

Service housing client fees as of 1 July 2021

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1 General

According to Section 21 of the Social Welfare Act (1301/2014), 'housing services' mean the provision of service housing and supported housing. Service housing is arranged for people who need suitable housing, as well as treatment and care. The services include treatment and care according to the client's needs, activities that maintain and promote functional capacity, meal, laundry, washing and cleaning services, as well as services promoting inclusion and social interaction.

Housing services in accordance with the Social Welfare Act can be provided to different client groups, such as the elderly, people in mental health or substance abuse rehabilitation and people with disabilities. Housing services can be arranged as an outsourced service from a private service provider or as the municipality's own activity.

Decree 1806/2009 of the Ministry of Social Affairs and Health lays down the criteria for defining outpatient and institutional care. Kela and the municipality define operating units as outpatient or institutional care services on the basis of these criteria. According to the Decree, housing services are defined as outpatient care. Housing service clients may therefore be entitled to social insurance benefits granted by Kela, such as care allowance, housing allowance and travel allowances reimbursed on the basis of health insurance, as well as medicinal costs.

2 Client fees for service housing

Client fees in health care and social welfare are generally regulated by the Act on Client Charges in Healthcare and Social Welfare (734/1992) and the Decree on Client Charges in Healthcare and Social Welfare (912/1992). Section 10e of the Act defines the fees to be charged for long-term service housing.

The fee criteria can be applied to long-term service housing for elderly services, mental health and substance abuse services and disability services organised in accordance with the Social Welfare Act.

A municipality may charge a client fee for long-term service housing if the service is estimated to last at least three months from its commencement or if the service has actually lasted at least three months (Section 7b of the Act on Client Charges in Healthcare and Social Welfare).

A client fee decision is made for the client based on the fee criteria of long-term service housing. Clients living in long-term service housing are charged a monthly fee in accordance with the fee decision. If the service begins or ends mid-month, the fee is charged for the days on which the service was received.

In addition to treatment, the monthly client fee includes services that are continuously and regularly provided in accordance with the client plan and that are closely related to treatment and care. These include, for example, doing laundry at the client's home, activities on the premises of the housing unit, services promoting social interaction, regular and predictable errands, drug dispensing and the working hours included in the dispensing. The fee does not include rent or other housing costs of the housing service unit.

2.1 Meal service fees

The client fee for service housing does not include the meals served in service housing. The client pays separately for the meal service associated with the service. The meal service fee is EUR 247 per month. The meal service fee includes daily meals, which are breakfast, lunch, dinner and snacks (Section 10h of the Act on Client Charges in Healthcare and Social Welfare).

3 Determination of the client fee

According to Section 10e of the Act on Client Charges in Healthcare and Social Welfare, the fee for long-term service housing is based on the number of service hours recorded in the service decision, the client's capacity to pay and the size of the family. Service hours are taken into account as whole hours, rounding partial service hours to the nearest whole hour and rounding up half hours.

The fee may not exceed the expenses incurred from providing the service (Section 2 of the Act on Client Charges in Healthcare and Social Welfare). The client fee is charged for the period during which the client resides in the housing service unit.

Gross income exceeding the income limit is taken into account as income for the client fee. The income limits are based on the size of the family. The euro amounts of the income limits are revised every two years according to the employment pension index, and the revised amounts enter into force at the beginning of the year following the review year. The income limits are as follows:

Family size, number of persons	1	2	3	4	5	6
Income limit, EUR per month	588	1084	1701	2103	2546	2924

The client fee is the amount indicated by the payment percentage of monthly income exceeding the income limit in the table below.

Number of service hours per month	Fee percentage by family size					
	1	2	3	4	5	6 persons or more
0–4	5%	5%	5%	5%	5%	5%
5–10	9%	8.75%	7.50%	7.50%	7.50%	7.50%
11–20	14%	14%	13.50%	13%	12%	11%
21–30	21%	20%	18%	15%	13%	11%
31–40	28%	22%	18%	15%	13%	11%
41–80	35%	22%	18%	15%	13%	11%
More than 80 h	35%	22%	18%	15%	13%	11%

The client fee is valid until further notice. Client fees for long-term service housing are reviewed annually for changes in income and expenses. In addition, according to Section 10j of the Act on Client Charges in Healthcare and Social Welfare, the fee must be reviewed at the application of the client or their representative or at the initiative of the municipality, when:

- the client's or their family's income has changed;
- the client's or their spouse's right to deductions on income has changed;
- the circumstances of the family have changed;
- the fee proves to be incorrect;
- the client plan prepared for the client is changed in a way that affects the amount of the client fee;
- the municipal fee criteria are changed in a way that affects the amount of the client fee.

If the decision on the fee has been based on incorrect information provided by the client or their representative, the fee may be rectified retroactively for a maximum period of up to one year.

Long-term service housing is free of charge for veterans who served on the front (Act on front-line veteran rehabilitation 1184/1988).

