

## Residential Care



# Your guide to understanding Residential Care Costs

Understanding the cost of care is an important part of the process when making the best decision about the type of accommodation and the services you need and deserve. Below are the four types of fees that may apply.

### Basic Daily Fee

(adjusted in March & September each year, in line with increases to the age pension)

This fee applies to all residents and covers your day to day living expenses for items such as meals, cleaning, laundry, power costs etc. Most people will pay 85% of the single basic age pension, adjusted bi-annually.

### Accommodation Payment or Contribution

(listed under each home on our website)

This is a means tested payment towards the cost of your accommodation. Upon your request, the Government will assess your eligibility to receive financial support for the cost of your aged care accommodation. This cost will only apply if your means (based on your combined income and assets) exceed the thresholds set by the Government. If you are not eligible to receive Government assistance for the cost of your accommodation, you will be asked to pay the full room price advertised by the aged care Home. Published prices for rooms in all Homes are available on the My Aged Care website at [www.myagedcare.gov.au](http://www.myagedcare.gov.au)

If you are eligible to pay a lesser contribution, the Department of Human Services will notify you of this reduced cost, based on their assessment. A range of payment options are available, to help make your accommodation cost affordable and more manageable. These options include a lump sum **Refundable Accommodation Deposit (RAD)**, **Daily Accommodation Payment (DAP)** or a **combination of both**. A period of 28 days from date of entry is provided for you to make this choice. However, the Daily Accommodation Payment (DAP) will apply until your decision is made and a lump sum amount has been paid.

### Means Tested Care Fee

Some residents will be required to pay an additional contribution towards the cost of their care based on your means as determined by the Government's assessment of your combined income and assets. Most people will be eligible for some Government funded assistance with the cost of their care. However, to be

### Means Tested Care Fee continued...

eligible for financial assistance, you will need to complete the **Permanent Residential Aged Care Request for a Combined Assets and Income Assessment form (SA457)** and submit this to either the Department of Human Services or the Department of Veterans' Affairs, depending on which looks after your pension payments. Self funded retirees will submit this form to the Department of Human Services.

There is a Fee Estimator available on the My Aged Care website [myagedcare.gov.au](http://myagedcare.gov.au). For help using this tool you can also contact My Aged Care on 1800 200 422 . Annual and lifetime caps also apply and this may minimise the overall cost of your means tested care fee that would otherwise apply.

### Extra Services Charge

(applies only to Scenic Lodge, Merewether)

**This fee will only apply at an Extra Services Home where there is approval to charge an additional fee for provision of a superior standard of accommodation, food and services.** This fee applies at Scenic Lodge Merewether, and will be charged in addition to the Basic Fee, Accommodation Payment and Means Tested Care Fee that may also apply.

## Frequently asked questions

### Do I have to provide information about my Income and Assets?

It is not compulsory to complete the Permanent Residential Aged Care Request for a Combined Assets & Income Assessment (SA457 form). However, if this assessment is not completed, you will not be eligible for any Government assistance with your aged care costs. As a result, you will be responsible to pay the full cost of your care and the maximum accommodation payment included in your Agreement.

### Do I have to complete my Assets and Income Assessment form before I can move into a residential aged care Home?

No, it is not essential to complete your Assessment before you move in – we can offer care and accommodation in one of our Homes when it is needed and the time is right for you. However, we strongly recommend that this Assessment is completed prior to your admission, if possible. It is preferable to have your means assessment advice prior to moving into care, but we understand this does take time.

It is important to complete and submit the Permanent Residential Aged Care Request for a Combined Assets and Income Assessment (SA457 form) as soon as possible after your move. Fee Notification letters are issued by the Department of Human Services, usually within 4-6 weeks following entry into residential care. If you have not completed and submitted this form, the Government will advise that you are responsible for the full cost of your accommodation and care.

### Should I get financial advice to consider my payment options?

It is important for you to understand how your individual circumstances may impact on your aged care costs, your entitlement to Government assistance and the available choices for payment of your accommodation. You may wish to obtain professional financial advice from an independent financial planner, to ensure that you have all relevant information about the financial impact of moving into residential care. Please note, our Customer Support Team can explain the different fee types that may apply and the payment options available, however we cannot provide financial advice.

### Will my fees change after I move in?

Fees and charges are subject to change, as determined by the Department of Human Services. Completion of the Permanent Residential Aged Care Request for a Combined Assets and Income Assessment (SA457 form) determines your cost, based on your circumstances at the time it was completed. Any change in your circumstances, either prior to or after moving in to residential care, can impact on your contribution to the cost of either your accommodation, care or both. Some changes in circumstance that typically may increase these costs include the sale of your former home, your spouse vacates your former home, you were first assessed as a member of a couple but will now be assessed as a single person etc.

The Government performs a quarterly review of all residents' aged care fees. The Department of Human Services will notify you of any subsequent change, based on their assessment of your financial capacity to contribute to these costs. If you are concerned about the determination of your aged care fees and charges, you can call the Department of Human Services on 1800 227 475 to discuss their assessment of your financial circumstances.