer Payment.

The Bill when passed will provide fairer and more equitable access to Carer Payment in respect of a child aged under 16 years, through improved qualification and assessment processes. The most significant aspect of the new assessment process is that it will consider the level of care provided by the carer and required by the care receiver, rather than the rigid medical criteria currently used.

The Bill also broadens the circumstances where the care provided can be recognised, such as for carers with short term or episodic caring responsibilities and for carers caring for more than one person with disability. These expanded qualification provisions will consider the total impact on the carer of caring for one or more people with disability or medical condition.

Around 19,000 carers of children aged under 16 years with severe disability or severe medical condition (or with a care load equivalent to that of the care load associated with caring for a child with severe disability or severe medical condition) are expected to benefit from the new arrangements in the first year. This is likely to include 30 per cent (5,500) carers who are new income support recipients and 70 per cent (13,500) carers transferring from other income support payments.

Currently, for the carer to qualify for Carer Payment in respect of a child aged under 16 years the child must meet the definition of 'profoundly disabled child' set out in the *Social Security Act 1991*. A child will meet this definition if they:

- have a severe multiple disability or a severe medical condition and because of that disability or condition, needs continuous personal care for six months or more (or, if the condition is terminal within six months, for the rest of the child's life) and the disability or condition includes at least of seven specified circumstances¹; or
- have a severe intellectual, psychiatric or behavioural disabilities which means that the child requires constant care or supervision for their safety or the safety of others; or
- have a terminal condition, are in the advanced phase of that condition, are unlikely to live for a period substantially greater than 12 months and will need continuous personal care for the remainder of their life.

The current process for assessing whether a child meets these requirements is that a medical practitioner must certify the condition and the care required.

¹ The seven circumstances are a mix of specific medical interventions, management of bodily functions, including continence and ability to stand, terminal conditions criteria and need for attention between 10 pm and 6 am each day.

2. KEY ELEMENTS OF THE BILL

The Bill presents the amendments in two schedules:

- Schedule 1 – Amendment of the *Social Security Act 1991*; and
- Schedule 2 – Amendment of the *Social Security (Administration) Act 1999*.

A further Bill containing consequential amendments of a minor or technical nature will be introduced into Parliament in May 2009.

The key amendments contained in Schedules 1 and 2 and the consequential amendments are outlined below.

2.1 SCHEDULE 1: AMENDMENT OF THE SOCIAL SECURITY ACT 1991

Schedule 1 outlines both substantive and minor amendments to the qualification criteria for Carer Payment and Carer Allowance paid in respect of a child aged under 16 years. These include:

- expanded circumstances in which carers can qualify for Carer Payment, encompassing 'single', 'multiple', 'combined' and 'exchanged care' arrangements;
- access to Carer Payment for short term or episodic caring circumstances;
- more sensitive and generous arrangements for carers of children who have been diagnosed with a terminal condition;
- provision for the FaHCSIA Secretary to determine a new assessment for Carer Payment through the *Disability Care Load Assessment (Child)*;
- provision for the FaHCSIA Secretary to determine a wider range of treating health professionals;
- more generous arrangements for carers of children when the child is in hospital; and
- automatic qualification for Carer Allowance based on qualification for Carer Payment.

2.1.1 QUALIFICATION FOR CARER PAYMENT

The Bill sets out the new and revised circumstances in which a person can qualify for Carer Payment in respect of a child aged under 16 years. Under the amendments carers may be able to qualify for Carer Payment if they provide constant care to:

- a child with severe disability or severe medical condition;
- two or more children with disability or medical condition;
- one or more children each with disability or medical condition and a disabled adult;

- a child who has a terminal condition;
- two or more children with disability or medical condition in an 'exchanged care' situation (under parenting plans etc);
- a child with short-term or episodic care needs; or
- a child who is hospitalised.

The qualification criteria relate to both carers and carer receivers and include requirements specific to the particular circumstances and others which apply to all claims regardless of the circumstances of the care. The requirements applicable to all claims are:

- the care given must severely restrict the carer's capacity to undertake paid employment;
- the care must be provided in a private residence which is the home of the care receiver;
- the carer must be an Australian resident;
- the carer must pass income and assets tests;
- the care receiver(s) must:
 - require constant care being provided by the carer;
 - be (an) Australian resident(s); and
 - pass relevant income and assets tests.

These general requirements are derived from the current qualification criteria for Carer Payment.

