ACAT APPROVAL Slide 1

An ACAT approval for residential care is essential to be eligible to receive Commonwealth subsidy and supplements.

Ensure ACAT approval is for the type of care required; ie permanent/respite and for respite only, high/low.

Continuous residents remain subject to the high/low requirements for permanent care which impacts upon:

- whether the resident is liable to pay an accommodation bond or charge;

- ACFI entitlements; ie if ACAT low at time of transfer resident may be restricted to ACFI default rate if appraisal is ACFI High.

A continuous resident is a person who was in Commonwealth funded permanent residential care prior to 1 July 2014 and transfers to another residential care service from 01/07/14 within 28 days of leaving their previous service.

CONTINUOUS RESIDENTS Slide 2

Must identify whether an incoming resident is a continuous resident. Where uncertain, ring Medicare on 1800 195 206 to confirm applicant's continuous status.

Transferring resident to be given the option to transfer to the new arrangements prior to their admission to their new service. The resident has no choice where:

- their transfer between services is greater than 28 days in which case they will be admitted under the new arrangements; or
- they are admitted to the new service without making a choice in which case the old arrangements continue to apply.

If resident is continuous, provide applicant with Department of Social Services Handout "New Arrangements for Aged Care from 1st July 2014 – Residential Care" and inform the resident in writing of the conditions re opting into the new arrangements.

If transferring resident elects not to be under the new arrangements, to be admitted under the old arrangements. If transferring resident elects to be admitted under the new arrangements issue them with a "Continuing Care Recipient Opting into the New Aged Care Arrangements" (Department Human Services form), which they are to complete and sign prior to admission. It is the receiving approved provider's responsibility to lodge this form with Medicare (refer resident's Aged Care Entry Record question 15).

KEY FEATURE STATEMENTS Slide 3

The Key Feature Statement must include a description of the key accommodation features of the room or part of the room and common areas that can be accessed by the resident occupying that room or part of a room including:

- how many people share the room;
- whether private ensuite or shared bathroom;
- quality, condition, size and amenity of room and common areas;
- additional care and services offered at no additional cost to the resident (ie care and services not required to be provided under Specified Care and Services (*Quality of Care Principles 2014 Schedule 1).*

Requirements for the Key Feature Statement are in the *Fees and Payments Principles 2014 (No. 2), Part 4, Division 2, Section 19.*

Each of the residential care service's rooms must have a Key Feature Statement published on the approved provider's website (if have one), the myagedcare website and be provided to prospective residents in writing.

PUBLISHED INFORMATION Slide 4

ACCOMMODATION PRICE DAY AGREEMENT

In addition to the Key Features Statement approved providers must also publish information on:

- the maximum accommodation payment amount applicable to that room or part of a room expressed as a Refundable Accommodation Deposit (RAD) and Daily Accommodation Payment (DAP); and

- Accommodation Payment payment options; ie a RAD or a DAP or a combination of RAD and DAP with at least one example of a combination payment.

The maximum accommodation payment amount on any particular day is the amount to be used for the purposes of the Accommodation Price Day Agreement.

As with the Key Feature Statement this information is to be published on the approved provider's website (if have one), the myagedcare website and be provided to prospective residents in writing.

All residents are to enter in to an Accommodation Price Day Agreement **prior** to permanent admission – this is particularly important for reasons such as changed DHS/DVA income and asset assessments.

RESIDENT FEES Slide 5

Under the new arrangements resident fees are either fees for their care (a care fee) or fees for their accommodation (accommodation fees).

There are 3 resident user charging types for permanent residents under the new arrangements; ie that apply to residents who are admitted to residential care for the first time on or after 1/7/14:

- Standard Daily Care Fee.
- Means Tested Care Fee.
- An accommodation fee, either an accommodation payment or an accommodation contribution.

Residents admitted to permanent care before 1/7/14 are grand parented under the old arrangements and may pay:

- a Daily Care Fee – 4 types.
- an Income Tested Fee; and/or
- an accommodation bond or an accommodation charge.

FINANCIAL HARDSHIP SUPPLEMENTS Slide 6

Individual residents may claim financial hardship where they can not afford care and/or accommodation fees or payments.

Where approved, the Approved Provider receives additional payments thereby enabling resident payments to be reduced by equivalent amount.

For example, a resident unable to pay their accommodation payment for a reason such as an inability to sell their primary assets may be approved for hardship.

Under the new arrangements:

- extra service residents may apply and be approved for financial hardship – extra service residents under the old arrangements are not eligible to receive financial hardship;

- a financial hardship application can be made for period prior to application [Section 38-5 of the Fees and Payments Principles 2014 (No. 2)]; and

- Hardship may be approved for a maximum of 1-2 years?

