

Home and Community Care (HACC) Program

2002/2003

HACC Funding Guidelines

Acknowledgements

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1. Introduction

The purpose of this document is to provide a summary of the funding, administration and eligibility requirements for services funded through the Home and Community Care (HACC) Program. Detailed information on all aspects of the HACC Program is outlined in the *Victorian Home & Community Care (HACC) Program Manual*.

1.1 Aims and Objectives of the HACC Program

The HACC Program provides community care services to frail aged people and younger people with disabilities, and their carers. The overall objective of the HACC Program is to enhance the independence of people in these groups and to avoid their premature or inappropriate admission to long term residential care.

The HACC Program aims to:

- Provide a comprehensive, coordinated and integrated range of basic maintenance and support services for frail aged people, people with a disability and their carers.
- Support these people to be more independent at home and in the community, thereby enhancing their quality of life and/or preventing inappropriate admission to long term residential care.
- Provide flexible, timely services that respond to the needs of consumers.

The HACC Program operates within a regional framework with the purpose of responding to the needs of consumers and achieving equitable access to HACC Program services. Critical to achieving these goals are regional planning, consistent targeting of services to those with similar needs and the quality of services delivered.

Service providers funded by the HACC Program are part of a wider care network in which an organisation's service may be one of several services a person receives. Therefore, cooperative and coordinated working arrangements between service providers are essential for the people they serve.

The HACC Program encourages flexible service delivery and a suitable mix of services to meet the needs of individuals and regions.

1.2 What is the HACC Program?

The HACC Program is funded jointly by the Commonwealth and State governments under the *Home and Community Care Act (Commonwealth) 1985*.

In Victoria Local Governments, and other funded agencies, contribute significant funds and resources to HACC services, as do consumers who contribute via the payment of fees.

Commonwealth/State arrangements for the HACC Program are set out in a bilateral agreement between the Commonwealth Government and Victorian Government. The current agreement is the *Amending Agreement in relation to the provision of financial assistance by Commonwealth of Australia to State of Victoria for Home and Community Care HACC Program 1998* (hereafter referred to as "the Agreement") which was implemented in Victoria on 1 July 1998.

2. Department of Human Services (DHS)—Roles and Responsibilities

The Department of Human Services has nine regional offices and a Central Office in Melbourne. Each regional office has service planning and funding responsibility for all Departmental services and programs for that particular region. There is a primary contact for information and advice regarding the HACC Program in every regional office. Primarily the Department conducts its business with service providers and consumers via its regional offices.

2.1 Department of Human Services Central Office

Department of Human Services Central Office is responsible for:

- Developing policy frameworks, service objectives and policy documents
- Defining service outputs
- Setting global program budgets
- Developing funding guidelines and funding rates
- Setting quality standards for service delivery
- Developing tools for measuring and monitoring the performance of services funded
- Developing a statewide overview of best practice service delivery
- Coordination of statewide agency matters, which cannot be addressed at a regional level.

2.2 Department of Human Services Regional Offices

Department of Human Services Regional Offices are responsible for:

- Developing regional plans which identify consumer needs and service gaps
- Developing a detailed understanding of their local communities and how the complementary roles of service providers meet community and consumer needs
- Funding services to best meet the needs of consumers
- Monitoring service targets, service quality and negotiating with agencies on changes needed
- Monitoring outputs and agency performance against standards as specified in Service Agreements

- Day to day contact with agencies concerning HACC Program issues.

Regional officers who administer the HACC Program also contribute to the development of statewide policy, program guidelines and service initiatives.

Service providers should contact their DHS regional office (contacts as listed below) for information regarding the HACC Program, including matters relating to the HACC Program funding process.

Regional Contacts

Barwon South-Western Region

Ms Kerrie Mansell Tel. No. (03) 5226 4838

Grampians Region

Ms Janis Brooks Tel. No. (03) 5333 6084

Ms Jeannie Howard Tel No. (03) 5333 6049

Loddon Mallee Region

Ms Faye Ennor-Severs Tel. No. (03) 5434 5597

Hume Region

Ms Joan Slater Tel. No. (03) 5722 0903

Gippsland Region

Ms Katrina Cranwell Tel. No. (03) 5177 2575

Western Metro Region

Ms Lisa Barham-Lomax Tel. No. (03) 9275 7316

Eastern Metro Region

Ms Louise McGuire Tel. No. (03) 9843 6228

Northern Metro Region

Ms Annalisa Cannuli Tel. No. (03) 9412 5323

Southern Metro Region

Ms Gail Higgins Tel. No. (03) 9213 2042

(Correct as at August 2002)

3. Funded Agency—Role and Responsibilities

Agencies funded by the HACC Program are responsible for the management and operation of HACC Program funded services including decision making structures and lines of accountability to ensure compliance with HACC Program funding policy, guidelines and requirements.

Funded agencies are responsible and accountable for:

- Providing services in accordance with the HACC National Service Standards
- Delivering the agreed outputs and meeting performance requirements as negotiated and specified in the Department of Human Services' Service Agreement
- Meeting all conditions of the Department's Service Agreement
- Expenditure of funds as required by the HACC Program
- Delivering funded services according to the relevant HACC Program service guidelines, policies and standards documented in the *Victorian Home and Community Care (HACC) Program Manual*.
- Coordinating service delivery around consumer needs and with other services in the local area.