The qualification requirements which are specific to the particular care circumstances are set out and discussed below.

2.1.1 .A A CHILD WITH SEVERE DISABILITY OR SEVERE MEDICAL CONDITION

Under the Bill, carers may qualify for Carer Payment if they provide constant care to a child with severe disability or severe medical condition; receive a qualifying rating of intense under the new Disability Care Load Assessment (child); and they receive written certification from a treating health professional that the child will require the care for at least 6 months and the number of carers required to care for the child. The carer and care receiver will also need to meet the requirements applicable to all claims, listed at 2.1.1 of this submission.

2.1.1 .B TWO OR MORE CHILDREN WITH DISABILITY OR MEDICAL CONDITION

The new qualification requirements will recognise situations where the combined care load of caring for two or more children with disability or medical condition is equivalent to that of the care load associated with caring for a child with severe disability or severe medical condition.

Carers may qualify for Carer Payment if: they provide constant care for two or more children with disability or medical condition; the carer receives a

qualifying rating of intense under the Disability Care Load Assessment (child); and a treating health professional certifies that the care will be required for at least six months and the number of carers required to care for the child.

To qualify for Carer Payment the carer and care receiver will also need to meet the requirements applicable to all claims, listed at 2.1.1.

These amendments will ensure fairer and more flexible access to Carer Payment for carers of two or more children with disability or medical condition.

Example

Elizabeth cares for her two children, James and Erin. Both children have with significant care needs because of disability and provision of this care severely restricts Elizabeth's capacity to undertake paid employment.

While neither child is assessed as having a severe disability or severe medical condition, when the care load of the two children is combined, Elizabeth receives a qualifying rating of intense under the Disability Care Load Assessment (Child).

A treating health professional certifies that both James and Erin need care for six months or more. Provided Elizabeth meets the other qualification requirements applicable to carers (i.e. provision of constant care, residency, income and assets tests etc) and James and Erin meet the other requirements applicable to care receivers (i.e. need for constant care, residency, income and assets tests etc), Elizabeth will qualify for Carer Payment.

2.1.1 .C ONE OR MORE CHILDREN WHO EACH HAVE DISABILITY OR MEDICAL CONDITION AND A DISABLED ADULT

The Bill introduces new qualification requirements for 'multiple care' situations. These are situations where carers are caring for a disabled adult and one or more children with disability or medical condition who would not individually qualify the carer for Carer Payment under any other qualification criteria.

Under the Bill, the combined care load associated with caring for this group of care receivers may qualify the carer for Carer Payment if the care load is equivalent to that of the care load associated with caring for a child with severe disability or severe medical condition.

In such circumstances carers must provide constant care for:

- a disabled adult who has been assessed under the Adult Disability Tool Assessment (ADAT) and is a lower ADAT score adult²; and
- one or more children aged under 16 years with disability or medical condition.

² Lower ADAT score adult refers to a disabled adult who is assessed and rated under ADAT and given a score under the Tool of at least 20, being a score calculated on the basis of a total professional questionnaire score of at least 8.

The carer must receive a qualifying rating of intense under the Disability Care Load Assessment (child).

A treating health professional must also certify in relation to the child or children that the care will be required for at least six months and the number of carers required to provide the care to the child or children.

As with all claims the carer and care receiver will need to meet the requirements set out at 2.1.1 of this submission.

The extension of Carer Payment to persons caring for a disabled adult and one or more children with disability or medical condition recognises that as the Australian population ages, it is expected that more people may have caring responsibilities for multiple care receivers, including adults and children across two or more generations.

Example

Tracy cares for her two children, Wade who has mild cerebral palsy and Mykal who has a learning disability. Tracy is also caring for her own mother, Helen, who has suffered a stroke.

Tracy, Helen, Wade and Mykal all live in the same house.

Helen has been assessed under the ADAT and is a lower ADAT score adult.

The care that Tracy provides to all of the care receivers severely restricts her capacity to undertake paid employment. None of the care receivers' individual care loads, nor Wade and Mykal's combined care load, qualify Tracy for Carer Payment.

However when the care Tracy provides to for her two children is combined with the care she provides to her mother, a qualifying rating of intense is received under the Disability Care Load Assessment (child).

A treating health professional certifies Wade and Mykal each need care for six months or more and that care is to be provided by one person.