Financial Hardship criteria Slide 7

Note rates below may have altered.

Financial Hardship criteria include:

- Less than 15% of maximum single rate of pension ($118.26) left per fortnight after paying essential expenses

- Less than $33,813 in assets to assist them.

- Residents who gift more than $10,000 in the previous 12 months or more than $30,000 in previous 5 years are not eligible for financial hardship.

Information from Department of Human Services letter dated 4 February 2016 advising of a financial hardship assessment result.

DAILY CARE FEE Slide 8

Under new arrangements standard care fee has one rate only (currently $48.25 per day).

Standard daily care fee rate changes twice per year on 20 March and 20 September.

Under the old arrangements there are 4 different daily care fees, however only 3 different rates (Standard and Phased are same rate):

Standard
Protected
Phased
Non Pensioner

The Commonwealth advises the applicable daily care fee in the income and asset assessment letter. Assume this practice will also continue with transferring continuous residents.

Refer Schedule of Fees and Charges for applicable rates.

MEANS TESTED CARE FEES Slide 9

Residents may be required to pay a means tested care fee (MTCF) under the new arrangements

Medicare deduct the equivalent of the MTCF amount from the ACFI subsidy and Primary Supplements paid for that resident (Means Tested Reduction), irrespective of whether the resident is charged or pays the MTCF. The MTCF and Means Tested Reduction cannot be greater than the sum of the ACFI subsidy and Primary Supplements and can not be deducted from Other Supplements.

The MTCF is calculated by Department of Human Services (DHS) or Department of Veteran Affairs (DVA) based on assessment of the resident's assets and income which provides the Means Tested Amount. The initial income and asset assessment letter includes advice as to whether a MTCF applies, and if applicable the rate.

Upon admission to permanent care the Approved Provider may charge residents an interim MTCF where the income and asset assessment notification is not available. The interim MTCF rate is set by the Approved Provider and must be adjusted accordingly upon advice from DHS/DVA of the applicable MTCF.

Residents who do not lodge an income and asset assessment with DHS/DVA will be charged a full MTCF on the basis of means not disclosed (MND). Currently these residents will pay a maximum of $241.92, limited to their ACFI and primary supplements (the total of an HHH ACFI plus oxygen and enteral feeding supplements).

Slide 10

REFER EXAMPLE 4

QUARTERLY REVIEW LETTER MEANS TESTED CARE FEE

ALSO INCLUDES ACCOMMODAITON CONTRIBUTION RATE CHANGES WHERE APPLICABLE

MEANS TESTED CARE FEE Slide 11

DHS/DVA undertake quarterly reviews of residents' income and assets and advise the Approved Provider and resident/nominee of any applicable MTCF.

Lifetime and annual caps apply on the amount of MTCF that a resident can be charged (cap rates in DSS Schedule of Resident Fees and Charges).

- CAP thresholds are those that applied at the time of the resident's permanent admission.

- DHS advise in writing approved providers and residents or their representatives of when the CAP values are reached and in turn where applicable, when a resident recommences paying a MTCF. A resident who pays the maximum MTCF of $241.92 per day will reach the current annual cap in 107 days.

- Approved providers can elect to cease charging the MTCF when they know a CAP threshold has been reached - the MT Reductions are normally reconciled in the quarter after the resident has reached the relevant CAP threshold.

INCOME TESTED FEE (ITF) AND INCOME TESTED REDUCTIONS Slide 12

Introduced March 1998, ITFs only apply to residents classified under the *Aged Care (Transitional Provisions) Act 1997* and who are self funded or on a part pension.

The ITF is calculated by Department of Human Services (DHS) based on DHS Centrelink/DVA income assessment. DHS/DVA advise the Approved Provider and resident/their nominee of any applicable ITF. DHS/DVA undertake quarterly reviews of residents' income and advise the approved provider and resident or their representative .

Medicare deduct the equivalent of the ITF fee from the ACFI subsidy and Primary Supplements received for that resident (Income Tested Reduction), irrespective of whether the Approved Provider charges or the resident pays the ITF. The ITF and Income Tested Reduction can not be greater than the ACFI subsidy and Primary Supplements and can not be deducted from Other Supplements.

Upon admission to permanent care the Approved Provider may charge residents a provisional ITF as the DHS/DVA ITF notification is not available until after admission. The interim ITF rate is set by the Approved Provider and must be adjusted accordingly upon advice from the DHS/DVA of the applicable ITF.

