



2009 DAY THERAPY CENTRE INVITATION TO APPLY

ACSA has sought comments from Day Therapy Centres funding providers on the new funding agreements and on the revised program guidelines recently issued. Comments on the Agreement and Guideline changes have come from all States.

Funding Agreements Changes

4 Other Contributions

A new requirement to advise the Department of any contributions collected by the Provider (excluding client fees and grant funds) and not budgeted in the contract within 10 business days. The purpose and necessity of this clause is not clear.

7.1 (a) & (b) Subcontracting

The way this section is worded is unclear if the use of agency allied health staff or contractor allied health/fitness leaders would be defined as subcontracting. If they are defined as subcontractors there will be a significant administrative workload in gaining Departmental prior approval for employment. This will be costly, create time delays and disrupt service provision. Clarification of this is required along with a workable arrangement regarding any Departmental approvals required.

7.A National Criminal History Record Checks for Staff, Contractors and Volunteers

While this requirement is consistent with aged care legislation it is new to DTC's. Many organisations will already be undertaking such checks but there may be some who currently don't. A timeframe for compliance is required. It should also be recognised that there will be an additional program cost in complying with this requirement.

10. Management of Funds and Bank Account

This requires providers to have a separate bank account and reporting of interest as income to the program. Many providers have multiple funding agreements (there may be 20 or more separate funding programs) with the Department/Government and this requirement creates an unnecessary administrative load as well as incurring unnecessary fees and charges. The only requirement around management of funds should be that providers have accounting processes and procedures which enables them to accurately report use of funds for specific programs. This would bring it into line with general accounting standards which are referred to elsewhere in the agreement

18.A Transition Out Plan

This is a new requirement but is consistent with other Commonwealth Government funded programs. It will create an additional workload and program cost for providers.

23.9b) Privacy and Personal Information

The Guidelines require that any health information about a client must be transferred to another health service provider if directed by the Commonwealth Government. It is not clear whether client consent is required in these instances and how this requirement aligns with provider responsibilities on privacy and confidentiality of information as well as principles of natural justice.

While Commonwealth Government initiatives around electronic records and information sharing in future are acknowledged they have not yet been introduced. Inclusion of such a clause is premature. At this stage the clause should be removed with a plan to consult and introduce information sharing when privacy and confidentiality issues have been addressed.

25.3 Compliance with Laws and Policies

It is unclear why funded organisations are being required to comply with, and make its personnel comply with, the behaviours specified in the Code of Conduct in section 13 of the *Public Service Act 1999*. This is not an appropriate requirement and should be removed.

Schedule D Reports:

- The financial reporting requirements are new but bring DTCs into line with all other community program funding.
- Activity Reporting for DTCs used to be annual but is now required every six months.

Both of these requirements introduce an additional administrative workload and program cost for providers.

Program Guideline Changes

4 Therapy

The Guidelines now state that therapies that are targeted to improve or maintain cognitive and emotional functioning of clients can be funded. Massage services are explicitly listed as a type of therapy which can be provided for the first time. This is a change from previous guidelines.

5.1 Clients Eligibility

The Guidelines require a higher level of evidence than previously that appropriate internal payment arrangements are in place for high care residents whose therapy services are already subsidised in residential care funding.

5.5 Complaints

The Guidelines now require all complaints be reported to the Department in writing within 48 hours. Where a complaint is made directly to the Department the provider has 48 hours in which to respond.

This is a completely new requirement. It is assumed that this is designed to bring DTCs into line with reporting requirements of serious (abuse) complaints/cases in Commonwealth funded residential and community care but it is not consistent with these requirements.

The clause is open and non specific about the type of complaints that need to be reported so complaints about what was on the lunch menu, whether the bus was late, fee payment preferences etc will now have to be notified to the Department. This clause needs to be rewritten to specify the type of complaints to be reported. The reporting requirements (time frame etc) should also be brought into line with other community care program requirements. It should also be noted that even when the clause is clearer and more consistent it is still a new and additional requirement, creating an additional administrative workload and program cost. A phase in period for compliance with the revised requirement should be provided.

6 Fees

The recommended client fee has been increased from \$5.00 (1996-97) \$7.00 in 2009. This is an increase of \$2 over a 12 year period. This fee level is unlikely to bear much relationship to the reality of fees in 2009. This is also inconsistent with Attachment B National Fees Policy which enables DTCs to develop their own fee scales with the overriding principle being that if a client can't afford to pay they are not denied access to a service.

Principle 3 of the Fees Policy at Attachment B also states additional costs such as transport and meals are not considered as fees and should be separated out in terms of calculating the cost for clients. Many services include these costs within the fee. Having to separately itemise such costs will again become an administrative burden that does nothing to improve services to older people.

The Agreement requires DTCs to request approval for fee increases above the recommended level. A large number of providers will need to seek an approval immediately requiring an additional administrative work load for both industry and Government.

There are inconsistencies in the fees treatment proposed within the Agreement and Guidelines and these included as nationally endorsed fees principles in Attachment B. Consistency of approach to fees is important and should be addressed for DTC's and all community care programs.

It is a new requirement for DTC's to reinvest fees into maintaining, expanding and/or enhancing service provision.

6.3 Conditions of Grant

Surplus funds, where there is no intention or capacity to use the funds for the provision of therapeutic services within a reasonable period must be transferred to a provision account. Where the Department has not agreed to the purchase of the assets the Department may recover surplus funds. This is a new requirement.

6.4 Reconciliation

Any unspent grant funds are required to be returned to the Department. This is not consistent with 6.3 requirements.

Assets Confusion (covered in 1, 3.3, Schedule Item I, Guidelines 6.2, Appendix B)

Across the Funding Agreement and Guidelines there are a number of inconsistencies, and a lack of clarity, around asset value, purchase, management, disposal and reporting.

The value of the asset is stated as \$5,000 or greater in the Interpretation section of the Funding Agreement and later as \$2,000 or greater in Schedule I. In section 6.2 of the Guidelines minor assets are defined as being less than \$10,000. The definition of what constitutes an asset needs to be clarified and consistent.

There are also inconsistencies within the two documents about management of asset funding with the Guidelines anticipating funds in a provision account while the Agreement does not.

The Guidelines also highlight that funds are not generally provided for the purchase of assets but appendix B to the Agreement requires providers to complete and submit for approval a schedule detailing equipment items required to be purchased to enable therapy services to be provided.

The Department needs to be clear about asset purchase and management. This must be done in a way which acknowledges that they are, and have been, very minor funders of any assets in DTC's. Reporting requirements for minor capital or equipment expenditure should be minimal. The Department must also be clear that these clauses are not intended to capture assets which the provider has purchased through sources of funding other than Government DTC funding.