Provided Tracy meets the other qualification requirements applicable to carers (i.e. provision of constant care, residency, income and assets tests etc) and Helen, Wade and Mykal meet the other requirements applicable to care receivers (i.e. need for constant care, residency, income and assets tests etc), Tracy will qualify for Carer Payment.

2.1.1 .D A CHILD WHO HAS A TERMINAL CONDITION

The Bill introduces more sensitive and generous arrangements for carers whose children have been diagnosed with a terminal condition. Currently, to qualify for Carer Payment, a medical practitioner must certify that a child has a terminal condition, is in the advances phase of the condition and is unlikely to live for longer than 12 months.

Under the proposed amendments a person may qualify for Carer Payment if, a medical practitioner certifies that the child has a terminal condition and will require continuous personal care for the remainder of his/her life and that the

average life expectancy for a child with the same or similar condition is not substantially longer than 24 months. The carer must also personally provide constant care for the care receiver and the care is to be provided in the home of the care receiver.

Centrelink processes will be revised to accommodate the new arrangements. Under the revised review regime, claims will be reviewed 24 months from the date of the first claim and every 12 months thereafter. Centrelink Social Workers will review cases and offer carers and their families additional support where necessary.

Carers of children with a terminal condition will be able to remain qualified for Carer Payment until their child reaches the age of 18 or no longer requires care, provided that the grant of Carer Payment is made prior to the child turning 16. If a person with a terminal condition reaches the age of 18, the carer will only remain qualified for Carer Payment if the carer meets one of the other qualification requirements for Carer Payment.

These amendments acknowledge the many problems inherent in requiring a medical practitioner to state categorically that a child has a terminal condition and will only live for a specified period.

2.1.1 .E TWO OR MORE CHILDREN WITH DISABILITY OR MEDICAL CONDITION IN AN 'EXCHANGED CARE' SITUATION (UNDER PARENTING PLANS)

The Bill introduces a new qualification for Carer Payment for 'exchanged care' situations.³ This amendment addresses the fact that currently parents caring for children in 'exchanged care' situations may not meet the Carer Payment qualification requirement for the provision of constant care to the same child and that care is to be provided in the home of the care receiver.

A person may qualify under this new qualification if the following requirements are met:

- they are the parent of at least two children with severe disability or severe medical condition (or two combinations of care receivers whose care load is equivalent to that of the care load for a child with severe disability or severe medical condition);
- the care receiver/s would qualify the parent for Carer Payment under one of the qualification provisions for Carer Payment for the care of a child under the age of 16 if they were always in the care of the person;
- they are separated or divorced from the children's other parent/s;
- they provide a qualifying level of care to one or more of the children every day (i.e. they always have a child with severe disability or severe

³ Exchanged care is where a divorced or separated parent exchanges the care of two or more children with severe disability or severe medical condition with the child's other parent. In these circumstances the care of one child (or children) is always substituted for the care of the other, so that the carer is always providing care to a child with severe disability or severe medical condition (or children with a care load equivalent to that associated with caring for a child with severe disability or severe medical condition).

medical condition or a combination of care receivers with disability or medical condition whose care load is equivalent to that of the care load for a child with severe disability or severe medical condition in their care); and

- they have a registered parenting plan, parenting plan or parenting order, which outlines the caring arrangements.

These proposed changes will enable Carer Payment to better apply in situations of family breakdown involving multiple children with disability or medical condition, by allowing carers to qualify for Carer Payment despite the fact that they are not providing constant care to the same care receiver(s) and that the care receiver may have more than one home.

Example

David and Angela are divorced with two children, Anne and Sarah, each with severe disability. They have an approved parenting plan in place which provides that Anne and Sarah are to live with David and Angela on a week about exchanged basis. This means in any given week David will have one child and Angela will have the other.

Both Anne and Sarah require constant care and the care that David and Angela provide to the children severely restricts their capacity to undertake paid employment.

The care that David and Angela provide to Anne, combined with the treating health professional's assessment of the level of care required by Anne, produces a qualifying rating of intense under the Disability Care Load Assessment (Child). Similarly the care that David and Angela provide to Sarah, combined with the treating health professional's assessment of the level of care required by Sarah, produces a qualifying rating of intense.

Additionally a treating health professional certifies that each child requires care to be provided by one person and that both children will require care for 6 months or more.

Provided David and Angela meet the other qualification requirements applicable to carers (i.e. provision of constant care, residency, income and assets tests etc) and Anne and Sarah meet the other requirements applicable to care receivers (i.e. need for constant care, residency, income and assets tests etc), David and Angela will qualify for Carer Payment even though they are not always providing constant care to the same child.

