

Policy

Financial Hardship Policy

Purpose

This policy outlines Wesley Mission Queensland Limited's (WMQ's) approach to managing customers who face financial hardship. This policy ensures compliance with applicable legislation, particularly the Aged Care Act 2024.

The policy aims to:

- Demonstrate compassion and support customers that are facing financial hardship.
- Support compliance with regulatory obligations.
- Maintain consistency in debtor management.
- Provide accurate financial reporting for internal and external stakeholders.

Requirements

WMQ recognises that some customers may experience financial hardship that affects their ability to pay invoices on time. This policy ensures that hardship cases are managed fairly, compassionately, and in compliance with relevant legislation, including the Aged Care Act 2024.

WMQ will manage financial hardship using the following guiding principles:

- Fairness
- Confidentiality
- Transparency
- Respect
- Accessibility

WMQ aims to support our customers while maintaining financial responsibility and compliance.

WMQ's financial hardship procedure will detail:

- How customers can apply
- The evidence required from customers to support the application
- How WMQ will assess the application
- The types of hardship arrangements available
- The timeframes for decisions
- How decisions will be communicated to customers who apply

Typical Hardship Scenarios

These scenarios may include, but are not limited to the following:

Low-income customers

- Low-income customers or those relying on Services Australia government payments such as aged pension, disability pensions or welfare benefits.

Unexpected Medical or Health Expenses

- If you have recently suffered high out-of-pocket medical, hospital, or allied health costs.
- Sudden need for additional care services or equipment not covered by government programs.

Funding or Payment Delays

- NDIS participants awaiting plan approvals or reimbursements, Support at Home customers experiencing delays in package approvals.

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Unexpected Household Expenses

- Urgent repairs or medical equipment replacement affecting available funds for service payments.

Hardship Assessment and Support Measures

- **Identification:** Customers may self-identify or be referred by services or programs
- **Engage with the Funding Body:** The customer or their appointed representative must engage with the relevant funding body e.g. Services Australia and provide evidence to WMQ, to support timely assessment of hardship applications.
- **Assessment:** Finance, in consultation with the relevant service unit, will review the circumstances and determine a reasonable repayment plan. Documentation of the customer's hardship and the agreed plan will be retained.
- **Flexible Arrangements:** Depending on the situation, WMQ may offer:
 - Extended payment terms (not exceeding 60 days)
 - Instalment payment arrangements (not exceeding 6 months)
 - Partial fee waivers in exceptional circumstances (subject to relevant Director approval)
- **Monitoring:** Payment plans are monitored by the finance department to ensure adherence. Non-compliance or failure to meet agreed arrangements may trigger immediate payment of the outstanding debt, referral to Queensland Civil and Administrative Tribunal (QCAT) and/or cessation of service delivery from WMQ.
- **Communication:** All arrangements and outcomes must be clearly communicated and documented.

This approach balances WMQ's values, providing a continuum of care and support to our customers with responsible financial management, meeting both regulatory obligations and financial stewardship policy principles.

Roles and Responsibilities

Role	Responsibilities
Accounts Receivable	<ul style="list-style-type: none"> • Receive requests for financial hardship • Consult the applicable service/program manager • Manage the communication and documentation of the financial hardship application
Manager - – Finance, Operations and Transactional Services	<ul style="list-style-type: none"> • Approve the Agreed Arrangements to respond to the financial hardship application
Relevant Director	<ul style="list-style-type: none"> • Approve the Agreed Arrangements to respond to the financial hardship application • Approve the trigger for immediate payment of the outstanding debt and cessation of service delivery from WMQ. (This will be the primary Service Director (by amount) where multiple Directors apply)
Chief Financial Officer	<ul style="list-style-type: none"> • Receive monthly reporting on hardship applications and status updates

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Definitions

Term	Definition
Financial hardship	<ul style="list-style-type: none"> Financial hardship occurs when a person is willing but unable to meet their existing financial commitments because of unexpected events or changes in their circumstances that have reduced their capacity to pay. This may be temporary or long-term in nature.

Related documents

[Related Documents]

Governance	Financial Stewardship
Supporting Policy & Resource Documents	<ul style="list-style-type: none"> Procurement Policy Delegations Manual
Legislation/Standards	<ul style="list-style-type: none"> AASB 9 – Financial Instruments AASB 101 – Presentation of Financial Statements AASB 137 – Provisions, Contingent Liabilities and Contingent Assets ACNC Governance Standards Corporations Act 2001 (Cth) Aged Care Act 2024 (Cth)
Other	<ul style="list-style-type: none">