ITF's are capped at a daily amount (currently $76.64) but unlike MTCF do not have a life-time cap; ie resident can pay maximum ITF fee for their entire residency - this is one of the few reasons a continuous resident may decide to transfer to the new arrangements.

ACCOMMODATION FEES Slide 13

ACCOMMODATION PAYMENT

Liability determined through the DHS/DVA income and asset assessment process.

Where resident does not lodge an income and asset assessment they are liable to pay an accommodation payment.

Once liability established the amount of the accommodation payment is the amount agreed between the incoming resident and approved provider prior to or on the day of permanent admission.

Amount can be no more than the room price as advertised on the myagedcare website.

Unless approved by the Aged Care Pricing Commissioner the maximum accommodation payment amount cannot exceed $550,000 (refer Schedule of Fees and Charges).

An Accommodation Price Agreement must be signed by the resident and approved provider prior to admission (required for all residents irrespective of what their fees will be).

Slide 1

REFER EXAMPLE 2

INCOME AND ASSET ASSESSMENT LETTER

ACCOMMODATION PAYMENT EXAMPLE

ASSET AND INCOME ASSESSMENT – KEY POINTS Slide 15

Applications lodged with and assessed by the Department of Human Services or Department of Veteran Affairs.

Applicant assessed with a means tested amount (MTA) although the MTA is not stated in the assessment notice (letter). The notice does provide:

- period the MTA assessment is valid;
- whether the resident is liable for an accommodation payment; OR
- whether an accommodation contribution applies and the amount;
- an indication of whether the resident is a low-means care recipient (required for the Approved Provider to receive an accommodation supplement). The letter does not state if the resident is low-means, rather it states that the Commonwealth will pay for the resident's accommodation costs either in part (hence accommodation contribution applies) or full (which means resident is a full low-means care recipient); and
- whether the resident is to pay a means tested care fee and the amount.

Early letters did not provide the resident's asset tested amount (for the purpose of calculating the maximum refundable deposit amount) – this seems to be resolved.

INCOME AND ASSET ASSESSMENT APPLICATIONS UPON RESIDENT TRANSFERRING SERVICES Slide 16

In general:

- Concessional and supported resident status should transfer with a continuous resident;
- Low-means resident status only transfers with resident where their income and asset assessment letter is still valid. Otherwise a new income and asset assessment must be undertaken if low-means status is to be approved in new service.

PAYMENT METHODS

Where liable to pay an accommodation payment or an accommodation contribution the resident must within 28 days of admission advise the approved provider in writing of their preferred payment method.

The approved provider has no option but to apply the resident's choice of payment method.

There are two payment methods:

- Refundable deposit;

- Daily accommodation payment;

The resident can elect to choose one payment method only or use a combination; ie part refundable deposit and part daily accommodation fee.

DAILY ACCOMMODATION PAYMENTS Slide 18

For accommodation payments is the DAP (Daily Accommodation Payment).

- Rate calculated by the approved provider on the basis of the residents agreed accommodation payment amount.

- Formulae is: (Accommodation payment amount x MPIR) divided by 365

eg DAP = ($400,000 x 6.28%) divided by 365 = $24,560 divided by 365 = $68.82

For the accommodation contribution is the DAC (Daily Accommodation Contribution).

For accommodation contributions is the Daily Accommodation Contribution (DAC).

- Rate determined by DHS/DVA on basis of the resident's means tested amount (MTA) which is calculated on the basis of the resident's income and asset assessment.

- Rate advised by the Commonwealth (DHS/DVA) in the income and asset assessment notice and subsequently in Quarterly Review Letters.

DAP OR DAC DRAW DOWN FROM RAD/RAC PAYMENT OPTION – Slide 19

A resident may elect to have their DAP/DAC deducted from their refundable deposit and the approved provider must comply with this choice.

- where resident elects to draw DAP or DAC from RAD or RAC, the draw down amount is added to the owed (unpaid) accommodation payment or contribution amount.

- the new amount will determine the new DAP rate for each payment period (eg monthly).

REFUNDABLE DEPOSITS Slide 20

Refundable deposits are lump sum payments which are fully refundable upon a resident's discharge from permanent care.

The approved provider may deduct monies owed by the resident on the proviso it is so stated in the Resident (Accommodation) Agreement.

For accommodation payments the lump sum amount can be no more than the agreed accommodation payment amount.

