

FEDERAL ELECTION 2022

Key election commitments affecting seniors

Reduction in the PBS safety net threshold (Pensioners and seniors without a concession)

Both the Coalition and Labor have committed to reduce the eligibility threshold to meet the PBS Safety Net.

For Pensioner Concession Card and Commonwealth Seniors Health Card holders the PBS Safety Net threshold each calendar year will be lowered by the equivalent of 12 fully priced scripts (from \$326.40 to \$244.80 saving \$81.60). This means any additional PBS medicines dispensed will be free for the remainder of the year after 36 scripts.

For seniors who do not hold a concession card the PBS Safety Net threshold will be lowered by the price of two scripts (from \$1,542.10 to \$1,457.10 saving \$85.00). General patients will then pay only the concessional co-payment of \$6.80 per PBS script for the balance of the year.

Cost of PBS medicines (Seniors without a concession card)

The Coalition has promised to reduce the PBS co-payment by \$10 so non-concessional medicines will drop in price from \$42.50 to \$32.50.

Labor has committed to reduce the PBS co-payment by \$12 so non-concessional medicines will drop in price from \$42.50 to \$30.00

Downsizing incentive (All home owning pensioners)

Both the Coalition and Labor have announced they will make changes to encourage older Australians to downsize into more suitable homes and allow excess proceeds to be placed into superannuation.

Eligibility to make a downsizing contribution into superannuation has been extended to include people aged 55 and over.

Both parties have also adopted a policy of giving a two-year exemption from the assets test for any additional proceeds from downsizing.

Superannuation drawdown (Seniors with superannuation)

Both Labor and the Coalition have promised to extend of the 50% reduction in the minimum drawdown limit for retirees until 30 June 2023.

Minimum drawdown limits dictate the lowest amount a retiree can draw from their superannuation to qualify for tax concessions, such as tax-free superannuation in retirement.

This is expected to benefit 1.8 million retirees.

Deeming rates freeze (Primarily part-pensioners and low-income self-funded retirees)

Both major parties have agreed to freeze deeming rates until 2024 so that rates will not rise if interest rates do.

Deeming rates are used to estimate income from financial assets and therefore the pension rate when someone comes under the income test. Deeming is also used to help determine a self-funded retiree's income for eligibility for the Commonwealth Seniors Health Card.

Commonwealth Seniors Health Card (Self-funded retirees)

Both the Coalition and Labor have committed to give roughly 50,000 more self-funded retirees access to concessionary health care and medications by raising the threshold for eligibility for the Commonwealth Seniors Health Card (CSHC).

The threshold for singles will rise from just under \$58,000 a year to \$90,000 a year and for couples from just over \$92,000 to \$144,000.

CSHC provides access to the concession rate for medicines under the PBS and the chance to be bulk billed when visiting a doctor (at the doctor's discretion).

Social and affordable housing (Pensioners who rent)

The Coalition have announced increased investment in affordable housing, by promising an additional \$2 billion in low-cost financing for social and affordable dwellings.

Labor have announced a policy for a \$10 billion Housing Australia Future Fund to build 30,000 new social and affordable housing properties in over five years.

Aged Care (Seniors)

Aged care announcements are complicated by existing commitments to reform which are yet to be implemented.

The Coalition has made several announcements from the 2022 budget and election period, which are in addition to the existing Royal Commission reform package in the 2021 Budget.

This includes commitments to:

- establish on-site pharmacists and community pharmacy services in government-funded residential aged care facilities (RACFs).
- mandate every aged care facility to have a registered nurse onsite for 16 hours per day by July 2023 and then 24 hours a day in 2024 (however, no specific date is given).
- mandate an average 200 minutes of care time per resident by July 2023 and 215 minutes of care time per resident by July 2024
- fund 15,000 low and fee-free training places in aged care courses through the JobTrainer Fund

Labor has made several aged care commitments during the election period.

This includes commitments to:

- mandate every aged care facility to have a registered nurse on site 24 hours a day by July 2023.
- mandate an average of 200 minutes of care time per resident by October 2023 and 215 minutes of care by October 2024.
- accept and fund the Fair Work Commission decision on better pay for aged care workers.
- work with the aged care sector to develop and implement mandatory nutrition standards for aged care homes to ensure every resident gets good food.
- make residential care providers publicly report their spending and to give the Aged Care Safety Commissioner powers to ensure accountability and integrity
- fund free aged care Tafe courses as part of its broader policy of 465,000 free Tafe places.

This information is based on information from Coalition and Labor election websites supplemented by information gleaned from independent news sources.