Functions involved with the day to day management of the service which support quality service delivery and which are necessary for HACC funded agencies to operate as an entry point to their local service system are:

- Development of policies such as priorities for service access, assessment and inter-agency referral practices
- Service planning and regular service evaluation
- Recruitment, support and supervision of staff
- Identifying and meeting the training needs of staff and volunteers.

Where the Commonwealth or State requests, the funded agencies must allow free and reasonable access to and provide assistance with the inspection of HACC Program related administrative records, books of accounts, land, equipment, transport items and buildings. This access may be to ensure that agencies are complying with the conditions specified in the *Victorian Home & Community Care (HACC) Program Manual* and the *Department of Human Services' Service Agreement*.

The funded agency is also required to provide information on HACC Program funded services. Details of the HACC Program data requirements are outlined in Section 11 of this document.

4. Eligibility

4.1 Eligible Organisations

An organisation is eligible for funding to provide a HACC Program service if it meets the requirements specified in clause 2(1)(d) of the Agreement:

‘eligible organisation’ means a legal entity which can comply with the principles and objectives of the Program and which has the capability to provide the services under the terms and conditions of service contracts.

Organisations eligible to provide HACC Program services include local governments, community organisations, religious and charitable bodies, State Government agencies, health agencies and private (for profit) organisations.

Eligible organisations are required to be incorporated under the appropriate Act, except where services are provided as a component of a larger agency that already has its own legal status. Funded organisations are often referred to as ‘agencies’.

4.2 Eligible Target Population

People eligible to receive a HACC Program funded service are frail older people, people with a disability, and the carers of these groups. HACC Program funded services are provided on the basis of eligibility and assessed prioritised need. Eligibility does not confer entitlement to service provision. Within this target population there are some clients who may find it more difficult than most to access services and consideration should be given to improving their access. They are:

- people from culturally and linguistically diverse backgrounds;
- people from Aboriginal and Torres Strait Islander backgrounds;
- people with dementia;
- people who are financially disadvantaged;
- people living in remote and isolated areas;
- people who are homeless, or living in unsuitable and/or insecure housing;
- people on a low income living in Supported Residential Services.

4.3 Services Ineligible for HACC Program Funding

The HACC Amending Agreement specifically states that a service of the following kind shall be outside the scope of the HACC Program:

- The provision of accommodation (including rehousing, supported accommodation, residential aged care services such as nursing homes and hostels) or a related service.
- The provision of aids or appliances (wheelchairs, crutches, etc) to individuals is not eligible for funding. Items required for the operation of an eligible HACC Program funded service that would remain the property of the service (that is, not become the personal property of an individual user), are eligible for funding
- Direct treatment for acute illness (including convalescent or post acute care) except for basic maintenance and support to people within the target population following an acute care episode. That is, the HACC Program is responsible for providing basic maintenance and support services to those who need post-acute care, while health services are responsible for providing the ‘specialist’ component of post-acute care.
- Residents of aged care hostels or recipients of disability program accommodation support services, when the hostel/service provider is receiving other Government funding for that purpose. Nor does it serve residents of a retirement village or a special residential service/group home where a resident’s contract includes these services.

4.3.1 Commonwealth Government Funded Residential Care

The Commonwealth position is that HACC funded services should not generally be made available to people living in subsidised residential care. In circumstances where HACC funded services are provided to residents in aged care facilities, this should only occur on a full cost recovery basis.

4.3.2 Other Housing Arrangements and HACC Program Services

The majority of people receiving a HACC Program funded service live in their own homes. Some live in a residential service and some people live in accommodation where they pay rent or a fee, such as private rental accommodation, rooming houses, Supported Residential Services (SRS), retirement villages, caravan parks.

These people may be eligible to be assessed and prioritised for a HACC service, but a HACC service cannot be provided if there is a legislative or contractual requirement for the accommodation proprietor to provide that service.

4.3.3 Access to HACC for Residents of Supported Residential Care Services

SRS residents are usually eligible to be assessed and prioritised for the following HACC Program funded activities:

- Nursing
- Allied Health
- Planned Activity Groups
- Assessment and Care Management
- Volunteer Coordination
- Flexible Service Response (such as the Community Connections Program)
- Home Care – limited to assisting an individual with personal shopping, errands, banking and escorting to appointments.

They are not eligible for HACC funded services such as:

- Delivered Meals
- Personal Care
- Home Care (except as above)
- Property Maintenance
- Respite (home and community or overnight) where these services are included in the accommodation agreement with the SRS.

HACC Program funded services should not be provided where the SRS Proprietor is required by legislation and/or regulation and/or contract with the resident to provide that service.

4.4 No Growth Services

Some services previously funded under the four Acts incorporated into the Home and Community Care Act, 1985, have been designated as 'no growth' services under the HACC Program, so that organisations offering these services may not expand them using resources from the HACC Program. Any expansion of these services must be funded from other sources.