2.1.1 .F A CHILD WITH SHORT TERM OR EPISODIC CARE NEEDS DUE TO DISABILITY OR A MEDICAL CONDITION

The Bill extends qualification for Carer Payment to carers providing care on a short term or episodic basis, for at least three months and not longer than six months, to a child or children aged under 16 years.

- Short term care refers to care provided to a child or children with disability or medical condition aged under 16 years for a one-off incident which is not expected to recur.
- Episodic care refers to care provided to a child or children with disability or medical condition aged under 16 years on a recurring or episodic basis.

To qualify for Carer Payment on the basis of short-term or episodic care, carers will need to meet the qualification requirements outlined previously for 'single', 'multiple' or 'combined' arrangements, except for the requirement that care will be required for 6 months or more. Instead carers will need treating health professional certification that the expected duration of care will be at least three months and less than six months. In 'multiple care' situations the disabled adult must require care for six months or more as the short term and episodic care provisions only apply to children aged under 16 years.

If the care receiver requires care for the same or related disability or medical condition beyond the period originally certified by the treating health professional an extension under the short term and episodic provisions may be given for a period of up to six months from the date of the original grant of Carer Payment. To have an extension granted, the child's treating health professional must certify that the child or children will continue to need personal care for a period of less than three months, starting immediately after the end of the present period. Extensions cannot be granted after the child reaches 16 even if the care is for the same or related disability or medical condition.

Once the cumulative period of time for which personal care is required for the same or related disability or medical condition exceeds six months a person will qualify under one of the other qualification provisions relating to children for ongoing Carer Payment.

Examples

Short Term Care

Alex sustained severe injuries in an accident and requires multiple rounds of surgery and treatment over a period of four months. The care required by Alex severely restricts his mother's capacity to undertake paid employment for that four month period.

The care load of Alex's mother, Michelle, is given a qualifying rating of intense under the Disability Care Load Assessment (Child). Additionally a treating health professional certifies that Alex requires personal care for a four month period and that the care needs to be provided by one person.

Provided Michelle meets the other qualification requirements applicable to carers (i.e. provision of constant care, residency, income and assets tests etc) and Alex meets the other requirements applicable to care receivers (i.e. need for constant care, residency, income and assets tests etc), Michelle will qualify for Carer Payment for the month.

Extensions

After the grant of Carer Payment it becomes apparent that Alex will need further treatment and surgery and consequently his care needs will extend beyond the four month period. Before the end of the original four month period Michelle provides Centrelink with treating health professional certification that Alex will require personal care for a further period of a month because of surgery associated with the same condition. Michelle may continue to receive Carer Payment for the additional one month period.

Episodic Care

Daniel has a rare blood disorder. Most of the time he seems well and active, however at other times he is so ill that he requires extensive treatment and personal care. Each episode lasts about 4 months. Daniel's father, Samuel, cares for him during these periods and the provision of this care severely restricts Samuel's capacity to undertake paid employment.

Samuel's care load during these episodes is given a qualifying rating of intense under the Disability Care Load Assessment (child). Additionally a treating health professional certifies that David requires personal care for a four month period, the care is required in relation to a condition which is likely to recur and the care needs to be provided by one person.

Provided Samuel meets the other qualification requirements applicable to carers (i.e. provision of constant care, residency, income and assets tests etc) and David meets the other requirements applicable to care receivers (i.e. need for constant care, residency, income and assets tests etc), Samuel will qualify for Carer Payment for the four month period. At the end of the four month period payment is automatically cancelled.

2.1.1 .G A CHILD WHO IS HOSPITALISED

The Bill includes more generous arrangements for carers of children when the child is in hospital. The amendments will enable carers to continue receiving Carer Payment and Carer Allowance whilst the care receiver is in hospital as long as they continue to participate in the care of the child.

Currently, if a child is hospitalised for more than 63 days, Carer Payment is either suspended or cancelled. This means that carers have to reapply for Carer Payment once the child is released from hospital and returns home. The Bill removes the 63 day hospital limit.

Centrelink will undertake reviews after the child has been in hospital for a continuous period of 12 weeks to assess if the carer is still providing care to the child in hospital. Additionally, a comprehensive review will be undertaken after the child has been in hospital for a continuous period of 24 months.