3.1 Determining income

In order to determine the client fee, the client's income is determined. Income information is primarily requested from the client or their representative. Information may also be requested from other authorities, entities or bodies. Income data can be verified using, for example, through Kela and the incomes register of the Tax Administration.

According to Section 14a of the Act on Client Charges in Healthcare and Social Welfare, a state authority, a municipal authority and other bodies governed by public law, the Social Insurance Institution of Finland (Kela), the Finnish Centre for Pensions, a pension fund and other pension institutions, an insurance institution, an employer and an unemployment fund, and a provider of social and health care services are obliged, at the request of a municipal authority, to provide, free

of charge and without prejudice to confidentiality provisions, the information and statements in their possession concerning the financial standing of a client and necessary for determining the amount of a client fee if the municipality or group of municipalities imposing the fee has not received sufficient and reliable information from the client or their legal representative for the purpose of determining the fee.

Where the fee is determined on the basis of the combined income of the person in the service and their spouse, the above-mentioned right to information also applies to the spouse. The above-mentioned parties are only requested to provide information relevant to the determination of the client fee.

The reporting obligation also applies to a financial institution if the municipality does not receive sufficient information and explanations from other parties mentioned above and if there are reasonable grounds to doubt the adequacy or reliability of the information provided by the client or their representative.

The Act on the Status and Rights of Social Welfare Clients (812/2000) lays down the obligation of the client and their representative to provide information (Section 12) and the right of a social welfare authority to confidential information (Sections 20 to 22).

If the income on which the fee is based changes, the client or their representative must notify the authority deciding on the client fee of the changed income data. A client fee decision based on incorrect information may be rectified retroactively for a period of one year (Section 10j of the Act on Client Charges in Healthcare and Social Welfare).

3.2 Income on which the client fee is based

Section 10f of the Act defines the income on which long-term service housing client fees are based. The client fee is determined by the monthly income of the client and their spouse, taking into account income deductions made in accordance with Section 3.3. Gross income is taken into account as the basis for the fee, i.e. taxes are not taken into account as a deduction from income.

Monthly income includes the continuous or repeatedly received taxable earnings, capital income and tax-exempt income of the client and their spouse, less the costs incurred in obtaining income, as well as calculated forest income. Income is continuous when it continues for at least three months from the date on which the fee is determined.

If the latest documented information on the client's taxable income is not available, the corresponding taxable income established in the last tax submitted can be taken into account as taxable income, increased by the percentages set by the Tax Administration in its annual decisions based on Section 6(1) of the Act on tax prepayment (1118/1996) on the basis of the calculation of withholding tax and advance payment.

Calculated forest income means the average annual forest yield per hectare multiplied by the area of forest land, established in accordance with Section 7(3) of the Act on the valuation of assets for taxation (1142/2005). This amount is reduced by 10% and by forestry interest rates. At the request of the client or their representative, the municipality or joint municipal authority must reduce the calculated forest income if the net monetary value of the annual felling opportunity per holding is at

least 10% lower than the forest income, based on a statement issued by the Finnish Forest Centre or forest management association. The discount is equal to the difference between the forest income and the net monetary value of the felling opportunity (Section 10i of the Act on Client Charges in Healthcare and Social Welfare).

Continuous or repeatedly received grants or recognition awards are taken into account as income to the extent that they are regulated as taxable income in Section 82(2) of the Act on income tax.

Reimbursement of expenses and other grants for a specific purpose or other similar income which is not regular or continuous and does not form part of taxable income is not taken into account as income. Tax-exempt social benefits referred to in Section 92 of the Act on income tax are not taken into account as income, with the exception of child maintenance allowance and care allowance for pensioners. A veteran's allowance paid as part of care allowance for pensioners is not taken into account as income.

If income varies, the average monthly income of the previous 12 months is taken into account.

Gross income to be taken into account, e.g.:

- Earned income
- Pension income
- Benefit income
- Forest income
- Dividend income
- Interest income
- Capital income
- Rental income (less the maintenance fee)
- Child maintenance allowance
- Child support
- Care allowance for pensioners
- Dividends paid to an equity savings account
- Yield on investment funds paid annually
- Share of non-tax-subsidised pension insurance of pension corresponding to yield accruing on capital
- Other continuing or recurring personal income

Income not considered:

- Child benefit
- Student grant
- Adult education allowance
- Child home care allowance
- Study-related grants and other similar grants
- Child increase in accordance with the National Pensions Act
- Housing allowance
- Student allowance housing supplement
- Conscript's allowance
- Conscript's per diem allowance

- Disability allowance for persons under 16
- Disability allowance for persons aged 16 and over
- Income support
- Veterans' supplement
- Front veteran's supplement
- Extra front veteran's supplement
- Income paid to investment fund growth shares that are not distributed annually
- Capital repayment from non-tax-supported pension insurance
- Medical care and examination costs under accident insurance
- Compensation for upkeep referred to in the Act on the social insurance institution of Finland's rehabilitation services and rehabilitation allowances
- Reimbursement of family care costs
- Other similar income which is not regular or continuous and does not form part of taxable income

3.3 Deductions from income

Before imposing the long-term service housing fee, the deductions listed below may be deducted from the client's income (Section 10g of the Act on Client Charges in Healthcare and Social Welfare). If necessary, deductions according to Sections 3.3.1 and 3.3.2 are also made from the spouse's monthly income if the fee is determined by the spouses' total income.

