

Function: Finance
Subject: FEE STRUCTURE

PURPOSE AND SCOPE:

This Procedure aims to ensure that participant contributions to service costs are affordable, equitable, clearly understood and communicated effectively, enabling participants, families and financial administrators to effectively manage their financial obligations to the organization.

This Procedure will promote the future sustainability and viability of Carinya Society.

The fee structures outlined are in addition to any funding allocated to a person with a disability by the Department of Health and Human Services (DHHS) as Individuals Support Packages (ISPs) or National Disability Insurance Scheme Package (NDIS) or any other allocated funding by a Government Authority which provides for direct staffing support.

PRINCIPLES:

- All persons who attend the service are eligible to receive the Disability Support Pension (DSP) and associated allowances (including Mobility Allowance) administered by Centrelink. Those participants who are in receipt of an NDIS package will receive an equivalent of the Mobility Allowance within their package.
- Carinya Society is an independent not-for-profit Company Limited by Guarantee and has the right to set fees for services provided in addition to any funding received to provide services to participants.
- An Annual Service Fee Schedule will be developed and provided for all participants.
- In setting the annual fee, Carinya Society will consider:
 - The participant's capacity to pay
 - The value of the services provided for the participant
 - The overall financial status of the organisation
- Participants will have access to a grievance procedure as outlined in the Carinya Society Complaints Management Framework

PROCEDURE:

1. Payment of fees

- All fees are due upon receipt of invoice. Fees may be paid fortnightly or by term in advance.
- Carinya Society will inform participants of any outstanding fees in writing and may negotiate a payment plan on an individual basis in order to reduce any outstanding liabilities i.e. Centrepay.



2. Daily pick up and drop off transport fees (Day Services only)

- Participants who utilize the centre-managed transport to travel to and from Carinya Society will pay an amount equal to the Mobility Allowance (determined by Centrelink) each fortnight. Pro rata charges will apply for part time attendance. There may be additional charges if Taxis are used on a regular basis this will be determined when transport is organised.
- The fee will only be reduced if the agency is informed as outlined below (Application to Reduce Fees Due to Illness)
- Transport services may be reduced and/or withdrawn as a result of non-payment fees. A decision to reduce and/or withdraw transport services will be made by the CEO after consultation with the affected participant and their family and/or advocate.
- Any notification to reduce and/or withdraw services will be made in writing allowing a minimum of seven (7) days before the reduction or withdrawal is applied.

3. Program and Recreation/Leisure Fees (Day Services ONLY)



- Program and Recreation/Leisure Fees contribute towards the cost of activities, programs and operational expenses (other than staff wages). Examples of these costs include materials, equipment, specialized facilitators and entrance fees to venues, transport fleet costs (including maintenance), community access costs, insurances, compliance, amenities, maintenance, and assisting in reducing the deficit between Government funding and the actual cost of operating the service
- The Program Fee will only be reduced if the agency is informed as outlined in the Application to Reduce Fees Due to Illness

4. Current Fee Schedule

Fees will be reviewed and adjusted annually in line with the Funding and Service Agreements (FASA) established with DHHS by the Board of Directors and the CEO. All participants will be advised in writing of any changes in fees.

5. Application to Reduce Fees Due to Absence (Day Services ONLY)

5.1 Extended absence due to illness



If a participant has been/will be absent from Carinya for a period of more than 28 consecutive days due to illness, they may apply to have fees reduced for the balance of any period of absence in excess of the initial 28 days (provided they present a medical certificate that covers the relevant periods).

The following fees may be reduced for the balance of any period of absence **in excess of** the initial 28 day period of absence:

- Program and Recreation/Leisure Fees
- Daily pick up and drop off transport fees

5.2 Extended absence due to reasons other than illness

If a participant is or will be absent from Carinya for a period of more than 28 consecutive days for any reason, they may apply to have the fees reduced for the balance of any period of absence **in excess of** the initial 28 days.

The following fees may be reduced for the balance of any period of absence **in excess of** the initial 28 day period of absence:

- Program and Recreation/Leisure fees
- Daily pick up and drop off transport fees

To apply for a reduction in fees, participants (or their representative) must apply in writing to Carinya by completing and submitting a 'Participant Absence Form.'

6. Undue Financial Hardship

Receipt of a pension does not by itself constitute the determination of financial hardship for consideration in fee payment.