These changes are intended to recognise that carers of hospitalised children continue to provide significant levels of care and support to their child as well as dealing with associated physical, emotional and financial burdens of tending to normal household arrangements.

Example

Melanie receives Carer Payment in respect of her son John. He requires regular stays in hospital for treatment. When he's there Melanie attends hospital daily and continues to participate in his care.

Melanie advises Centrelink each time John is hospitalised and that she continues to assist with John's care requirements. Melanie continues to receive Carer Payment in respect of John while she continues to participate in his care regardless of how much time he spends in hospital provided all other qualification requirements are met.

2.1.2 AUTOMATIC QUALIFICATION FOR CARER ALLOWANCE

Under the Bill, carers who qualify for and receive Carer Payment in respect of a child aged under 16 years will automatically qualify for Carer Allowance. These amendments will apply to new Carer Payment recipients and carers who already qualify for Carer Payment.

Automatic qualification for Carer Allowance will apply unless another carer is already being paid Carer Allowance in respect of the same child. In this case, the current rules for Carer Allowance will apply, that is, the Secretary will make a determination as to who should be paid Carer Allowance in respect of the child and in what proportions, based on the level of care provided by each carer.

In situations of 'combined' and 'multiple care', carers will automatically qualify for Carer Allowance for each child aged under 16 years who qualifies them for Carer Payment.

Carers will still be able to qualify for Carer Allowance based on the qualification provisions currently in the Act however only one Carer Allowance is payable in respect of a child. Accordingly, if another person receives Carer Allowance in respect of a child then the recipient of Carer Payment in relation to that child will not automatically qualify for Carer Allowance.

Example

Noel qualifies for Carer Payment as a result of the combined care load associated with the care of his two children, Laura and Amy, each with disability. Noel has not previously been able to qualify for Carer Allowance based on the qualification requirements but will now be able to automatically qualify for Carer Allowance based on his qualification for Carer Payment.

However, Wendy is qualified for Carer Allowance in relation to Laura and is receiving carer allowance for that child. As Noel and Wendy are members of a couple, Carer Allowance is not payable to Noel.

In these circumstances the Secretary can make a determination declaring that both Noel and Wendy are qualified for Carer Allowance and Wendy is the member of the couple to whom Carer Allowance is payable in relation to Laura.

Noel will automatically qualify for Carer Allowance for Amy.

2.1.3 ARRANGEMENTS FOR TRANSITION TO CARER PAYMENT IN RESPECT OF A CARE RECEIVER AGED 16 YEARS AND OVER

The Bill includes amendments to facilitate transition to Carer Payment in respect of a care receiver aged 16 years and over when the child reaches the age of 16. These amendments will enable carers to continue to receive Carer Payment for up to three months after their child turns 16, thus allowing carers a longer period to have their child assessed under the Carer Payment qualification requirements relating to a care receiver aged 16 years and over.

This extends the current provisions in relation to the continuation of Carer Payment when a care receiver reaches the age of 16. Currently in these situations the care receiver has to be assessed under the Adult Disability Assessment Tool, before they reach the age of 16, for payment to continue without cancellation.

This amendment will not apply to grants for care provided on a short term or episodic basis or for care provided to a child with a terminal condition. Instead, qualification for Carer Payment for short term or episodic episodes may continue for the duration of the term or episode, even if the care receiver turns 16 years of age during the period. In relation to children with a terminal condition, carers will remain qualified for Carer Payment until their child turns 18, providing the grant was made prior to the child reaching the age of 16 and that the carer and care receiver continue to meet the all the other qualification requirements.

2.1.4 TRANSITIONAL AND SAVINGS PROVISIONS

The Bill provides that carers receiving Carer Payment in respect of a profoundly disabled child or two or more disabled children (i.e. those qualified under the current legislation) on or after 1 July 2008 who have their Carer Payment cancelled before 1 July 2010, and reclaim for Carer Payment between 1 July 2009 and 1 July 2010, may have their claim determined under the new provisions or the qualification provisions in force before 1 July 2009 (i.e. under the current legislation).

Additionally, carers receiving Carer Payment in respect of a profoundly disabled child or two or more disabled children (i.e. those qualified under the current legislation) as at 30 June 2009 will remain qualified for payment after the introduction of the new qualification provisions.

The beneficial changes contained within the Bill will apply to recipients of Carer Payment in respect of a child aged under 16 years who have qualified for payment under the provisions in force immediately before 1 July 2009 (i.e. those qualified under the current legislation).

