



**National Council of
Women of New Zealand**
Te Kaunihera
Wahine O Aotearoa

National Office
Level 4 Central House
26 Brandon Street
PO Box 25-498
Wellington 6146
(04) 473 7623
www.ncwnz.org.nz

7 July 2006

S06.27

**Submission to the Social Services Select Committee on the
Social Security (Long-Term Residential Care) Amendment Bill**

The National Council of Women of New Zealand (NCWNZ) is an umbrella organization representing 38 Nationally Organized Societies. It has 31 branches throughout the country attended by representatives of those societies as well as some 150 other societies, and many individual members. The Council's function is to work for the well-being of women, the family and the community at local, national and international levels through research, study, discussion and action.

NCWNZ welcomes the opportunity to make this submission on behalf of our members as it is one that we have kept a careful watch on over many years. In fact we have a remit at our Conference this September on the subject of "Funding of Rest Homes", so you see we are keeping a watching brief on it.

Part 1 Amendments to principal Act

Subpart 1 – Amendments to Part 1

Clause 4 (2B)

Our members agree that this amendment seems fair, but we do know that in some cases the rest homes do not include doctors' visits and medication and that in these cases the resident has to apply through their case manager at WINZ to get this allowance. We would like to be very sure that anyone in this circumstance is made aware that they are entitled to this.

If a person is paying privately for their rest home care then they also need to be means tested to see if they qualify for a Disability Allowance.

Subpart 2 – Amendments to Part 4

Clause 6 (2)

personal allowance

We agree that this allowance must continue.

Clause 14 (4A)

NCWNZ members agreed with these sections.

Clause 15 (2)

NCWNZ members agree with this new subsection outlining the method of deciding the amount that is received by each region to distribute, but we understand that the threshold for these has not changed for many years, and would therefore recommend that central government needs to increase the amount given to fund providers, to enable more money to be allocated to the residential care sector.

Our members have some concern with the funder being liable to provide extra financial assistance if a person has been assessed as requiring a higher level of care than is met by the contracted





price as we feel there could be ways found of cutting back on these costs by supplying a lower quality of care, or curtailing some services. If this is not going to happen then we agree to this.

Subpart 3 – Other amendments

Clause 17

NCWNZ is pleased to see that where assets are jointly owned with a partner, the partner's ability to earn income from that property is not entirely compromised by an assessment of income-from assets. We also urge that the income exempted will continue to be tied into the Consumer Price Index and not be allowed to lag behind.

Clause 18

Our members feel that these proposals will allow for more consistency in terms of assessing New Zealand and overseas pensions and annuities and should therefore, make for more streamlined administration.

NCWNZ also notes that it is a considerably older age person on average that now needs this care as more and more resources are put into home based care to keep people in their own homes longer. We realise that this is more cost effective than residential care, but we do not see that the funding for one should be to the detriment of the other. Therefore we urge that all future funding is governed by the All Groups index number of the Consumers Price Index, so that the funding is kept up to pace with costs.

These amendments to the 1964 Act are described by a member with personal experience as long overdue. Other members described the Bill as a tidy-up which brings more fairness to the situation. Our members look forward to the benefits resulting from the amendments.

Christine Low
National President

Christine Rattray
Convener, Social Issues Standing Committee



19 July, 2006.

S06.27

ORAL PRESENTATION TO THE SOCIAL SERVICES SELECT COMMITTEE ON THE SOCIAL SECURITY (LONG TERM RESIDENTIAL CARE) AMENDMENT BILL.

Presenters: Janet Hesketh and Helen Bruce.

After her opening comments, Janet discussed the following points from our submission.

Clause 15: The threshold for funding allocated for regional distribution has not changed for many years - since 1994. We therefore recommend that central government needs to increase the amount given to fund providers, to enable more money to be allocated to the residential care sector.

When a funder is liable for the provision of a higher level of care than is met by the contracted price, protection must be given to residents to preclude the funder from finding ways to supply lower quality care, or to curtail some services. NCWNZ members would want to see residents protected in this.

Clause 17:

We urge that the income exempted will continue to be tied into the Consumer Price Index to be reviewed annually.

Clause 18:

Our members welcome the proposed consistency in terms of assessing NZ and overseas pensions and annuities. This should make for more streamlined administration.

Questions:

1) Georgina Beyer (Chair) picked up from the submission that in Clause 15 Janet's comments included the date 1994 which we found in an AI response. Janet identified the source, with the comment that we were not certain about this. It was in one response, and seemed authoritative. The Chair referred to the advisors for verification.

The response was that there is confusion because the threshold was set in 1994, but the discussion is about the maximum contribution.

2) Judith Collins asked to clarify that point.

3) Paul Hutchison asked a complex question of the advisor, through the chair involving assets being adjusted to the CPI, and another to do with the Negotiated Funder / DHB / provider link. No response was required of Janet, although she did comment.

It seemed that our submission raised some questions of the advisors from committee members.

Two proposed deletions not referred to in our submission, or spoken to, see; to be of concern.

Part 2, page 355 the first paragraph (c) the value of any property (other than property would be an exempt asset) that the chief executive, in his or her discretion, is satisfied that the person or his or her spouse or partner has directly or indirectly deprived himself or herself of

Part 3, page 357 (e) the value of any income referred to in paragraphs (a) to (d) that the chief executive... as above.

Some of the responses had referred to people who have been able to so manage their affairs, generally through the formation of trusts, that they personally have few assets and directly receive only a limited income, thus becoming eligible for government assistance. The two paragraphs being repealed seem to have offered scrutiny of such evasion. It would have been good to have had reference to them in our submission.