



Laurieton Lakeside
AGED CARE RESIDENCE

AGED CARE FEES EXPLAINED



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There are four types of fees that aged care providers may ask you to pay (refer to the **Laurieton Lakeside Accommodation & Pricing Schedule** for exact amounts). You will be asked to pay 1 or more of the following fees:

- **A basic daily fee:** this covers living costs such as meals, power and laundry. For some people, this is the only fee they are required to pay.
- **Accommodation Payment:** this is for your accommodation in the home.
- **A means-tested care fee:** this is an additional contribution towards the cost of care that some people may be required to pay. The Department of Health will work out if you are required to pay this fee based on an assessment of your income and assets, and will advise you of the amount.
- **Fees for extra or additional services:** additional fees may apply if you choose a higher standard of accommodation or additional services. These vary from home to home. Your aged care provider can give you details of these services and the fees that apply.

*Please note- if you are deemed to be a fully supported resident by Centrelink, the only fee that you will be asked to pay is the basic daily care fee. This equates to around 85% of the full pension.

How much will I be asked to pay for my accommodation?

The amount you can be asked to pay for your accommodation will be based on your income and assets assessment and will be one of the following:

- No accommodation costs: your income and assets are below a certain amount, the Australian Government will pay your accommodation costs.
- An accommodation contribution: you are required to pay part of the cost of your accommodation, the Australian Government will pay the difference.
- An accommodation payment: you are required to pay for the full cost of your accommodation.

The Department of Health will advise which applies to you based on an assessment of your income and assets. You can not be asked to pay both an accommodation payment and an accommodation contribution at the same time.

If you are required to pay for your accommodation, you can pay using one of three methods:

- lump-sum payment, called a 'Refundable Accommodation Deposit (RAD)'
- regular rental-type payment called a 'Daily Accommodation Payment (DAP)', or
- a combination of both.

If you are required to pay an accommodation payment, you will have 28 days from the day you entered care to decide on your payment method. Aged care homes can not refuse you a place based on how you want to pay for your accommodation. Until you decide on your ongoing payment method, you will need to pay your accommodation costs by rental-type DAP until you decide on your ongoing payment method.

If you decide within 28 days to pay your accommodation payment as a RAD, you will have 6 months to make this payment. Until you make your RAD payment, providers will charge you the DAP, based on the current Maximum Permissible Interest Rate (MPIR).

ACCOMMODATION OPTION DEFINITIONS

Refundable Accommodation Deposit

If you choose to make your payment as a lump sum, this is called a 'Refundable Accommodation Deposit' (RAD). A RAD works like an interest-free loan to an aged care home. The balance of the deposit is refunded when you leave the aged care home less any amounts you have agreed to have deducted. The RAD that you will be asked to pay depends on the room that you have chosen to move into.

Daily Accommodation Payment

Instead of paying for your accommodation as a lump sum, you can choose to pay a daily charge. The amount you pay, is based on a daily rate which is why this type of payment is called a Daily Accommodation Payment (DAP). Daily Accommodation Payments, unless you have paid in advance, are not refundable if you leave the aged care home.

Using a combination

You can choose to pay for your accommodation as a part lump-sum RAD and part rental-type DAP.

FREQUENTLY ASKED QUESTIONS: METHOD OF PAYMENT

Q: If a resident chooses to wait 28 days before making a decision, do we charge the full applicable DAP until they make their choice?

A: Yes.

Q: After 28 days, can a resident change their mind on how the accommodation is paid? If so, how much notice do they have to give?

A: If a resident is paying a DAP, they can decide to pay a RAD at any time. The DAP is charged and payable until the RAD has been paid to the service provider. The service provider will need to agree to any change in payment options if a resident has paid a RAD and wishes to change their payment option to a DAP.

IMPORTANT INFORMATION ABOUT THE DAILY ACCOMMODATION PAYMENT (DAP) AND YOUR INCOME AND ASSETS ASSESSMENT.

At Laurieton Lakeside Aged Care, we understand that when you submit your Income and Assets Assessment with Centrelink, it can often take weeks to get any response or result from the Department of Health. It is important to know that if you are expecting to be eligible for supported status, our team will do what they can to determine this prior to receiving confirmation from Centrelink. The following questions and answers provide some additional insight into our internal process regarding your Centrelink assessment and the Daily Accommodation Payment.

Q) In terms of the daily accommodation payment, what will I be charged if I have not completed my income and assets assessment with Centrelink?

A) Until you have completed this assessment, Laurieton Lakeside Aged Care's policy is to charge the full DAP amount of the room that you have moved into.

Q) But what if I am going to be a fully supported resident and the government is going to pay my accommodation payment?

A) Laurieton Lakeside Aged Care will still charge you the full DAP until confirmation from Centrelink about your supported eligibility is received. We advise all of our potential residents to complete their assessment as soon as possible.

Q) What happens to the Daily Accommodation Payments that I have made once Laurieton Lakeside Aged Care receives confirmation about my supported status?

A) Once we receive confirmation from the government about your supported eligibility, Laurieton Lakeside Aged Care will credit any amounts charged or paid and you will be rebilled at the correct rate. Providers can only charge fees that are applicable and determined by Centrelink.

Q: Can a resident who entered care on or after 1 July 2014 be asked to pay a higher accommodation price if they want to move to a new room with a higher published price?

A) If a resident moves rooms within the facility, they may be charged an accommodation price that is higher or lower than the amount that they were paying, as long as the move is voluntary. The accommodation agreement must be varied to specify the new price based on the current Maximum Permissible Interest Rate (MPIR) set by the Australian Government.

The agreed price for the new room can not be more than the maximum price that was published for that (new) room on the day that the agreement was varied. It is the MPIR current on the day that the accommodation agreement is varied that must be used to calculate the equivalent between the refundable deposit and daily payment amounts for the new room. If the accommodation payment for the new room is higher than the amount previously being paid, the resident may choose to pay the additional amount by daily payments, by a refundable deposit, or by a combination of both.

If the accommodation payment for the new room is lower than the amount previously being paid, and the resident has paid a refundable deposit, the provider must refund any excess balance to the resident.



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