The Agreement states that a service of the following kind is a 'no growth' service:

- Rehabilitative services
- Specific disability services—such as a service specifically for people with a particular disability. This does not include services for people with dementia or a related disorder
- Services primarily for families in crisis—such as assistance to ease or provide additional support during a crisis in the family, for example multiple births
- Palliative care services that is, care for a person in terminal stages of illness.

5. HACC Quality Framework

All agencies that provide HACC Program services are required to deliver high quality services to consumers as outlined in the Home & Community Care (HACC) Program Manual and in accordance with the following national policy documents:

- Getting it Right (Guidelines for the HACC Program National Service Standards).
- Statement of Rights & Responsibilities.
- HACC National Standards Instrument & Guidelines.
- HACC Program Complaints Policy.

6. Operational Requirements

The HACC Program financial year is from 1 July to 30 June.

The funded agency shall regularly review the efficiency and effectiveness of the operation of HACC Program services and/or the capital facility and their compliance with HACC program policies, standards and guidelines as detailed in the *Victorian Home & Community Care (HACC) Program Manual*, the *Buildings, Interiors and Outdoor Areas for Home and Community Care Services—A Design Guide*, the *HACC Capital Guidelines* and agency policies for the management of HACC services and community facilities.

The funded agency shall ensure that proper records and books of accounts are maintained in respect of its HACC Program funding. Accounts and administrative records including those necessary for claiming HACC Program grant payment should be maintained in accordance with relevant accounting standards of the Institute of Chartered Accountants and the Australian Society of Certified Practising Accountants.

HACC funded agencies are further required to ensure that payments made with HACC funds are accurately paid and authorised appropriately. Adequate control must be maintained over liabilities incurred.

6.1 HACC Fees Policy

HACC Program funded agencies are required to implement the HACC Fees Policy. Clients should not be refused a service because of incapacity to pay.

Fees for HACC Program funded services are exempted from the GST.

6.2 Disposal of Property

No property subsidised under the HACC program may be sold, mortgaged or disposed of without prior approval in writing from DHS.

If an agency sells, destroys or disposes of a building, property or any other asset that was funded with the aid of a HACC Program grant, the HACC Program's equity in the asset is refundable to the

Commonwealth Government and Victorian Government.

The equity will be negotiated on the basis of:

- A current valuation of the property.
- The HACC Program financial interest in the property expressed as a percentage as outlined in the Property Deed Agreement.
- The number of years HACC Program services have operated from the facility.

If HACC services are no longer provided at a facility which has received a HACC capital grant, the above process will still apply.

6.3 Insurance

DHS arranges and funds separate insurance programs for the funded sector. One program covers most non-government and 'for-profit' agencies funded by DHS to provide community care and support services. The other program insures healthcare agencies such as community health centres.

6.3.1 Funded Non-Government Organisations

The insurance coverages are summarised below:

- Public/products liability.
- Professional indemnity.
- Directors' and officers' liability.
- Medical malpractice.
- Personal Accident for Volunteers

The *Insurance Guide for Non-Government Organisations* outlines details of the cover provided and is available from the DHS Insurance Manager or the Department's regional offices. Insurance queries are to be directed to the Program Manager, Marsh Pty Ltd, telephone (03) 9603 2222 or facsimile (03) 9670 8581.

6.3.2 Healthcare Agencies

The insurance coverages are summarised below:

- Public/products liability.
- Professional indemnity.
- Directors' and officers' liability.
- Medical malpractice.
- Property.
- Contract works.

The *Manual on Insurances* outlines details of the cover provided and is available from the Program Manager, Aon Risk Services. Insurance queries are to be directed to Aon Risk Services, telephone (03) 9211 3000 or facsimile (03) 9211 3500.

The above insurance programs do not include the following insurances and agencies are responsible to effect cover as required:

- Motor Vehicles; Industrial special risks; Fire; Burglary; Glass; Money.

Local government authorities have their own insurance program.

6.4 WorkCover

All employers must ensure that they meet their responsibilities under the *Accident Compensation Act (1985)* and the *Accident Compensation (Workcover Insurance) Act 1993*. For further information, refer to the DHS Service Agreement Information Kit for Agencies.

6.5 Health & Safety

All employers must ensure that they meet their responsibilities under the *Occupational Health and Safety Act 1985*. For further information, refer to the DHS Service Agreement Information Kit for Agencies.

6.6 Superannuation

Employers should ensure that they meet their responsibilities under the Commonwealth's *Superannuation Guarantee (Administration) Act 1992*, which requires employers to provide a minimum level of superannuation contribution for employees. It is the responsibility of the employer to ensure that the employees' superannuation arrangements comply with this legislation.

7. HACC Program

7.1 HACC Funding System

From 1 July 1998, the HACC Program funds HACC services on the basis of units of service delivered.

7.2 Activities Funded Under the HACC Program

The unit prices for the HACC Program activities are listed in Figure 1. Each unit price funds an hour of direct service except where specified. For detailed information on each HACC Program activity, refer to the *Victorian Home & Community Care (HACC) Program Manual*.