2.2 SCHEDULE 2: AMENDMENTS TO THE SOCIAL SECURITY (ADMINISTRATION) ACT 1999

Schedule 2 sets out minor amendments to the administration of Carer Allowance in respect of a child aged under 16 years, relating to:

- claims;
- automatic cancellation and suspension; and
- transitional arrangements.

2.2.1 CLAIMING CARER ALLOWANCE IN RESPECT OF A CHILD AGED UNDER 16 YEARS

The Bill provides that if a person is receiving Carer Payment in respect of a child aged under 16 years and is automatically qualified for Carer Allowance then no additional claim is required for Carer Allowance.

From 1 July 2009, qualifying claims for Carer Allowance, made within 28 days of being notified of the rejection of a claim for Carer Payment or suspension or cancellation of Carer Payment, will be taken to have been made on the date of the claim for Carer Payment or the date of cancellation or suspension.

2.2.2 AUTOMATIC CANCELLATION AND SUSPENSION OF CARER ALLOWANCE

The Bill sets out that if a person is qualified for Carer Allowance because they are receiving Carer Payment in respect of a child aged under 16 years and their Carer Payment is suspended or cancelled, their Carer Allowance will also be suspended or cancelled.

In these circumstances a carer will need to make a claim for Carer Allowance and be assessed against the qualification requirements for Carer Allowance in respect of a child aged under 16 years. However, as stated above, from 1 July 2009, qualifying claims for Carer Allowance, made within 28 days of notification of the suspension or cancellation of Carer Payment, will be taken to have been made on the date of cancellation or suspension.

2.3 DISABILITY CARE LOAD ASSESSMENT (CHILD)

The Bill provides that, as part of the qualification criteria for Carer Payment in respect of a child aged under 16 years, a carer must receive a qualifying rating of intense under the Disability Care Load Assessment (child). The Disability Care Load Assessment (child) will assess the level of care required by a child or children because of their disability or medical condition, and the level of care provided to the child or children by their carer.

The Disability Care Load Assessment (child) will be contained in a new legislative instrument to be known as the *Disability Carer Load Assessment Determination 2009*. The Determination will contain the Disability Care Load Assessment (child), as well as scoring algorithms, matrices and qualification thresholds.

The Disability Care Load Assessment (child) comprises two components. The first, the Assessment of Care Load questionnaire, will be completed by the carer; and the second, the Professional questionnaire, will be completed by a treating health professional, which will include registered nurses, registered psychologists, physiotherapists, occupational therapists and Aboriginal health

workers. Both of these questionnaires will assess the functional ability, behaviour and special care needs of children and the level of care they require, as well as the level of care provided by carers.

As part of the qualification requirements for Carer Payment the carer must receive a rating of intense under the Disability Care Load Assessment (child) for the child or children to whom they provide care. Essentially, a person will receive a qualifying rating of intense if they receive a qualifying score from the Assessment of Care Load questionnaire and a qualifying score from the Professional questionnaire.

2.3.1 ASSESSMENT OF CARE LOAD QUESTIONNAIRE

The Assessment of Care Load questionnaire has been developed in consultation with carers and paediatric medical and allied health professionals. FaHCSIA contracted the Centre for Health Service Development at the University of Wollongong to develop the questionnaire. The Assessment of Care Load questionnaire was piloted with over 1,200 carers of children with disability or medical condition. A targeted group of paediatric medical and allied health professionals were also involved, providing expert advice on the development and scoring of the Assessment of Care Load questionnaire.

The Assessment of Care Load questionnaire will be used to assess the care required and provided (care load) for one or more children aged under 16 years with disability or medical condition. The Assessment of Care Load questionnaire addresses a major shortfall in the current assessment process by giving carers the opportunity to describe the caring experience and explicitly acknowledging the care they provide.

The Assessment of Care Load questionnaire will be structured around four functional domains: two 'behavioural' domains; and one each for 'everyday care' and 'special care needs'.

2.3.2 PROFESSIONAL QUESTIONNAIRE

The Professional questionnaire is the second component of the Disability Care Load Assessment (child) and it will be completed by a treating health professional. The Professional questionnaire has been adapted from the Child Disability Assessment Tool (CDAT) which is currently used to determine qualification for Carer Allowance in respect of a child aged under 16 years and will assess the level of functional impairment that impacts on the child, with reference to age appropriate standards.