3.3.1 Maintenance obligations, actual family relationships and traditional life annuity

- **Child support confirmed as to be paid by the person.** Child support is not deducted if the child support recipient is the client's spouse with whom the client lived in a joint household immediately before the start of long-term institutional care;
- **Other corresponding costs resulting from actual family relations** of the person;
- **Allowance withheld for a fixed period or a lifetime in connection with the transfer of property**, which they must pay in cash (traditional life annuity);
- **Compensation ordered by the receiver or the court**, referred to in the Act on the Dissolution of the Household of Cohabiting Partners (26/2011), which they must pay in cash.

3.3.2 Remuneration of a guardian and audit fee of the Digital and Population Data Services Agency

The remuneration of a guardian consists of an annual basic fee and additional fees (Government Decree 696/2012 on the amount of the guardian's remuneration).

When determining the client fee, the basic fee of a guardian's fee (EUR 440 or EUR 280 per year) and the audit fee of the Digital and Population Data Services Agency per month are taken into

account as deductions from the income. Correspondingly, the remuneration of a guardian is taken into account as a reduction of up to the amount of the basic fee of the above-mentioned guardian. (Section 10c of the Act on Client Charges in Healthcare and Social Welfare)

In addition, an additional fee of EUR 200 for measures to initiate guardianship is taken into account as a deduction from income.

The client or guardian must inform the client fee decision maker of any expenses incurred in the guardianship.

3.3.3 Expenses for dwelling

According to Section 10g of the Act on Client Charges in Healthcare and Social Welfare, when long-term service housing begins, the actual housing costs of the client's previous dwelling are deducted from the client's income. This is intended to provide the client with sufficient time for housing arrangements. Costs for a dwelling other than the main dwelling are not taken into account as a deduction. The client's share of housing costs is taken into account as a deduction of income as follows:

The rent and compulsory home insurance for a **rental dwelling** are taken into account in accordance with the notice period of the Act on Residential Leases until the end of the month of admission to the housing service unit and immediately thereafter for one (1) month's notice period.

For right-of-occupancy homes, costs taken into account in accordance with the above-mentioned conditions include the maintenance fee and compulsory home insurance for three (3) months.

For owner-occupied homes, costs may be taken into account until the end of the month of admission to long-term housing services and immediately thereafter for a maximum period of six (6) months:

- Costs taken into account for detached houses include property tax, reasonable heating and maintenance costs and compulsory home insurance.
- Costs taken into account for a share in a housing company are the maintenance fee and compulsory home insurance.

4 Interruption of service

The municipality may charge a long-term service housing fee even if the service is temporarily interrupted due to the client. However, if the service is interrupted for more than five days, no fee is charged for the time exceeding five days. If the service is interrupted due to reasons attributable to the municipality or because the client is in institutional care, no fee is charged for the said five days, either. If the service is interrupted for an entire month, no fee is collected. (Section 10k of the Act on Client Charges in Healthcare and Social Welfare)

The client pays the service provider rent for the terms of the lease agreement, even during an absence. For hospital care, rehabilitation and other institutional care, the client pays the client fee charged for the service in question.

5 Client's health and social services in housing services

With regard to health and social services, residents are covered by public health care on the same basis as people living at home. The public health care expenses of a person living in a housing service unit are normally counted towards a health care payment ceiling.

6 Reduction of or exemption from client fees

On the basis of Section 11 of the Act on Client Charges in Healthcare and Social Welfare, the fee imposed for social welfare services and the fee imposed for health care services according to the client's capacity to pay must be waived or reduced to the extent that charging the fee would undermine the preconditions for the client's or family's livelihood or the client's statutory maintenance obligations. Applying for a reduction in the client fee or exemption from the fee takes precedence over income support.

Reduction of or exemption from long-term service housing client fees and meal service fees is applied for using the appropriate application form or a free-form application. The application must state the fee for which a reduction or exemption is applied for, the start date and grounds. The decision on the reduction or exemption is made on the basis of case-specific consideration.

Inquiries on client fee reduction or exemption:
E-mail: asiakasmaksut@espoo.fi
Tel.: +358 9 8165 7261, weekdays 9:00–13:00
www.espoo.fi/asiakasmaksut

8 Dealing on behalf of one another

If matters related to long-term service housing client fee are handled by a representative on behalf of the client, for example a relative, a power of attorney signed by the client must be presented for authorisation. Without written authorisation, information related to client fee decisions cannot be disclosed or handled in relation to the client fee. A guardian or trustee may act without a separate power of attorney. Information on guardianship and guardianship powers can be checked through the Digital and Population Data Services Agency.

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