Figure 1: HACC Program Activities and Unit Prices for 2002/2003

HACC Program Activity	Unit Price (where relevant)	HACC Program Funding Type
Allied Health	\$70.02	Recurrent and Fixed Term Recurrent
Assessment & Care Management	Negotiated block funded	Recurrent and Fixed Term Recurrent
Capital Development (Minor Capital or Major Capital)	One Off Minor and Major Capital Grants	Minor Capital Major Capital
Delivered Meals	\$1.20 (per meal subsidy)	Recurrent and Fixed Term Recurrent
Flexible Service Response	Negotiated block funded	Recurrent and Fixed Term Recurrent
Home Care	\$23.84	Recurrent and Fixed Term Recurrent
Linkages (Package)	\$11,042.40	Recurrent and Fixed Term Recurrent
Nursing – Blair	\$61.33	Recurrent and Fixed Term Recurrent
Nursing – Non Blair	\$58.84	Recurrent and Fixed Term Recurrent
Planned Activity Group – Core (person hour)	\$9.69	Recurrent and Fixed Term Recurrent
Planned Activity Group – High (person hour)	\$13.66	Recurrent and Fixed Term Recurrent
Personal Care	\$27.26	Recurrent and Fixed Term Recurrent
Property Maintenance	\$34.68	Recurrent and Fixed Term Recurrent
Respite (Home and Community)	\$24.64	Recurrent and Fixed Term Recurrent
Respite (Overnight) (10 hour block)	\$115.03	Recurrent and Fixed Term Recurrent
Service Development (Fixed Term)	One Off Fixed Term Grant	Fixed Term Service Development
Service System Resourcing	Negotiated block grant	Recurrent and Fixed Term Recurrent
Transition Payment	Negotiated block grant	Recurrent and Fixed Term Recurrent
Volunteer Coordination (EFT hour)	\$28.27	Recurrent and Fixed Term Recurrent
Volunteer Coordination – Other Associated Costs	Negotiated block grant	Recurrent and Fixed Term Recurrent

Note: HACC Program activities and unit prices are correct at time of printing (August 2002)

7.3 HACC and GST

7.3.1 GST treatment of HACC services

Services which receive funding under the HACC Act (1985) are GST free. This means that no GST should be added to any fees charged to or co-payments made by HACC clients.

Section 38–30 (2) of *A New Tax System (Goods and Services Tax) Act 1999* states that: “A supply of care is GST-free if the supplier receives funding under the Home and Community Care Act 1985 in connection with the supply”.

A copy of this Act and other relevant material is available on the Australian Tax Office’s web site at: www.taxreform.ato.gov.au (Look for “Legislation” on menu to find the Act)

The Australian Taxation Office may also be contacted by telephone on 13 24 78 for further queries.

The following information is provided to assist service providers with the basic requirements necessary to be eligible for HACC funding.

7.3.2 Australian Business Number

All entities carrying on an enterprise are required under the *A New Tax System (Pay As You Go) Act 1999* (PAYG Act) to have an Australian Business Number and to quote this in relation to the supplies they make.

A very small number of HACC grants may be made to agencies who are not regarded by the Australian Taxation Office (ATO) as “carrying on an enterprise”. They will need to complete a written declaration to this effect, by completing a form (Statement by a supplier) which can be obtained from the ATO.

Failure to do one or the other of the above will mean that the Department of Human Services (DHS) will be obliged to withhold 48.5% of all payments, as required by the PAYG Act.

7.3.3 Registration for the GST

Agencies with an annual turnover of greater than \$100,000 (not for profit) and \$50,000 (for profit) must register for the GST.

Agencies whose turnover does not reach this threshold may choose to register. If an agency is registered for the GST, the DHS will add 10% to all HACC payments and agencies will be able to claim back any GST they have paid on supplies.

7.3.4 Capital Grants

Applications for capital grants should be made for the value of the work/item excluding GST. Any GST

paid by the applicant should be recovered from the ATO as an input tax credit. GST will apply to the DHS grant and this will be added to payments to GST-registered agencies and must be forwarded to the ATO (net of any input tax credits owed for the relevant tax period).

Agencies which have elected not to register for the GST are reminded that they will not be able to claim input tax credits for their purchases and GST will not be added to their grant payments. DHS will not fund the GST component of purchases by non GST-registered agencies.

7.3.5 Example

The Manager of an agency that is registered for the GST wishes to apply for HACC funding to buy a new computer. She has seen the one she wants in the window of the local computer shop for \$2,200.

This price will include \$200 GST (1/11th of the GST inclusive price). This \$200 must be claimed back as an “Input Tax Credit” from the Australian Tax Office (ATO) when the agency submits its GST tax return or “Business Activity Statement”. The agency must get a Tax Invoice from the computer shop before it can claim the input tax credit.

The agency should apply for a HACC grant of \$2,000 (the GST exclusive price of the computer).

Thus the purchase price of the computer is made up as follows:

HACC Grant	(from DHS)	\$2,000
Input Tax Credit	(from ATO)	\$200
Total		\$2,200

When DHS makes the grant it will add GST to the payment, because grants to GST registered agencies are taxable under the GST system. This means that the minor capital grant of \$2,000 will generate a payment of \$2,200 to the agency of which \$200 is GST.

