



9 JUL 2018

Dear [REDACTED]

On 9 June 2018, you emailed the Ministry requesting, under the Official Information Act 1982, information regarding Student Loans, Residential Care Subsidy and means assessments.

People who need long-term residential care in a hospital or rest home, may be able to get a Residential Care Subsidy from the Ministry of Health. The Ministry of Social Development (the Ministry) administers Residential Care Subsidy including income and asset testing people who apply, but Residential Care Subsidy is funded by the Ministry of Health. Further information long-term residential care is available from the Ministry of Health's website here: www.health.govt.nz/our-work/life-stages/health-older-people/long-term-residential-care.

Your questions are addressed in turn below.

- *Do you check for income deprivation in relation to student loan applications (i.e. income deprivation by parents or student loan applicants)?*

Student Loan entitlement is not income tested, however Student Allowance is an income tested payment. As such, your question has been interpreted as being in relation to Student Allowance, not Student Loans. Information about the assessment of deprivation of income in relation to Student Allowance applications is available from the Ministry's Manuals and Procedures website here: www.workandincome.govt.nz/map/students/student-allowance/deprivation-of-income-01.html

- *How many means assessment tests were carried out (in the most recent period you have records for) for the Residential Care Subsidy (RCS)?*
- *How many means assessments traced back beyond the five year gifting period?*

All clients who are deemed eligible for residential care by the local District Health Board are able to apply for Residential Care Subsidy. All applicants for Residential Care Subsidy are financially means tested both in terms of the asset threshold and income. The financial means assessment is traced back beyond five years for all applications.

The number of Residential Care Subsidy applications is shown in the table below, broken down by quarter.

Quarter ending	Total number of applications
30 June 2017	2,100
30 September 2017	2,903
31 December 2017	2,686
31 March 2018	1,919

Notes:

- This is a count of applications not a count of clients, a client may have more than one application during the reported periods.
- *How many applications for the RCS were from people who had gifted assets to a trust either before or during the gifting period?*

This information is held on the individual client records. In order to provide you with this information Ministry staff would have to manually review thousands of files. As such your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

- *How many times in the last five years has the Commissioner used discretion in relation to gifting (as per s 147A of the SSA 1964)?*

Gifts made in the five years before the client applies for Residential Care Subsidy must be included in the means assessment of assets. However, outside the gifting period, discretion is available to decide whether excess gifting should be included or excluded in the financial means assessment of assets.

All case managers have the delegation to use discretion when considering deprivation of assets or income under section 147 of the Social Security Act 1964/Regulation 9B. The process followed is that the Case Manager gathers all the facts about the deprivation to be considered and then applies a careful use of discretion, based on the facts, to decide whether the deprived assets and/or income should be included in the client's financial means assessment. Further information about the process is available from the Ministry's website here: www.workandincome.govt.nz/map/income-support/extra-help/residential-care-subsidy/exercising-discretion-01.html

Information about the use of discretion is held on the individual client records. In order to provide you with this information Ministry staff would have to manually review thousands of files. As such your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

- *How many individuals are receiving full funding for their residential care as at 31 March 2017 (or latest year available).*
- *How many individuals are receiving partial funding for their residential care as at 31 March 2017 (or latest year available).*

The Ministry's reporting can only determine if a client is receiving Residential Care Subsidy, not whether they are receiving the full subsidy or a partial amount. The amount of subsidy received is held on individual client files. In order to provide you with this information Ministry staff would have to manually review thousands of files. As such your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

The total number of clients with a Residential Care Subsidy (including those receiving partial and full funding) is shown in the table below.

Number of clients with a current Residential Care Subsidy as at the end of June 2017, September 2017, December 2017 and March 2018

As at the end of	Number of clients
June 2017	18,888
September 2017	18,655
December 2017	19,091
March 2018	18,842

- *How much in the way of residential care loans has been written off over the past five years?*

The Ministry has a legislative duty to take all practicable steps to recover debt, with exceptions to this duty only where the debts are; caused by administrative error; uneconomic to recover; remitted or suspended under regulations; or written off for public finance purposes. Debt that is written off is provisional and in some circumstances may be reactivated.

The Ministry is unable to report on Residential Care Loans that have been written off as the tracking of the origin of debt is not recorded when debt is transferred between the Ministry's two debt reporting systems. Consequently the total amount of debt arising from Residential Care Loans, and therefore the amount of this debt written off, cannot be determined.

In order to provide you with this information Ministry staff would have to manually review client files. As such your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

In all cases where information requested is refused under section 18(f) of the Act in this response, I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter available to the wider public shortly. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding Residential Care Subsidy, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely



Dwina Dickinson
Group General Manager Client Service Support