Residential Services- Hardship Policy

Purpose
The purpose of this policy is to provide a fair, transparent, and consistent approach to identifying and responding to financial hardship experienced by residents at Alwyndor Residential Aged Care. Alwyndor is committed to supporting residents to continue living in residential aged care wherever reasonably possible while ensuring financial hardship is managed respectfully, in a person-centred, culturally safe, and rights-based manner.
This policy supports compliance with the Aged Care Act 2024, the Aged Care Rules, and the Strengthened Aged Care Quality Standards by promoting equitable access to care, protecting residents' rights, and ensuring financial matters are managed with dignity, compassion, and transparency.

Applicability
This policy applies to:
- all residents receiving permanent, respite or transitional residential aged care services at Alwyndor
- next of kin, advocates or decision makers acting on behalf of residents
- all Alwyndor employees responsible for admissions, finance, customer service, residential management, and care administration.

Definition
Financial hardship occurs where a resident is willing to meet their financial obligations relating to residential aged care fees and charges but is temporarily or permanently unable to do so due to circumstances beyond their reasonable control.
Examples of circumstances that may contribute to financial hardship include:
- reduction or loss of income
- unexpected medical or health-related expenses
- bereavement
- separation or family breakdown
- natural disasters or emergencies
- elder abuse or financial exploitation
- delays in accessing financial assets or estate settlements
- increased cost of living
- unexpected legal or guardianship matters
- any other significant life event affecting the resident's financial capacity

Outcome Statement
Standard 2 expectation statement for older people:
The organisation is well run. I can contribute to improvements to care and services. My provider and aged care workers listen and respond to my feedback and concerns. I receive funded aged care services from aged care workers who are knowledgeable, competent, capable and caring.
Outcome 2.3: Accountability, quality system and policies and procedures
The governing body is accountable for the delivery of quality funded aged care services and must maintain oversight of all aspects of the provider’s operations.
The provider must use a quality system to enable and drive continuous improvement of the provider’s delivery of funded aged care services.

The provider must maintain current policies and procedures that guide the way aged care workers undertake their roles and require aged care workers to follow the policies and the procedures.

Relevant Strengthened Aged Care Quality Standards

This policy supports compliance with:

Standard 1 – The Person

- Outcome 1.1 Person-centred care
- Outcome 1.2 Dignity, autonomy, and independence
- Outcome 1.4 Communication
- Outcome 1.5 Decision-making

Standard 2 – The Organisation

- Outcome 2.1 Governance and accountability
- Outcome 2.3 Quality systems
- Outcome 2.4 Risk management

Standard 8 – Feedback and Complaints

Policy Commitment

Alwyndor recognises that residents may experience changes in their financial circumstances during their residential aged care journey and is committed to responding to financial hardship fairly, consistently, and compassionately.

Financial hardship will not affect a resident's right to receive safe, quality care or to be treated with dignity and respect. Alwyndor is committed to ensuring residents are not disadvantaged because they disclose financial difficulties or request assistance.

Alwyndor will:

- treat every resident equitably regardless of their financial circumstances
- ensure discussions regarding financial hardship are conducted respectfully, privately, and sensitively
- recognise that financial hardship can arise unexpectedly and may affect residents differently depending on their personal circumstances
- collect only the information reasonably required to assess a request for financial hardship assistance and manage that information confidentially
- actively involve residents in decisions relating to payment arrangements wherever possible
- support residents to exercise informed choice and decision-making in accordance with the Statement of Rights under the *Aged Care Act 2024*;
- involve next of kin, advocate, or decision maker were requested by the resident or where legally required
- consider reasonable payment arrangements before commencing debt recovery processes
- provide information regarding available government assistance, accommodation payment options, financial counselling services, and advocacy organisations where appropriate
- work collaboratively with residents and their representatives to identify practical and sustainable solutions that minimise financial stress while supporting ongoing residency

Financial hardship assistance does not remove a resident's obligation to pay fees and charges that are payable under legislation or residential agreements. However, Alwyndor acknowledges that payment arrangements may need to be adjusted to reflect an individual's financial circumstances.

Residents will not be treated adversely, experience discrimination or receive a reduced standard of care because they have requested financial hardship assistance or made a complaint relating to financial matters.

Process Guidance

Identifying Financial Hardship

Residents or their next of kin, advocate or decision maker, may request financial hardship assistance at any time during their residency.

Alwyndor also recognises that some residents may not actively seek assistance. Employees who become aware of circumstances that may indicate financial hardship should sensitively discuss available supports with the resident or their representative and, where appropriate, facilitate referral to the Finance Team.

Financial hardship may be identified through routine communication with residents, discussions during admission or care planning, unpaid accounts, concerns raised by representatives or observations made by employees.

Assessment of Financial Hardship

Each request for financial hardship assistance will be assessed individually, recognising that financial circumstances vary between residents.

When considering an application, Alwyndor may consider relevant factors including:

- receipt of the Age Pension or other income support payments
- possession of concession cards
- eligibility for Commonwealth or State financial assistance
- unexpected medical or personal expenses
- changes in income or assets
- evidence of financial abuse or exploitation
- delays in accessing funds or estate administration
- previous payment history
- caring responsibilities of a spouse or family member
- recommendations from financial counsellors or advocacy organisations
- any other information voluntarily provided by the resident or representative

No single factor determines eligibility. Decisions will be based on the resident's overall financial circumstances and individual needs.

