

# Understanding your living and care costs

Fees and charges

Aeralife Northpoint



**We understand when you enter residential aged care for the first time it can be an emotionally difficult period for you and your family. However, it is extremely important that you understand the cost of residential aged care.**

There is a lot of information to be absorbed and it can sometimes be overwhelming. Therefore, this booklet is designed to help you familiarise yourself with the various terms used and the fees and charges associated with residential aged care.

## 1. Basic daily fee

The basic daily fee is payable by all residents. It is currently \$61.96 per day and is indexed by the Commonwealth government each March and September.

## 2. Additional services

### Your Advantage Package

All our care recipients benefit from Additional Services, a range of goods and services which are provided at an affordable rate in addition to the standard services provided by all aged care providers. Our additional services vary at each Aeralife residence. Please see the daily fees below. Refer to the individual brochure or your agreement for additional details.

Northpoint	Daily Fee
Package value (GST inclusive)	\$67.00
Package standard	\$35.00
Package respite	\$35.00
Package concessional	\$10.00

## 3. Means tested care fee

Residents (other than respite residents) may be asked to pay a means tested care fee depending on their income and assets. The Government sets the amount a resident must pay (based on both your income and assets direct to the aged care provider) and reduces the care subsidies paid to the Provider by the same amount.

The means tested care fee is reviewed each quarter by the Commonwealth, based on income and asset information held by Centrelink or Veterans' Affairs. However, this fee is capped at the means-tested amount or the cost of your care, or the annum cap, whichever is the lesser. The fee is subjected to a lifetime cap.

For your means tested care fee to be calculated correctly, please complete a Residential Aged Care Calculation of your cost of care form (SA457), available from Services Australia or the Aeralife website. It is not compulsory to complete this form, but if you do not you may be asked to pay the full cost of your care.

You will be advised of the correct means tested care fee by the government shortly after your admission.

If we do not have sufficient information at admission to confirm your assessed Means Tested Care Fee, we may charge the maximum applicable fee or an agreed estimated fee per day in the interim. Once Services Australia completes the means assessment, we will adjust your fees account to ensure you have paid the correct amount.

## Financial planning for aged care

Aeralife encourage you to seek independent advice from a financial planner with expertise in residential aged care regarding your personal circumstances.

## 4. Accommodation payment

Northpoint	Suite 1	Suite 2	Suite 3
Accommodation type	Single	Single	Single
Occupancy	1	1	1
Suite Size	33 – 92m <sup>2</sup>	33 – 92m <sup>2</sup>	25m <sup>2</sup>
Bathroom	Private ensuite	Private ensuite	Private ensuite
Maximum Refundable Accommodation Deposit (RAD) (per resident)	\$650,000	\$550,000	\$450,000
Maximum Daily Accommodation (DAP) (per resident) @ 8.34% MPR	\$148.88	\$125.97	\$103.07
If you pay a Refundable Accommodation Payment (RAD) of 50%	\$325,000	\$275,000	\$225,000
Your Daily Accommodation Payment DAP will be...	\$74.44	\$62.99	\$51.53

### Accommodation payment options

We encourage potential residents or their families to contact us to discuss their situation. Residents can choose to make their accommodation payment in one of three ways:

#### a) Refundable Accommodation Deposit (RAD).

You can pay the room price in full as a lump sum amount. This amount is held by the home for the duration of your residency, and is fully refundable to you when you leave, unless you choose to have any of your fees and charges deducted from the RAD.

#### b) Daily Accommodation Payment (DAP).

You can choose to not pay the lump sum amount, but have a daily interest equivalent amount added to your monthly fees. Please see the above table for examples of this payment method.

#### c) Combination of RAD and DAP.

If you have less than the full accommodation payment in spare assets you could still pay the room price by choosing a combination payment by paying a portion as a RAD lump sum amount, and the remaining balance as a DAP equivalent. Please see the above table for examples of this payment method.

### RAD drawdown

**We may allow you** to pay the DAP as an additional fee each month, or to have it deducted from a RAD lump sum if you are making a combination payment. If deducted from the lump sum, this will reduce the RAD refund paid to you or to your estate. If the DAP or other fees are deducted from the RAD lump sum, you will be levied an additional interest charge. Please see the above table for examples of this payment method.