This \$200 is payable to the ATO with the agency’s next Business Activity Statement. Note that, in this example the two amounts of \$200 cancel each other out.

Note also that the agency will have \$2,200 in its “new computer” account when it buys the computer. This is made up as follows:

HACC Grant	\$2,000	(paid by DHS)
GST on Grant	\$200	(paid by DHS but owed to the ATO)

Total Payment \$2,200

If the agency fails to get a tax invoice for its purchase of the computer, it will be \$200 out of pocket.

8. Budget Information for Recurrent and Fixed Term Recurrent Submissions

HACC funding for individual agencies comprises of two components:

- The government unit price and/or a block grant, and
- Client fees.

Both components are combined and expended on the provision of HACC services.

8.1 HACC Program Funding

The budget for the HACC program funding component is approved by the Minister for Health and is negotiated by DHS regional officers. It is based on the amount of service(s) required to be delivered by an agency and the relevant HACC unit price or negotiated block grant (for services which are not funded at a unit price as listed in figure 1 of Section 7.2).

8.1.1 Condition of Funding

Any variations to approved projects must receive approval in writing through mutual agreement between the funded agency and the relevant DHS regional office.

8.2 Client Fees

Funded agencies providing HACC activities are required to implement the HACC Fees Policy, including the requirement that consumers will receive services as determined by the assessment process regardless of their capacity to pay fees. Funded agencies are required to provide additional hours of service with client fees collected.

The amount of fees to be collected in any one year will be estimated, and the HACC unit price employed to determine how many additional hours of service will be provided as a result of the fee revenue.

Where funded agencies can demonstrate to DHS regional offices that it is not possible or appropriate to increase the amount of service, agencies can negotiate with DHS regional offices to use fees revenue to enhance existing HACC services. For example, a Planned Activity Group may provide additional outings for clients.

Client fees collected for Delivered Meals and Linkages are not used for additional service provision. Delivered Meals fees are used to contribute to the cost of providing the delivered meal service. Service fees for Linkages can be used to enhance existing HACC Program service provision.

Client fees collected are reported in the HACC Annual Service Data Acquittal Report.

9. Budget Information for One-Off Funding Submissions

9.1 HACC Program Funding

The HACC Program provides one-off (non-recurrent) funds for the following:

- Fixed term service development (maximum six months duration); and

- Capital works including minor and major capital development (See Figure 2: HACC Program Funding Subsidy—One-Off Funding).

There will be no call for major capital development submissions in the 2002–03 Funding Round.

Figure 2: HACC Funding Subsidy for One-Off Funding

One-Off Funding Type	HACC Program Funding Subsidy
Fixed Term Service Development	100% HACC Program contribution (maximum six months duration for fixed term funding).
Capital Works Vehicles, equipment items and minor modifications.	100% HACC Program contribution up to approved project cost.
Capital Works Building constructions, extensions and modifications.	<ul style="list-style-type: none"> • \$2(HACC): \$1(agency) for building construction, extensions and modifications in excess of \$10,000 (total project cost). Projects in excess of \$50,000 are defined as Major Capital projects and attract a 2:1 funding subsidy. • 100% HACC Program contribution for building constructions, extensions & modifications between \$500 and \$10,000 (total project cost). <p>Note:</p> <ol style="list-style-type: none"> 1) Where the submission is not wholly for the delivery of HACC services to the HACC target group, funds requested must reflect the HACC component of the project and must be negotiated with the relevant DHS regional office prior to approval. 2) All subsidies apply to the approved project cost.

9.1.1 Condition of Funding

Any variations to approved projects must receive approval in writing through mutual agreement between the funded agency and the relevant DHS regional office.

- Improved joint planning and/or service provision;
- Enhanced integration and coordination of local service systems;
- Improved effective targeting and resource allocation;
- Enhanced common assessment and improved access;
- Improved flexibility of service provision, for example, out of hours;
- Increased quality of service provision.

9.2 Fixed Term Service Development Submissions

The HACC Program fixed term service development funds are made available to agencies to encourage specific research and development activities which are designed to improve service delivery for HACC consumers.

Joint applications by groups of agencies are encouraged with the receiving agency being responsible for overall management of the project.

Agencies must be able to demonstrate their capacity to undertake the project to a high standard and within stated timelines, specifically addressing at least one of the following outcomes:

The categories for funding service development include:

- Policy, protocol, practice development and analysis;

- Education and Training;
- Research;
- HACC Information and Promotion.

9.2.1 Ineligible Fixed Term Service Development Submissions

HACC Program fixed term service development funding is not to be used for:

- Projects that duplicate previously funded projects at the local/regional level;
- Projects that create consumer expectation of service delivery being provided on an ongoing basis;
- Projects that are eligible to apply for funding under established HACC Program service activities;
- Top-up funding, where recurrent funding is perceived to be insufficient.

