

## Client User Charges

### General Principle

For a client who is required to pay a daily User Charge for the homemaker services program, this charge is based on the client's available income and assets, and takes into account:

- all earned income;
- all unearned income; and,
- limitations and exclusions on assets.

A client is not required to pay a daily User Charge for homemaker services if the client receives any of the following:

- the Guaranteed Income Supplement, the Spouse's Allowance or the Widowed Spouse's Allowance under the *Old Age Security Act* (Canada);
- DIAND's income assistance support and shelter allowance;
- DIAND's disability allowances under the Persons with Disabilities or the Persons with Persistent Multiple Barriers programs; or,
- a war veteran's allowance under the *War Veterans Allowance Act* (Canada).

Where both members of a couple are eligible for and receiving homemaker services, each member will have the full client rate charged. However, the administering authority will bill only one member of the couple per service day. When one member of the couple is:

- in hospital or care facility awaiting assessment;
- in hospital or care facility assessed for placement; or,
- resident in a care facility.

The financial assessment should be recalculated for the individual remaining in the home.

Administering authorities will calculate a revised client User Charge upon notification by the client that the client's or the spouse's net income has changed by 20% or more.

Rate changes are effective the first day of the month following the date the administering authority was notified by the client of the change in income.

## Procedures

In assessing the amount of the daily User Charge that is payable by the client, the band social development worker will calculate the rate based on information contained in the client's previous year's income tax return and the size of the client's family unit using the following steps (Note: For a case example see Table 1):

### Step 1

- **Add** the net income of the client as reported on line 236 of the client's income tax return; and,
- the net income of the client's spouse as reported on line 236 of the spouse's income tax return.

### Step 2

- **Minus** the total income tax paid by the client and the client's spouse as reported on line 435 of their income tax returns.

### Step 3

- **Minus** the annual earned income for the client and the client's spouse (this is the total of lines 101, 104, 135 137, 139, 141 and 143 from each persons' last income tax return), up to a maximum of \$15,000 per person.

### Step 4

- **Minus** the "allowable deduction for calculation of the client's remaining annual income" as indicated in Table 2 that corresponds with the client's family unit size. The family unit size includes the client, the client's spouse and any children under the age of 19 residing in the client's home.

### Step 5

- **Multiply** the **remaining annual income** by 0.00138889 to determine the client's maximum daily User Charge.

### Step 6

- Determine the amount that the client is to pay for homemaker services. As per the case example (Table 1):

- if the daily cost for the service is less than \$23.23 per day, the client will pay the lesser amount up to a maximum of \$23.23 per day.
- if the daily cost of the homemaker service is \$23.23 per day, the applicant will pay the entire cost of this service.
- if the daily cost of the homemaker service is more than \$23.23 per day, the client will only pay \$23.23. For example, if the cost of the service is \$50 per day, the client will pay a daily User Charge of \$23.23 and the administering authority will pay the balance of the costs, \$26.77.

<b>Table 1: Example of the Daily Client User Charge for Homemaker Services</b>			
<ul style="list-style-type: none"> <li>• Family Unit Size is 2 (two adults, no children)</li> <li>• The applicant is employed, the spouse is recently unemployed and both people are under 65 years of age.</li> </ul>			
	<b>Applicant</b>	<b>Spouse</b>	<b>Joint</b>
<b>Step 1 - Add net income</b> (line 236 from the applicant's and their spouse's, previous years' income tax returns)	<b>\$35,000</b>	<b>\$23,000</b>	<b>\$58,000</b>
<b>Step 2 - Minus income tax paid</b> (line 435 from the applicant's and their spouse's, previous years' income tax returns)	<b>\$10,500</b>	<b>\$5,520</b>	<b>&lt;\$16,020&gt;</b>
<b>Step 3 - Minus earned income</b> (up to a maximum of \$15,000 for each person). Earned income means income earned due to employment, not pension income etc., and includes lines 101, 104, 135, 137, 139, 141 and 143 from the applicant's and their spouse's, previous years' income tax returns).	<b>\$8,500</b>	<b>\$0</b>	<b>&lt;\$8,500&gt;</b>
<b>Step 4 - Minus "Allowable Deduction for Calculation of Client's Remaining Annual Income" - Table 2</b> (for a Family Unit Size of 2)			<b>&lt;\$16,752&gt;</b>
<b>Total remaining annual income</b>			<b>\$16,728</b>
<b>Step 5 - Multiply the remaining annual income by 0.00138889 to establish the required daily User Charge to be paid by the client for homemaker services.</b> For example a remaining annual income of \$16,728 x 0.00138889 = \$23.23/day.			<b>\$23.23/day</b>

**Table 2 - Allowable Deduction for Calculation of Client's Remaining Annual Income**

<b>Family Unit Size</b>	<b>Allowable Deduction for Calculation of Client's Remaining Annual Income</b>
1	\$10,284 per year
2	\$16,752 per year
3	\$19,164 per year
4	\$20,880 per year
5	\$22,716 per year
6	\$24,312 per year
7	\$25,908 per year
8	\$27,384 per year
9	\$28,860 per year
10	\$30,366 per year