Any Accommodation Payment is due at the date of admission. If you choose to pay the RAD after admission, you will be charged interest on any unpaid amount. The Maximum Permissible Interest Rate (MPIR) is currently 8.36% per annum.

The DAP is calculated using the same interest rate.

However, you choose to pay for your accommodation, it is advisable to obtain independent financial advice before making a final decision.



## Supported or low means residents

If your combined income and assets are below the current limits specified by the Commonwealth, your accommodation payment might be supplemented by the Commonwealth government, either in full or partly. The correct amount is calculated according to a government formula and is reviewed quarterly.

This amount is called an Accommodation Contribution. It is possible that this amount may be more than the advertised room rate.

If we do not have sufficient information at admission to determine your accommodation supported or low means status, we may charge applicable DAP per day in the interim.

Information on completing an assessment can be found at:

**[www.myagedcare.gov.au/income-and-means-assessments/](http://www.myagedcare.gov.au/income-and-means-assessments/)**

### Financial planning for aged care

Aeralife strongly encourages you to seek independent advice from a financial planner with expertise in residential aged care regarding your personal circumstances.

The DHS offers a free Financial Information Service (FIS). Call 132 300 for access.

A list of some financial advisors specialising in aged care is available at:

**[moneysmart.gov.au/financial-advice/financial-advisers-register](http://moneysmart.gov.au/financial-advice/financial-advisers-register)**

## Monthly statements & payment methods

### Regular statements

Statements are issued early each month and relate to the full month.

### Direct Debit transfer

Direct debit is our preferred method of payment, and it is processed mid-month (7 days from invoice date) from the nominated account, which is normally the one the pension is paid into.

### Other payment methods

We accept bank transfers and payments by cheque for RAD payments. We do not provide credit card or BPAY payment facilities.

### Further Information

If you have any further queries on the financial arrangements involved in your admission, please contact the Client Service Manager or your Financial Advisor.

### Other Useful Websites

Department of Social Services: **[www.dss.gov.au](http://www.dss.gov.au)**  
My Aged Care: **[www.myagedcare.gov.au](http://www.myagedcare.gov.au)**

## Statement of compliance

All prices published here have been determined having regard to the relevant legislation, to Section 7 of the Fees and Payments Principles 2014. In particular, all prices take into account the standard of accommodation, services and other facilities available and have been determined having due regard to the list of factors specified in subsection 7(2) of the Fees and Payments Principles 2014.

## Contact

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**[aeralife.com.au](http://aeralife.com.au)**

# Compliance Disclosure Statement



aeralife.com.au

**Heritage Care Pty Ltd** is the approved provider for **Aeralife Northpoint**. Under the Aged Care Act 1997 (the Act), care recipients and prospective care recipients or their representatives are entitled to receive particular information from their provider on request.

This includes, in relation to the previous financial year:

- a summary of the permitted uses for which we have used refundable deposits and bonds,
- information about whether we complied with the requirements for permitted uses of refundable deposits and bonds and with the prudential requirements for these payments,
- information about the number of refundable deposit balances and bond balances (if any) that were not refunded in accordance with the timeframes set by the Act. For entry contributions (payable before 1997), information about the number (if any) that were not refunded in accordance with the entry contribution agreement,
- retention amounts and periods of when they are charged (if applicable)
- details about interest payable by the resident on late payments, and the right of the approved provider to deduct these from the RAD's /accommodation bonds/entry contribution
- a copy of the independent audit opinion on our compliance with the prudential requirements for bonds and refundable deposits,

- our most recent statement of audited accounts, and
- if we invest refundable deposits and bonds in particular kinds of permitted financial products, our investment objectives and the asset classes we may invest in.

We must also provide:

- if you have already paid a bond or a refundable deposit, a copy of your entry in the refundable deposit register.

Care recipients, prospective care recipients or their representatives may request any or all of the above information. Approved provider must provide the information within seven days of the request, and the information must be correct at the time of the request.

**Reference:** *Fees and Payments Principles 2014 (No.2) section 57, section 58*