Available Assistance

Where financial hardship is identified, Alwyndor may consider a range of reasonable assistance measures designed to support residents while maintaining compliance with legislative requirements.

Depending on individual circumstances, assistance may include:

- negotiated payment arrangements
- flexible payment plans
- temporary extension of payment due dates
- temporary deferral of certain payments where appropriate
- review of payment frequency
- temporary suspension of debt recovery activities while hardship arrangements are in place
- assistance with accessing government support or concessions
- referral to independent financial counselling services
- referral to aged care advocacy services
- other reasonable arrangements considered appropriate by the organisation.

Any assistance provided will be documented, regularly reviewed, and tailored to the resident's individual circumstances.

Financial Hardship Agreements
Where financial hardship assistance is approved, Alwyndor will document the agreed arrangements with the resident or their next of kin, advocate, or decision maker.
The agreement will include:
- the agreed payment arrangements
- responsibilities of both parties
- review dates
- duration of the arrangement
- circumstances that may require reassessment
- arrangements for ongoing communication

Financial hardship arrangements will be reviewed periodically to ensure they remain appropriate and continue to meet the resident's needs.

Communication and Decision Making
Residents will receive clear, timely and accessible information regarding available financial hardship options and any decisions made regarding their application.
Where appropriate, information will be provided in formats that meet the resident's communication needs and support informed decision-making.
Residents may choose to involve their next of kin, an advocate or decision-maker throughout the process.

Confidentiality
Information relating to financial hardship applications will be treated as confidential and managed in accordance with applicable privacy legislation and Alwyndor's Privacy and Confidentiality Policy.
Access to financial information will be limited to employees who require the information to assess, administer, or review hardship arrangements.

Review of Financial Hardship Arrangements
Approved hardship arrangements will be reviewed:
- at agreed review dates
- when the resident's financial circumstances change
- upon request by the resident, their next of kin, advocate, or decision maker
- before the arrangement expires
- where legislative or organisational requirements change.

Residents may request reassessment of their financial circumstances at any time.

Complaints and Appeals
Residents who are dissatisfied with a decision relating to financial hardship may request an internal review.
Residents may also:
- lodge a complaint through Alwyndor's Complaints Management System
- seek assistance from an independent aged care advocate
- access external complaints mechanisms available under the *Aged Care Act 2024*.

Making a complaint or requesting a review will not affect a resident's care, accommodation, or future applications for financial hardship assistance.

Roles and Responsibilities
Governing Body
The Governing Body is responsible for ensuring effective governance arrangements exist to support the fair and consistent management of financial hardship within residential aged care.

This includes:
- ensuring governance systems promote equitable access to financial hardship assistance
- monitoring organisational performance and trends relating to hardship applications through governance reporting
- ensuring appropriate resources are available to implement this policy
- overseeing compliance with the *Aged Care Act 2024*, the Strengthened Aged Care Quality Standards, and all relevant legislative requirements
- receiving assurance that hardship arrangements are managed consistently, transparently and in accordance with organisational values

Executive Management
Executive Management is responsible for implementing this policy across residential services and ensuring hardship processes are consistently applied.
Responsibilities include:
- approving and overseeing this policy
- promoting a respectful, compassionate, and resident-centred approach to financial hardship
- ensuring employees understand their responsibilities under this policy
- monitoring policy effectiveness and identifying opportunities for continuous improvement
- ensuring financial hardship decisions are appropriately documented
- maintaining systems that protect confidentiality
- ensuring appropriate education and resources are available to employees.

Executive Manager- Residential Services
The Executive Manager- Residential Services, is responsible for ensuring residents and their representatives are aware of available financial hardship assistance and are supported to access appropriate information and referrals.
The Executive Manager- Residential Services, will work collaboratively with the Finance Team to ensure hardship arrangements do not adversely affect the resident's care, wellbeing, or rights.

Finance Team
The Finance Team is responsible for administering financial hardship requests and approved arrangements in accordance with this policy.
Responsibilities include:
- responding respectfully and promptly to hardship requests
- assessing applications based on each resident's individual circumstances
- requesting only information necessary to support an assessment
- documenting approved hardship arrangements
- maintaining accurate records of assessments and decisions
- reviewing hardship arrangements at agreed intervals
- maintaining confidentiality of financial information

- communicating with residents, next of kin, advocates or decision makers and relevant employees regarding payment arrangements
- facilitating referrals to government assistance, advocacy organisations, or financial counselling services where appropriate

Employees
Employees are responsible for recognising when a resident may be experiencing financial hardship and responding sensitively and respectfully.
Employees must:

- provide information about available assistance where appropriate
- refer residents or their next of kin, advocate, or decision maker to the Finance Team
- protect the confidentiality of financial information
- support residents to exercise informed choice
- comply with this policy and associated procedures

Residents, next of kin, advocates, and decision makers
Residents, next of kin, advocates and decision makers are encouraged to:

- advise Alwyndor as early as possible if they are experiencing financial hardship
- provide accurate and relevant information to support assessment of their application
- notify Alwyndor of significant changes to their financial circumstances
- participate in discussions regarding appropriate payment arrangements
- meet agreed payment arrangements where reasonably able

Monitoring and Review
Compliance with this policy will be monitored through Alwyndor's governance framework, including:

- internal audits
- review of hardship applications and outcomes
- complaints and feedback analysis
- financial management reporting
- continuous improvement activities
- reporting to Executive Management and the Governing Body