

## ENTRY INTO AN ARCARE RESIDENCE

Before entering an Arcare aged care residence, all of the following three steps must be undertaken by the incoming resident (or their representative).

### 1. ACAT / ACAS / NSAF ASSESSMENT

This assessment lets us know what type of care the prospective resident may require, and allows us to claim government funding to reduce their fees. Aged Care Assessments are conducted by mobile ACAS / ACAT teams. Your local GP can assist with arranging an assessment, or you can arrange directly by calling 1800 200 422 or at [www.myagedcare.gov.au](http://www.myagedcare.gov.au). There is often a wait of a few weeks for assessments, so it is best to organise this as early as possible.

### 2. CENTRELINK / DVA ASSESSMENT

The government requires those who can afford to contribute more towards their care to do so. As such, every person entering aged care, including those applying for a financially supported place, must have an assets and income assessment. This assessment will determine if a resident qualifies for a government supported place or will pay an additional Means Tested Care Fee. Forms can be obtained from the Department of Human Services via [www.humanservices.gov.au](http://www.humanservices.gov.au) or by calling 1800 227 475.

### 3. ARCARE APPLICATION FORM

An application form details personal information about the prospective resident. Arcare application forms are available directly from any Arcare residence, from our website [www.arcare.com.au](http://www.arcare.com.au) or by calling us on 1300 272 273.

## AGED CARE FINANCES

There are two types of fees payable in aged care: the Daily Fee and an Accommodation Payment.

### **1. DAILY FEES - Mandatory**

### **2. ACCOMMODATION PAYMENT - Variable**

#### 1. DAILY FEE

The Daily Fee consists of: the Basic Daily Fee (which is mandatory), a Means Tested Care Fee (which is government assessable) and an Extra Service / Arcare Signature Fee.

1. DAILY FEE				
A. Basic Daily Care Fee	+	B. Means Tested Care Fee (Government assessable)	+	C. Arcare Signature or Extra Services

#### A. BASIC DAILY FEE

Every person in residential aged care is required to pay a Basic Daily Fee, which covers all levels of care and assistance. This fee is set by the government and is based on approximately 85% of the single Australian Aged Pension. The current **Basic Daily Fee** for full pensioners, part pensioners and self-funded retirees is **\$52.25** per day.

#### B. MEANS TESTED CARE FEE

The government requires those who can afford to contribute more towards their care to do so. As such, the Department of Human Services will determine if a resident is required to pay a Means Tested Care Fee in addition to Basic Daily Fee. This amount is based on an assessment of the new resident's income and assets. Potential residents will be notified if a Means Tested Care Fee is payable when they receive their Centrelink / DVA Assessment letter.

There are yearly and lifetime Maximum Means Tested Care Fees. The **Maximum Means Tested Care Fee** you can be asked to pay is **\$28,087** each year or **\$67,409** in your lifetime. This cap is indexed. We recommend you seek independent financial advice (we can provide information on aged care financial specialists if needed).

#### C. EXTRA SERVICES / ARCARE SIGNATURE

A number of our residences offer Extra Services or Arcare Signature. These residences provide enhanced daily living and social experiences such as a variety of meal choices and superior lifestyle options. In these residences, there is an additional daily charge.

## **2. ACCOMMODATION PAYMENT**

The total Accommodation Payment amount will vary depending on the accommodation type chosen by the resident. The payment method is also determined by the resident, who can choose between paying a RAD, a DAP or a combination of both.

<b>2. ACCOMMODATION PAYMENT OPTIONS (ONLY ONE WILL APPLY)</b>			
A. Refundable Accommodation Deposit (RAD)	B. Daily Accommodation Payment (DAP)	C. Combination Payment (RAD + DAP)	D. Fully or Partially Government Supported Accommodation

### **A. REFUNDABLE ACCOMMODATION DEPOSIT (RAD)**

A Refundable Accommodation Deposit (RAD) is a one-off lump sum payment made to the aged care provider. Details of RAD amounts for each type of room are published on our website [www.arcare.com.au](http://www.arcare.com.au). The RAD is fully refundable on departure and replaces the old 'bond' style of payment.

Upon payment of the RAD, the resident must be left a minimum of **\$50,500** in cash / assets. If the RAD is paid in full within 7 days of admission no interest will be charged. The Aged Care Act, 1997 (Commonwealth) stipulates that you have 6 months to pay the RAD. Interest will be calculated on

unpaid RAD's at the current government legislated interest rate **4.02%** per annum from the entry date.

The RAD is protected by the Aged Care Act, 1997 (Commonwealth).

The deposit is fully refunded when you leave the aged care residence, less any amounts you have agreed to have deducted. Those residents transferring to another aged care residence or returning home will have their RAD refunded within 14 days from discharge. In the case of a deceased resident, the RAD will be refunded within 14 days of receipt of a certified copy of the Grant of Probate.

### **B. DAILY ACCOMMODATION PAYMENT (DAP)**

A Daily Accommodation Payment (DAP) is a rental-type payment. Instead of paying for your accommodation in full (as a RAD) an ongoing daily payment can be selected. The DAP is calculated by multiplying the RAD amount by the government legislated interest rate (currently **4.02%** p.a.)

Examples of DAP payment options can be found at [www.arcare.com.au](http://www.arcare.com.au) on the individual residence's fees sheet. Like rent, no funds are returned when the resident leaves the Arcare residence if they choose to pay via DAP.

### **C. COMBINATION PAYMENT (RAD + DAP)**

You can opt to pay part of the accommodation payment as a lump sum RAD and then the balance via DAP payments. DAP payments will be calculated based on the outstanding RAD amount.

If you choose a combination of RAD and DAP and you elect to have the DAP taken from the RAD, your DAP payment will increase over time as the RAD amount is reduced.

### **D. FULLY OR PARTIALLY GOVERNMENT SUPPORTED ACCOMMODATION**

Arcare offer fully supported suites where no accommodation contribution is required, or partially supported suites where only a very small accommodation contribution is required. To check eligibility for fully or partially supported accommodation, download an Income and Assets Assessment Form at [www.humanservices.gov.au](http://www.humanservices.gov.au), fill it in and then submit to the government.

## **USEFUL RESOURCES**

### **MY AGED CARE**

1800 200 422  
[www.myagedcare.gov.au](http://www.myagedcare.gov.au)

### **DEPARTMENT OF HUMAN SERVICES**

1800 227 475  
[www.humanservices.gov.au](http://www.humanservices.gov.au)

### **DEPARTMENT OF VETERAN AFFAIRS**

133 254  
[www.dva.gov.au](http://www.dva.gov.au)

### **DEPARTMENT OF SOCIAL SERVICES**

132 300  
[www.dss.gov.au](http://www.dss.gov.au)

**Call 1300 272 273 to find out more**

**arcare**  
★★★★★ aged care

*Effective from 1st January 2021*