The child's functional ability will be measured in a series of categories: language skills; self-care skills; social and community skills; and fine and gross motor skills. The child's behaviour will be taken into account where it is significantly affected by the disability, along with special care needs, which includes incontinence for a child over 4, inability to stand without support for a child over 3, use of a wheelchair, need for urinary catheterisation several times each day and need for care from parent at least twice a night.

The scoring method applied to the CDAT Professional Questionnaire for Carer Allowance in respect of a child aged under 16 years will be applied to the new Professional questionnaire for Carer Payment in respect of a child aged under 16 years. This scoring method is detailed in Schedule 2 of the *Child Disability Assessment Determination 2001*.

2.4 Treating Health Professional

The Bill provides for the Secretary of FaHCSIA to determine an expanded range of treating health professionals able to complete the Professional questionnaire. Registered nurses, registered psychologists, physiotherapists, occupational therapists and Aboriginal health workers (in geographically remote areas) who are involved in the child's treatment and care will be able to complete the Professional questionnaire. This is vastly more flexible than the current definition that is limited to licensed medical practitioners (essentially only GPs and specialists). By providing this greater flexibility, carers should be more readily able to access a health professional who is familiar with the child's condition.

2.5 CONSEQUENTIAL AMENDMENTS

To help facilitate the implementation of the amendments contained in the Bill, legislation containing consequential and transitional amendments is expected to be introduced into Parliament in mid-May 2009. These amendments will be of a minor or technical nature and will facilitate the changes made by the Bill.

3. BROADER ENVIRONMENT

There are a number of key complementary non-legislative changes associated with implementation of the Carer Payment reforms. These include enhanced Centrelink processes to expedite the changes to Carer Payment and the introduction of specialist carer assessment teams for the consideration of more complex claims.

Carers and people with disability are central elements of the Government's broader reform agenda and work being pursued throughout Australian Government agencies. The reform agenda signals new ways of helping people with disability and their families in a holistic way that meets family and individual need. For the first time, the needs of carers are being addressed through a Government framework which views disability, carer policy and service delivery as intrinsically linked. The National Disability Agreement, National Disability Strategy and current Inquiry into Better Support for Carers are key examples of Government's commitment in this area.

3.1 IMPLEMENTING THE CARER PAYMENT REFORMS

3.1.1 CUSTOMER EXPERIENCE

FaHCSIA is working with Centrelink to identify how the proposed Bill will impact on carers in order to prevent negative experiences and develop solutions to any problems as appropriate.

Centrelink has agreed to issue the new Carer Payment claim forms as soon as possible after the legislation is passed. Additionally when a Carer Payment claim in respect of a child aged under 16 years is rejected between 1 April and 1 July, Centrelink have been/will call the carer to discuss the reason for rejection; this discussion may include information about the proposed changes to Carer Payment. If the carer indicates that they would like to test their qualification under the new provisions, they will be sent the new forms once the legislation is passed.

Centrelink will also provide onsite servicing at major paediatric hospitals for a number of weeks from the date that legislation is passed. During that period, Centrelink may assist carers to complete forms and provide support to treating health professionals in understanding the changes.

Centrelink will stream any claim forms lodged prior to the 1 July 2009 implementation date to facilitate speedy assessment from 1 July 2009 when staff will be available to process claims.

Centrelink and FaHCSIA are working together to coordinate complementary communication strategies to inform carers of the proposed changes to Carer Payment. Centrelink communications will commence once the legislation is passed. In the meantime, special scripts which provide information about the proposed changes are being used by Centrelink customer service officers to assist people applying for Carer Payment in respect of a child aged under 16 years,.

The FaHCSIA communications will include general and targeted briefing material (e.g. articles for newsletters; letter and information packs) to key

stakeholders including those with frontline contact with carers to inform them about options for accessing Carer Payment in respect of a child aged under 16 years. Material will be made available to organisations like the Carers Associations, Australian Association of Families of Children with a Disability, relevant Health Professional bodies, respite service providers and the like. Material will also be placed on the FaHCSIA website.

3.1.2 SPECIALIST CARER ASSESSMENT TEAMS

As an enhancement to the reforms outlined, new specialist carer assessment teams will be established within Centrelink. These teams will undertake the assessment of Carer Payment in respect of a child aged under 16 years claims in cases that are deemed to be complex or borderline under the new process.