9.2.2 Funding Conditions for Fixed Term Service Development Submissions

The following funding conditions apply to HACC Program fixed term service development submissions:

- Any variations to the approved project must receive approval in writing through mutual agreement between the agency and the relevant DHS regional office;
- A report outlining achievements must be provided upon completion of the project where relevant. Project outcomes will be reviewed through the Service Agreement process;
- Three copies of the report must be forwarded to the Aged Care/HACC unit of the relevant DHS regional office;
- Agencies are required to acknowledge the source of funding;
- Copyright and ownership of all material relating to the project is vested with DHS;
- Where funding is provided to conduct training workshops/projects, a copy of the agenda and all relevant material must be forwarded to the relevant DHS regional office;
- A master copy of pamphlets, service directories or brochures produced for the project must be provided to the relevant DHS regional office.

Where resource documents are produced they must not be titled, or in other ways give the impression, that they are HACC Program policy documents. The development of HACC Program policy may include a funded project but in these cases a specific policy development process will be undertaken and spelt out in the project report.

Report document titles produced by Service Development Grant projects should not use the words HACC Program policy, procedure manual or guidelines manuals.

9.2.3 Eligible Cost Items for Fixed Term Service Development Submissions

Project costings for HACC Program fixed term service development submissions may include the following:

- Salary where project officer/s are to be employed, plus up to 20 per cent salary oncost (20 per cent includes Workcover, superannuation, leave loading, payroll tax, and so on);
- Travel costs associated with the operation of the project;
- Essential operating costs (for example, stationery, telephone, printing).

9.3 Capital Works

The HACC Program capital funds are available for the purchase of buildings, building construction, extensions, modifications, equipment and vehicles where the provision of such capital works directly support and/or enhance the delivery of recurrently funded HACC Program services.

All purchase of buildings, building construction, extensions and modifications must be consistent with the specifications detailed in the *HACC Capital Guidelines, Buildings, Interiors and Outdoor Areas for Home and Community Care Services—A Design Guide* and relevant building codes.

9.3.1 Items Eligible for Capital Funding

Items eligible for HACC capital funding include:

Property purchase and/or renovations to existing buildings and/or construction of new buildings:

Funds are available towards the cost of building and equipping facilities which deliver HACC Program services. Eligible cost items include valuation, legal, project consultant fees, contract claims for building works (including fixtures and fittings), landscaping and car parking associated with facilities used for delivery of HACC Program services.

Equipment: Equipment items may include appliances, communication equipment, computer equipment, furniture and specialist equipment essential for the effective delivery of HACC Program services.

Transport: The purchase/modification of cars, buses, utilities and vans essential for transporting members of the HACC target group and/or for the delivery of HACC Program services.

9.3.2 Compliance With Australian Standards

Under the HACC Program, approved funding for vehicle modifications must comply with the relevant Australian Standards as set by Standards Australia (that meet the full intent of the law), the Standards for Registration which include the Australian Design Rules and any other relevant design standards. In particular, vehicle modifications must be in accordance with:

Australian Standards (2942) 1994

Wheelchair Occupant Restraint Assemblies for Motor Vehicles.

Australian Standards (3856) 1998

Hoist and Ramps for People with Disabilities—
Vehicle Mounted.

Part 1: Product Requirements.

Part 2: Installation Requirements.

Australian Standards (3954) 1991

Motor Vehicle Controls Adaptive Systems for People with Disabilities.

Part 1: General Requirements.

Part 2: Hand Control Product Requirements.

Australian Standards (4370) 1996

Restraint of Children with Disabilities in Motor Vehicles.

More information can be obtained from the Standards Australia Information Centre, telephone (03) 9693 3533.

9.3.3 Additional HACC Requirements

In relation to vehicles driven by workers or volunteers, procedures and documentary records must be maintained to ensure that every driver has a current licence and that vehicles are comprehensively insured and are roadworthy.

Cars to be used for community transport must be of sufficient size to allow installation of a swivel seat as appropriate, to maximise usage by disabled/frail HACC Program clients.

All vehicles must be fitted with air-conditioning.

Seat belts must be fitted in all vehicles used to transport HACC Program clients.

9.3.4 Ineligible Capital Submissions

Ineligible capital submissions under the HACC Program include:

- Building improvements, extensions, equipment and transport items not directly related to the improvement/expansion of HACC Program service delivery;
- Projects proposing the provision of accommodation or related residential services;
- The provision of personal aids to individuals.

9.3.5 Funding Conditions for Capital Submissions

Conformity with the Approved Project

The funded agency shall adhere to the details of the submission as set out in its application, sketch plans and/or working drawings, or as varied in writing by mutual agreement of the agency and the DHS regional office.

The Department shall not be obliged to increase the amount of HACC Program capital subsidy, above the level of the grant determined at the time of approval.

The agency shall immediately advise the relevant DHS regional office in writing, if funds are granted towards meeting the cost of the approved project by any other government department or authority.

The agency shall ensure that all appropriate insurances in respect of the approved project are taken out and remain in force.

In the event of failure to comply with the terms and conditions of the HACC grant, the agency shall be liable to repay the Department the equivalent value of the grant as negotiated between DHS and the agency.

Special funding or service provision conditions will be incorporated into the DHS Service Agreement.