- A claim on Undue Financial Hardship requires the participant or their authorized agent to demonstrate that:
 - No further adjustments could be made to the income/expenditure of the person without unduly impacting on the health and wellbeing of the individual. This is to be guided by the ability to access the basic necessities of life – food, housing, clothing and health services
 - The individual has no other source of income supplementation. This could include consideration of any other assistance that may be available from other sources to support their level of expenditure.
- Financial hardship may be temporary due to one-off extraordinary circumstances (e.g. medical bills associated with an illness). In some cases. Financial hardship may be longer term.
- The participant or their authorized agent must provide detailed information substantiating a claim for Undue Financial Hardship to the Client Services Manager (CSM). It is recommended that the information should clearly identify the participant's annual income, expenditure, any assets that may exist and the reasons why payment of fees would create an Undue Financial Hardship. The information should be documented and authorized by the participant or their authorized agent as a complete and accurate record. Information provided by participants will be held in strictest confidence for the determination of Undue Financial Hardship considerate of privacy requirements.
- The onus on demonstrating Undue Financial Hardship rests with the participant or their authorized representative.
- Upon receipt of the information and claim for Undue Financial Hardship, the CEO will make a decision and the participant will be informed in writing.

7. Recovery of outstanding debt

Carinya Society has an established process to address and recoup outstanding debts (greater >30 days) relating to non-payment of fee obligations as outlined in the Procedure. Carinya will act to ensure participants and their families or appointed financial administrators are aware of outstanding fees and to minimize the total debt to an individual.

The Carinya Society Administration Manager is responsible for identifying outstanding debt via accounts receivable processes. A copy of outstanding invoices will be provided with the newly generated invoices and apply an "Any Reason Why Late" sticker prompting a response for payment.

The Carinya Society Administration Manager will advise the Finance Investment and Risk Management (FIRM) Committee of all accounts in arrears as part of monthly finance reporting and will alert the Committee when any debt reaches a total of \$1000.00. The Administration Manager will confer with the Client Services Manager (CSM) to identify any known and relevant issues which may be impacting the financial capacity of the participant and family.

The Administration Manager or CSM will make contact with the participant and their family or Financial Administrator to arrange a time to meet and discuss the non-payment. If phone contact is not possible, the Administration Manager will send a letter via registered mail to the participant and family, or appointed Financial Administrator. The letter will inform of outstanding debt and request that contact be made to arrange a meeting time to discuss the outstanding debt. The letter requests that contact be made with the Administration Manager within seven (7) days.

The meeting to discuss outstanding debts will occur within seven (7) days of the Administration Manager making contact unless extenuating circumstances apply.

The purpose of the meeting is to negotiate a payment plan with the participant and family or Financial Administrator to address the amount outstanding and maintain future fee obligations. Direct debit details and Centrepay details will be provided at the meeting to enable ease of payment and internal accounting of payments received. The Administration Manager will send a letter via Registered Post to the participant, family or Financial Administrator confirming the agreed payment plan within seven (7) days of the meeting.

The participant/family member will advise the Administration Manager when scheduled direct debit/Centrepay payments have been set up in accordance with the agreement established at the meeting. The Carinya Society Administration Assistant will monitor payments as agreed and inform the Administration Manager in the instance that a scheduled payment is not received or is overdue. If a payment is not made as agreed, the participant, family and/or Financial Administrator will be advised in writing and a request made to meet with the Administration Manager and review the payment plan agreed at the first meeting.

In the event that the Administration Manager is unable to arrange a meeting time by phone and/or there is no response within seven (7) days of the registered letter being sent the following will occur:

- The Administration Manager will send a second letter via registered mail. A copy of the original registered mail request to meet will be attached to the second letter. The second letter will request contact to be made to arrange a time to meet within seven (7) days of the date of the letter.
- The Letter will advise the participant and family/Financial Administrator that programs and activities may be restricted. If the participant is accessing transport provided by Carinya Society, all transport support will cease after fourteen (14) days (to allow for organizing alternative arrangements).

If no reply is received within seven (7) days as requested, a final letter will be sent via registered mail by the Administration Manager. The letter will advise that programs will be limited to onsite programs /activities only and notify that transport support will cease on day fourteen (14). The Administration Manager will inform the CSM of program limitations and/or cessation and, the cessation date for transport.

8. Complaints procedure

If a participant, family member or support network has a concern or complaint regarding the setting of individual participant fees or choose to appeal a decision regarding a claim for Undue Financial Hardship, opportunities to appeal will be made available in accordance with Carinya Society's Complaints Management Framework. All potential participants are made aware of the Complaints Procedures when they first meet with Carinya Society to discuss the provision of services.

RELATED DOCUMENTS:

Application to Reduce Fees Due to Illness
Current Fee Schedule
Participant Absence Form
Carinya Complaints Policy and Procedure

RESPONSIBILITY

Implementation: Management Team

Review: Quality Advisor

Approval: Management Team

END OF DOCUMENT