



KANANDAH RETIREMENT LIMITED

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AGED CARE FEES AND CHARGES FROM 1ST OCTOBER 2022

The Australian Government regulates aged care fees and charges. Your personal financial situation is reviewed by the Government and if your financial situation allows, you will be required to contribute an amount to the cost of your care and accommodation.

All fees and charges are explained by the Finance Manager prior to admission.

Basic Daily Fee – Applicable to respite and permanent care

- The basic daily fee contributes to the daily living expenses such as meals, laundry, cleaning.
- The basic daily fee is currently set at 85% of the basic pension (\$56.87 per day).
- This fee is reviewed twice a year 20th March and 20th September.
- All residents are required to pay the basic daily fee regardless of their income and assets.

Means Tested Care Fee – Applicable only to permanent care

- The means tested care fee contributes to the nursing care.
- The means tested care fee is a fee that is determined by the Australian Government based on an individual's income and assets. This is reassessed by the Government quarterly and is subject to change.
- This fee is capped annually and has a lifetime cap also. Currently the annual cap is \$30,574.33. The current lifetime cap is \$73,378.49.
- This fee can not be higher than a resident's individually assessed cost of care.

Accommodation Costs – Applicable only to permanent care

- Kanandah Retirement's advertised room price from 1/1/2022 is \$450,000.
- Accommodation costs are dependent on an individual's income and assets assessment.
- Individuals assessed as having means to pay are required by the Australian Government to contribute to or pay the full cost of the advertised room price.
- If a resident is assessed as low means, the Australian Government will subsidize the cost of their accommodation.
- Accommodation payments can be made by paying the Refundable Accommodation Deposit/Contribution, Daily Accommodation Payment/Contribution or a combination of both.
- The current rate for Daily Accommodation Payments is 6.31% or \$77.79/day.
(Refundable Accommodation Payment Outstanding x Rate)/365 days = Daily Accommodation Payment.

Examples of combination of Refundable Accommodation Deposit (RAD) and Daily Accommodation Payment (DAP)

e.g. 1 pay RAD \$150,000
pay DAP on remaining balance \$300,000
= $\$300,000 \times 6.31\% / 365$ days
= \$51.86 per day DAP

e.g. 2 Pay RAD \$150,000
have DAP reducing the balance of the RAD
= 51.86 per day reducing balance
year 1 \$131,070.00 closing RAD Balance

new DAP after year 1 \$55.14 per day
year 2

Helpful resources:

www.myagedcare.gov.au

www.myagedcare.gov.au/aged-care-home-costs-and-fees

www.myagedcare.gov.au/how-much-will-i-pay