9.3.6 Capital Assets

All capital items or property purchased with HACC Program funds shall be maintained in good repair at all times and the agency accepts that all future maintenance, repair and management costs are the responsibility of the agency. The approval of HACC Program funding for transport items, for example, vehicles, does not imply commitment by the HACC Program to approve capital funding for a replacement vehicle.

Agencies must maintain a register of assets listing items valued at \$3,000 or more purchased with HACC Program funds. The agency is required to

provide an amended assets register to the relevant DHS regional office annually at the time it provides its annual financial reports. Refer to the *DHS Service Agreement Information Kit for Agencies* for information on asset recording and reporting requirements.

9.3.7 Capital Facilities

HACC Program capital facilities shall be designed in a cost efficient manner with regard to construction, maintenance and staffing resources. Where a committee of management is established to operate the facility, the agency shall ensure that representatives from consumers of HACC Program services are included.

The project shall comply with Australian Standard 1428 and any other relevant building design standards for access by people with disabilities and should be in accordance with all State and local building codes and regulations.

The agency shall obtain prior written approval from the Department of the proposed site, the design of the facility at both the sketch plan and working drawing stages and of the tendering process to be employed.

Once construction commences, the agency shall acknowledge the HACC Program's contribution on an appropriate notice or sign erected on the site. Upon completion of the construction, a permanent sign acknowledging the Program's contribution must be displayed in a prominent position.

9.3.8 Quotations for Capital Items

Agencies are required to obtain three verbal quotations for items to be purchased between \$2,000 and \$5,000, and provide three written quotations for items to be purchased over \$5,000. Details of verbal quotations and copies of written quotations must be attached to the HACC Program Capital Funding Submission.

10. Department of Human Services Service Agreement

Every funded agency is required to negotiate and sign a Service Agreement with DHS.

10.1 Service Agreement

The Service Agreement consists of the following schedules:

Schedule 1: signatory page and the terms and conditions under which the services will be delivered.

Schedule 2: financial summary of the funding to be provided for services delivered.

Schedule 3: service plan(s) listing; services funded, level and type of funding, funding guidelines, performance measures and targets. A separate list of standards and guidelines and a list of reporting requirements are included as part of this schedule.

Schedule 4: information pertaining to the relationship between the agency and DHS. This schedule now also holds other requirements that may be negotiated when providing services.

Schedule 5: financial accountability requirements.

Other Conditions of Funding:

Service providers receiving departmental funding are advised to also refer to:

- The 2002-2003 Rural & Regional Health & Aged Care Services Division Policy and Funding Plan
- The Service Agreement Kit for Agencies produced for all agencies funded by the Department.

11. Reporting Requirements

11.1 Monitoring Service Quality

All agencies funded by the HACC Program are required to deliver services in accordance with all guidelines and policy requirements outlined in the *Victorian Home & Community Care (HACC) Program Manual* that includes the *HACC National Service Standards*.

11.2 Funded Agency Financial and Data Requirements

For agencies funded by the HACC Program, the financial data and other monitoring data requirements include:

- Participation in the HACC Quarterly Output Data Collection;
- Participation in the HACC Minimum Data Set also quarterly;
- Compliance with the Annual Financial Accountability Requirements (FAR);
- Completion of the Annual Service Data Acquittal Report.

11.3 HACC Quarterly Output Data Collection

Aggregate data on HACC service provision is collected quarterly from all agencies with recurrent funding. There are generally two data items to be reported against each HACC activity type: the number of units of service delivered and the number of individuals assisted. Forms and *Guidelines 2002-03 for the Home and Community Care (HACC) Program Quarterly Output Data Collection* are available from the Department's head office and regional offices. Agencies are required to provide all data requested by the Department.

Agencies have three choices on ways of collecting and transmitting the HACC Quarterly Output data:

- Using paper forms available from DHS (post or fax the completed form to 9616 8680).
- Using an Excel version of the paper form (ask us to email it to you; send the completed form to acdata.collection@dhs.vic.gov.au)

- Using the AIMS system (available to hospitals). AIMS Form 129/H1 is identical in content to the paper form. The new AIMS Online Entry System is explained at <http://aims.health.vic.gov.au/>

Agencies using the paper form should post or fax it directly to the Co-ordinated & Home Care Unit of DHS (10/555 Collins Street, Melbourne 3000). Agencies wanting to use an Excel version of the form filled in directly on screen can email it to us, or print it out and post it. Community Health Centres may find it simplest to use the Excel version of the form. The SWITCH data-management system will generate the HACC MDS, but has not been modified to produce the Quarterly Output form.

11.4 HACC Minimum Data Set

All agencies with recurrent HACC funding for direct client services are expected to participate in this new data collection. Agencies have three choices on ways of collecting and transmitting the HACC MDS:

- Using software designed to manage HACC services (several kinds are commercially available, and a list can be supplied on request);
- Using the HACC E-Form distributed free on compact disc by DHS;
- Using paper forms available from DHS (suitable for small agencies).

