FEES AND PAYMENTS

Moving into an aged care home may require one-off payments or deposits, as well as ongoing fees for your care, accommodation and daily living expenses. We welcome all prospective residents at Hardi Summer Hill no matter the financial situation. How much you pay depends on your financial situation. However, there are strong protections in place to make sure that care is affordable for everyone. The Government sets the maximum fees for care and daily living expenses, and there are also rules about how much you can be asked to pay for your accommodation. There are two types of payments for residential aged care.

Daily Service Fee

A basic daily fee covers daily living costs such as meals, linen, laundry, electricity personal and nursing care. They are paid by all residents, whether they're receiving low or high care, and are determined by the Department of Social Services (DSS).

The daily fee includes:

- A basic daily fee determined by the government based on the resident's income
- An extra service fee for residents who have chosen an extra service facility
- An income tested fee for residents with a higher income.

Residents are required to pay:

- A Basic Daily Care Fee
- A co-contribution income tested fee and
- Where determined by Centrelink or DVA, an accommodation payment or refundable accommodation deposit.

The Basic Daily Care Fee is set by the Government and equates to 85% of the single pension for pensioners and 96.5% of the single pension for non-pensioners. These amounts vary from time to time as the level of the pension increases. It's "capped" at a certain amount determined by the government. For more information about this and co-contribution go to www.centrelink.com.au

Daily Accommodation Payments and Refundable Accommodation Deposits

A Daily Accommodation Payment is a daily payment if you're entering a high-level care place and assets are valued over a certain amount. This charge is paid daily in addition to the basic daily fee and any co-contribution income tested fee. The amount payable is agreed upon by the resident and the aged care facility. For more information about accommodation payments go to www.myagedcare.gov.au. Prospective residents who do not have the means to pay a Daily Accommodation Payment or a Refundable Accommodation Deposit are always welcome at Hardi Summer Hill . The Daily Accommodation Payment and Refundable Accommodation Deposit is set by the Board of Hardi Summer Hill and is varied from time to time. They are only applicable to those residents entering on or after 1 July 2014 who Centrelink or DVA determines as having the asset base to afford such a payment. The maximum Refundable Accommodation Deposits (RADs) and the corresponding Daily Accommodation Payments (DAPs) are as follows:

Room Type	RAD	DAP
Single room	$550,000	$128.23
Double room	$450,000	$104.92

Residents have the right to choose which option would best suit their financial arrangements. Those options are:

- To pay the RAD wholly by lump sum payment; or
- To pay the RAD as a daily accommodation payment (known as a DAP); or
- To pay the RAD by a combination of lump sumand daily payment.

The residents must notify the management of Hardi SummerHill within 28 days of entering the facility which option they wish to choose. Hardi Summer Hill will implement the option under the Aged Care Act of assigning the Daily Accommodation Payment if this is not done.

A daily accommodation payment will be charged to residents from the date of an admission and pending advice of the resident's preferred method of payment. When a resident chooses to make a lump sum payment (RAD), the DAP will be charged until the lump sum is paid. It is recommended that you seek advice from a financial planner to see which payment option best suits your financial arrangements.

The Daily Accommodation Payment can also be paid by combining the lump sum Refundable Accommodation Deposit (RAD) and the Daily Accommodation Payment (DAP). This is done by the resident electing to pay a percentage of the RAD as a lump sum and the remainder as a DAP. The Daily Accommodation Payment is calculated by applying the Maximum Permissible Interest Rate (MPIR) set by the government, to the unpaid lump sum amount.

An example is as follows:

Resident A enters into a single room which has a RAD of $450,000 and chooses to pay only 20% of the RAD as a lump sum and 80% as a DAP. Resident A would therefore, pay a lump sum RAD of $90,000and a DAP of $83.93. This DAP is calculated as follows:

Unpaid lump sum	$360,000
Maximum Permissible Interest Rate	8.51%
DAP ($360,000 x 8.451) divided by 365 days	$83.93