

IMPORTANT NOTES IN RELATION TO RESIDENTIAL AGED CARE PAYMENTS:

Fees are Government subsidised and costs are covered by them if you do not have sufficient assets or income (Centrelink conduct the assessment)

1. You **must submit an application** to Centrelink for them to assess your income and assets
2. If you **do not** submit an application to Centrelink and choose not to disclose your income and assets you will be charged the full amount of fees.
3. It can take some time for applications to be assessed. It is important that the application is submitted as early as possible.
4. Forest Lake Lodge can only apply fees as directed by the Commonwealth Department/Centrelink assessment. In the instance where either the application **has not been submitted** or has **not as yet been assessed**, full fees will be applied. Where the assessment from Centrelink demonstrates that fees (**income tested fees only**) are lower than that being paid, the difference will be refunded.

There are 3 different fees that can be applied:

1. Daily care fee

Everyone regardless of their financial status pays the daily care fee. Those who have a full pension and no other income or assets, will be assessed as concessional and pay the basic daily care fee (as per the attached schedule).

This changes twice a year in line with the Pension in March and September. Consistent with all residential aged care, this equates to roughly 85% of the pension.

For those who do have assets or income, the Department sets the additional fees

2. Income tested fee

These are assessed by the Department, dependent on income derived from other sources (not the aged pension). This is applied as a daily amount. A letter setting out this amount is sent by the Department to the resident/their representative. ***If the Provider does not receive a letter from the Department setting out the amount of the fee the full amount is charged – refundable on receipt of this assessment only.***

Once annual and lifetime caps are reached you cannot be asked to pay further income tested fees. These Capped amounts are set by the Department and are subject to change

3. Asset Assessment – the accommodation payment

This is assessed by the Department. This is dependent on the level of assets and the amount of the Refundable Accommodation Payment (RAD) paid as a lump sum and agreed to between the Provider and Resident.

The RAD is fully refunded on exit from the service. Note that refunds can only be actioned once probate has been declared. This can take some time and is outside the control of the Provider. This is regardless of whether a copy of the will has been provided.

If an asset assessment has **not** been received from the Department and an accommodation payment has been agreed to, a daily payment (DAP) is applied as per the attached schedule. ***This amount is not refundable and is applied until the assessment has been received.*** As this amount is reduced from the subsidy received by the Provider this must be recovered from the Resident.

Note that the minimum amount of assets that must be left to the resident is \$59,500. If a RAD or DAP has been paid drawing down on the original RAD, this can be reassessed and the Department will issue a new assessment.