When Centrelink assess a claim for Carer Payment in respect of a child aged under 16 certain situations will trigger a referral to a specialist carer assessment team. Referrals may be triggered where:

- the qualifying score is just below the threshold;
- there is an inconsistency between the type and intensity of care load in the Assessment of Care Load questionnaire and the diagnosis in the Professional questionnaire and the stated disability or condition in the Assessment of Care Load questionnaire;
- the carer uses the other field in the Assessment of Care Load questionnaire and the content introduces additional information about the care load required that cannot be assessed by the Customer Service Advisor or is not reflected in the responses to the Assessment of Care Load questionnaire.

A member of a carer assessment team will have the delegation to add a limited number of additional points to an Assessment of Care Load questionnaire in cases where there is care provided which is not recognised by the Assessment of Care Load questionnaire. The use of the carer assessment teams recognises the complexity of some care circumstances and difficulty in adequately capturing all care needs in any assessment process.

3.2 THE BROADER CARER AND DISABILITY REFORM AGENDA

The implementation of the Carer Payment reform is part of a broader reform agenda being implemented in the area of disability and carers, which includes work under the Council of Australian Governments reform agenda. Also, as part of a wider inquiry into Australia's Future Tax System, the Australian Government's Pension Review was announced to undertake an investigation into measures which could be adopted to strengthen the financial security of seniors, carers and people with disability including investigating the appropriate levels of income support and allowances.

3.2.1 PENSION REVIEW

The Secretary of FaHCSIA, Dr Jeff Harmer, undertook an investigation into measures to strengthen the financial security of seniors, carers, and people with disability, including an analysis of the Age Pension, Carer Payment and Disability Support Pension. The Pension Review considered the:

- appropriate levels of income support and allowances, including the base rate of the pension, with reference to the stated purpose of the payment;
- frequency of payments, including the efficacy of lump sum versus ongoing support; and
- structure and payment of concessions or other entitlements that would improve the financial circumstances and security of seniors, carers and people with disability.

The Pension Review was completed in February 2009. The Review's final report is helping the Government structure a reform package that will be announced as part of the May Budget.

The Pension Review was undertaken in the context of the broader inquiry into Australia's Future Tax System. This comprehensive review of Australia's tax system is due to provide its final report to the Treasurer by the end of 2009 and will take into account the relationship of the tax system with the transfer payments, rules and concessions with a view to improving incentives to work, reduce complexity and maintain cohesion.

3.2.2 NATIONAL DISABILITY AGREEMENT

The National Disability Agreement came into effect on 1 January 2009. It signals a new era of Commonwealth and State/Territory Government cooperation and includes a number of key reforms aimed at assisting carers, people with disability and their families. The objective of the National Disability Agreement is for people with disability and their carers to achieve economic and social inclusion, enjoy greater choice, have increased wellbeing and the opportunity to live as independently as possible and to support their families and carers. One of the three outcomes of the National Disability Agreement is that "families and carers are well supported".

3.2.3 NATIONAL DISABILITY STRATEGY

The National Disability Strategy will be announced in 2010 following its consideration by Commonwealth, State and Territory governments. The Strategy will provide a new whole-of-government, whole-of-life approach to disability issues which will tackle the social and economic divide between people with disability and those without.

The National Disability Strategy is a key element of the Government's social inclusion agenda and will assist people with disability, their families and their carers achieve better outcomes in society. The Strategy will aim to increase the social, economic and cultural participation of people with disability to

eliminate the discrimination experienced by them and to improve disability support services for them, their families and carers.

In order for people with disability, their families and carers to have an ongoing voice in the development of the National Disability Strategy, a new National People with Disabilities and Carer Council has been established to provide expert advice and information to Government on the development and implementation of the Strategy.

3.2.4 INQUIRY INTO BETTER SUPPORT FOR CARERS

In May 2008, the Minister for Families, Housing, Community Services and Indigenous Affairs asked the House of Representatives Standing Committee on Family, Community, Housing and Youth to conduct an Inquiry into Better Support for Carers.

Since that time, the Committee has been inquiring into:

- the role and contribution of carers and how this should be recognised;
- the barriers to social and economic participation for carers, with a particular focus on helping carers to find and/or retain employment;
- the practical measures required to better support carers, including key priorities for action; and
- 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 Committee has received just over 1,300 public submissions and has conducted numerous public hearings throughout Australia. Carer roundtables have been a major feature of the consultation process. At many of the public hearings, individual carers have had the opportunity to raise issues of concern directly with Committee members in an open public debate.

The Committee is due to release its report soon.