Agencies should send the quarterly data files to DHS by email or by posting a diskette. After loading into the DHS HACC data repository and the national data repository, the information will be periodically analysed in the context of current policy issues, and the results made available to HACC Program managers and service providers. The HACC MDS will eventually replace the Quarterly Output Collection. Agencies will be informed when this is to happen.

11.5 Data Help Desk

For further information, contact the HACC data help desk: Phone 9616 7255, fax 9616 8680, email haccmids@dhs.vic.gov.au. Email address to send HACC MDS data: haccmids.data@dhs.vic.gov.au.

Email address to send HACC Quarterly Output data: acdata.collection@dhs.vic.gov.au

11.6 Annual Financial Reporting

11.6.1 Financial Accountability Requirements (FARs/AIMS)

At the end of each financial year each funded agency has to account for expenditure of HACC Program funds on the FAR, or on Form 5B of Module 5 of the Annual Return of the Agency Information Management system (AIMS), if the agency is a public sector entity.

11.6.2 Annual Service Data Acquittal Report

At the end of each financial year, agencies are required to complete the Annual Service Data Acquittal Report which details their annual total outputs, the fees collected, and their expenditure. AIMS reporting agencies report their HACC activities on form 5C of Module 5.

Failure by agencies to provide both completed documents to DHS regional office will result in funds being withheld from agencies—usually from the January payments.

11.7 HACC Program Acquittal Methodology

DHS will acquit HACC grants against approved activity using the FAR in conjunction with the Annual Service Data Acquittal Report. Funded agencies are required to comply with the acquittal process.

11.8 End of Financial Year Funding Adjustments

Agencies are expected to deliver the full level of service required as reflected in service and output targets that are documented in the service agreement with the Department of Human Services. That is, agencies are expected to deliver at 100 per cent of the set annual target, as specified in service agreements.

The Division acknowledges that in some circumstances, service providers may not be able to meet their agreed service obligations and annual targets. The Department will discuss the circumstances that led to the underperformance with the agency and consider these when determining the rate at which funding will be recalled.

An agency's track record and past performance in service delivery will also be considered in any negotiations associated with funding recall.

Service providers should contact the Department as soon as they realise that the level of services for which they are funded may not be delivered.

12. Payment of Approved Funding

12.1 Use of HACC Program Funding

HACC Program funds are to be used only for the purpose for which they have been provided as detailed in the Department's Service Agreement.

Any changes to the use of funding must receive either Ministerial approval or mutual agreement in writing between the agency and the DHS regional office.

12.2 Advice to Successful Applicants

Following approval of HACC Program funds by the Minister for Aged Care, successful applicants receive the following:

- A letter of advice informing the agency of approved HACC funding;
- Details of HACC funding, including level and purpose of funds approved;
- Variation to the agency's Service Agreement

12.3 New Recurrent and Fixed Term Recurrent Funding

Payment of new HACC Program recurrent and fixed term recurrent funding is conditional upon the completion of a Service Agreement with the Department. Payment for the approved HACC service is based on the date of commencement of the service.

HACC funded agencies generally receive payment for recurrent services (and fixed term recurrent projects in excess of six months duration) in monthly instalments.

12.4 Fixed Term Service Development Funding (Less Than Six Months)

Payment of new HACC Program fixed term service development funding is conditional upon the completion of a Service Agreement with the Department. Payment of the approved HACC funding is based on the date of commencement of the service.

Payment of funds for short term projects (less than six months duration) is made in one instalment.

12.5 Minor Capital Funding

Payment of approved HACC Program minor capital funding is conditional upon the completion of a Service Agreement with the DHS regional office.

Payment of approved HACC Program minor capital funding is made in one instalment.

All minor capital projects approved as part of the 2002/2003 HACC Program funding process must be completed and claimed prior to 30 June 2003.

12.6 Major Capital Funding

Payment of approved HACC Program major capital funding is conditional upon the completion of a Service Agreement with the Department and compliance with the *Home and Community Care Program Capital Guidelines*.

The funded agency can access payment of the HACC Program major capital grant by applying one of the following methods:

- Provision of a copy of the advertisement for construction, other relevant documents and letter from the agency requesting payment for 15 per cent of the level of HACC Program funds approved;
- Provision of receipts for work completed may be submitted at regular intervals to allow progress payments to be made;
- Payment in advance of the total sum approved for the relevant financial year may be requested in some circumstances (discussion with the Department's regional office is required). A copy of the signed building contract and a letter from the agency applying for payment in advance is required to access such funds.

Whichever payment option is selected, a Certificate of Completion must be provided to the Department at the end of the project, to finalise the administrative and financial accountability requirements of the approved HACC grant. If this document is not received prior to the project completion date, the Department will deem the project not completed.

Following approval of HACC major capital projects, agencies are required to execute a DHS Property Deed of Charge acknowledging the financial interest of the Department in the capital improved value of the property. This requirement does NOT apply to agencies in receipt of HACC capital funding for leasehold improvements.

Further advice on preparation of DHS Property Deed of Charge can be obtained from Manager Property & Assets, Capital Management Branch, Tel. 9616 8038.

All approved HACC Program major capital projects for 2002/2003 must be completed and claimed within the timelines specified in the approval documentation.

