

## Explaining the fees and charges

We know there is already a lot of information to digest so we want to reiterate that we are here to help you understand what is involved.

The following information provides a simple explanation of the fees and charges associated with Residential Aged Care after 1 July 2014.



Basic Daily Care Fee



Means Tested Care Fee



Accommodation Payment



Additional Services / Extra Service Fee

## Fees and charges

Fees and charges for Residential Aged Care are a combination of fees assessed and set by the Australian Government. The fees and charges are applied by your home provider. Fees and charges will vary according to the type of care you require, the home that you choose and also your financial situation.

### A) Fees set by the Australian Government

#### 1. Basic Daily Care Fee

All aged care residents pay a standard Basic Daily Care Fee equivalent to 85% of the full pension. This contributes towards daily living expenses such as nursing, meals, laundry, cleaning, heating and cooling. This fee is reviewed every March and September in line with Centrelinks increase in the Aged Pension. The current Basic Daily Care Fee is \$51.21 per day regardless of your financial status.

#### 2. Means Tested Care Fee

Dependent on your circumstances you may be required to contribute to the overall residential care costs in the form of a Means Tested Care Fee. The Department of Human Services will determine if you are required to pay this fee based on an assessment of your income and assets.

An interim Means Tested Care Fee may be applicable and could be charged until we receive confirmation from the Department.

There are annual and lifetime caps that apply to the Means Tested Care Fee. The maximum Means Tested Care Fee that a resident can be asked to pay per year is \$27,532.59 with a lifetime limit of \$66,078.27. The caps are indexed on 20 March and 20 September each year.

## B) Charges set by Vacenti in line with legislative requirements

### 1. Accommodation Payment

Depending on your income and assets you may also be asked to pay for your accommodation cost. Some residents will have their accommodation cost met in full, or in part by the Australian Government (Fully or Partially Supported residents). Some residents will be required to pay the accommodation cost at the price agreed upon with the facility in the form of an Accommodation Payment.

If required, the payment of your Accommodation Payment will be one of the following:

1. Refundable Accommodation Deposit (RAD), **or**
2. Daily Accommodation Payment (DAP), **or**
3. Combination of RAD and DAP.

The payment method is determined by the resident, allowing choice and flexibility. You have 28 days from the date of admission to decide how you wish to pay your Accommodation Payment.

A RAD is a fully refundable lump sum deposit, the balance (less any agreed fees) is refunded when you depart the facility. The deposit is protected by the Aged Care Act 1997.

A DAP is a daily equivalent charge of the RAD. This is calculated using the Maximum Permissible Interest Rate (MPIR) set by the Australian Government. Accommodation Payments made by DAP are non-refundable.

You can choose to pay your Accommodation Payment by part RAD and part DAP. DAP amounts will be calculated based on any outstanding RAD amount.

### Fully or Partially Supported Residents

Some rooms are available for residents with reduced financial means (Fully or Partially Supported Residents). Residents with assets under \$49,500 and an income less than \$27,232.40 may be eligible for additional supplements from the Australian Government.

### 2. Extra Service Fee

An Extra Service Fee applies to residents whom occupy an Extra Service place at our Marebello facility. Extra Service is a government term used to describe a place offering a higher level of accommodation and services.

### 3. Additional Services Fee

Where applicable, Vacenti's Servizi package offers residents Additional Services over and above what is provided as standard service. The Additional Service fee is dependent on the facility and the range of additional services provided.

### Fee Collection

All applicable fees and charges are collected on a monthly basis in advance via direct debit. There is no fee associated with this direct debit service.

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Please do not hesitate to contact us and a friendly member of our Admissions Team will be able to answer and explain any questions you may have.

Further information can be found on the Australian Government 'My Aged Care' website [www.myagedcare.gov.au/costs/aged-care-homes-costs-explained](http://www.myagedcare.gov.au/costs/aged-care-homes-costs-explained)

We encourage all residents to seek financial advice prior to entering any aged care facility.