

### **Residential Care Costs** - *Effective 20th September, 2010*

There are standard fees that are associated with care in any Commonwealth Government supported residential facility. The Department of Health and Ageing expects residents to contribute toward their own care if they are in a financial position to do so.

The financial information available can be confusing and it is recommended that an independent financial advisor is consulted should assistance be required. Centrelink has financial advisors as part of their staff. They can be accessed by anyone by calling them directly on 132300 'toll free'.

There are three major fees which may be charged to residents.

- Daily Care Fee
- Accommodation Bond or Charge
- Income Tested Fee

### **Daily Care Fees**

Care fees cover the daily costs associated with living in a residential care facility. These include the provision meals, cleaning, washing and any nursing assistance as specified by the Commonwealth Department of Health and Ageing. The daily care fee is equivalent to 85% of the single aged pension, and is the same fee for low and high care residents who enter care either on a permanent or respite care arrangement.

The Standard daily care fee for residents who enter care from 20<sup>th</sup> September, 2010 is \$39.50 per day or \$553.00 per fortnight. The single aged pension per fortnight maximum basic rate is \$716.10.

### **Accommodation Bond or Charge**

Residents who are accepted into the Barossa Village Residential Care Facility in a permanent capacity may pay an accommodation bond (Low care) or accommodation charge (High care). The amount is calculated by using the net value of you assets. A **“Request for an Assets Assessment”** form is to be completed and forwarded to either Centrelink or the Department of Veteran’s Affairs (DVA) prior to admission to enable Barossa Village to calculate and advise the amount of Accommodation Bond or Charge that could be incurred.

Residents will not be expected to pay a bond or charge if Centrelink or DVA deem that they cannot afford it.

When an Accommodation Bond is paid there is a small amount retained by the care provider. The retention amount is charged monthly for a maximum of five years and is set at the date of entry into the care facility.

The amount remaining after the retention fees have been deducted is returned to the resident or their estate following discharge.

The retention amount is continually updated by the Department of Health and Ageing and can be accessed on their website at [www.health.gov.au](http://www.health.gov.au)

It is the resident/representatives right to choose not to disclose their financial information. In this case Barossa Village Incorporated then has the right to charge the maximum fees and charges associated with residential care for the entire duration of their stay in the residential care facility.

### **Income Tested Fee**

The income tested fee is a fee charged by the Department of Health and Ageing to residents that are part pensioners and non pensioners. It is calculated by the Department of Health and Ageing after a resident has been accepted into care and their financial position has been adjusted to reflect their new arrangements. These fees are updated regularly and can be accessed on the Department of Health and Ageing website ([www.health.gov.au](http://www.health.gov.au)). Income tested fees commence 28 days after admission.

### **Additional Expenses**

Residents are required to pay for personal expenses including hairdressing, newspapers, telephone, spa baths, private podiatry, chemist items, resident's specific medication and any other expenses that are not required to be provided by Barossa Village. Amounts for these expenses will be included on resident's accounts.

### **Payment of Fees**

All fees are required to be paid fortnightly in advance. The preferred method of payments is by Direct Debit.

Further information is available from the Accounting Services Department by phoning 8561 2902.