For accommodation contributions, the approved provider must calculate the equivalent total amount by which the refundable deposit is calculated – this is because the Commonwealth determine the accommodation contribution amount as a daily rate only (DAC). Formulae is:

- (DAC rate x 365) divided by the Maximum Permissible Interest Rate (MPIR)

  eg (DAC = $30 x 365) divided by MPIR of 6.28% = $10,950 divided by 6.28%

  = $174,363.05

Note, where the approved provider and resident agree on an interest rate lower than the MPIR, the lower rate is used in the above formulae.

REFUNDABLE DEPOSITS (RADs AND RACs) Slide 21

The resident must be left with the MPAL only where they have lodged the income and asset assessment and have advised the approved provider that their preferred payment method is a refundable deposit within 28 days after their admission.

Resident's total assets for the purpose of a refundable deposit (refer section 52J-5 of the Aged Care Act 1997).

Early DHS/DVA income and asset advice letters were incorrect re asset amounts for the purpose of the RAD. With these letters:

- Where DHS/DVA MTA advice letter indicates value of the home is less than the home exemption cap, then the asset amount stated in the letter is the amount to be used for the purpose of ensuring the resident is left with the minimum permissible asset level (MPAL – currently $46,000) when calculating the RAD or RAC.

- Where DHS/DVA MTA advice letter indicates value of the home is the home exemption cap, then the balance of the full value of the resident's home plus the asset amount stated in the letter is the amount to be used for the purpose of ensuring the resident is left with the MPAL when calculating the RAD or RAC.

ASSET ASSESSMENT FOR THE PURPOSE OF CALCULATING A REFUNDABLE DEPOSIT

Refer example 2

Net asset total:

This is the net value of all of the resident's assets, including the full market value of the principal residence if relevant. This is the amount that is applies when calculating a refundable deposit to ensure that a resident is left with the minimum amount of net assets.

Assessed assets:

This is the resident's total assets for the purpose of a refundable deposit (refer section 52J-5 of the Aged Care Act 1997); ie the assessed value of the resident's assets for the purpose of calculating the asset tested amount and in turn the means tested amount.

The assessed and net asset values only differ in that the assessed asset value includes the capped value of the principal residence only if relevant, whereas the net asset value includes the full value of the principal residence.

This is the amount used in calculating a resident's liability to pay a means tested care fee (and amount), accommodation payment or accommodation contribution and eligibility as a low-means resident.

REFUNDABLE DEPOSIT PAYMENT METHODS – ACCOMMODATION PAYMENT AND ACCOMMODATION CONTRIBUTON

Slide 23

Department of Social Services newsletter (Information for Aged Care Providers Issue 4) states residents' may not advise of their preferred payment method prior to admission to permanent care, even where the resident so elects.

Apparently DSS base this position on section 52F-4 of the Aged Care Act 1997 which states:

"The approved provider must not require the person to choose how to make an accommodation payment or accommodation contribution before the person enters the service."

In my view this section does not preclude the resident from electing their payment method, rather it means the approved provider cannot require the resident to choose their payment method prior to admission.

Indeed section 52J-2(1) of the Aged Care Act 1997 states: "A person may choose to pay a refundable deposit at any time after the person has entered into an accommodation agreement." Given the resident can enter into the accommodation agreement prior to admission, it seems consistent that they could elect their payment method prior to admission.

ROOM MOVEMENTS AFTER PERMANENT ADMISSION Slide 24

Under the old arrangements a resident fees could not change where they moved to a new room after permanent admission. Under the new arrangements there is a price tag associated with the resident moving to a new room.

Where the move is voluntary the accommodation price can be higher or lower than the amount they are paying for their existing room. Where the move is involuntary the price can only be the same or lower.

The accommodation agreement must be varied to specify the new price and new room or part of room. The agreed price for the new room:

- cannot be more than the maximum price that was published for that (new) room on the day that the agreement was varied – the day the Agreement is varied is also the new Accommodation Price Day Agreement day);

- the maximum permissible interest rate (MPIR) current on the day that the accommodation agreement is varied applies for calculating the equivalence between the refundable deposit and daily payment amounts for the new room;

- If the accommodation payment for the new room is higher than the amount previously being paid, the 3 payment options apply. Where the new room price is lower and the resident has paid a refundable deposit, the provider must refund any excess balance to the resident.

ROOM MOVEMENTS AFTER PERMANENT ADMISSION Slide 25

Where agreed to prior to admission, provider can move the resident to another room.

Eg resident doesn't have income and asset assessment, gets good room, then assessed as full low means. Provider refunds accommodation payments to date and resident moves to room with lower price that was agreed to before hand if this scenario eventuated.

Refund period is:

- 14 days after provider shown probate letters;
- 14 days after resident advises move to another service;
- 14 days after any other event that ceases care.

The Base Interest Rate (BIR) is calculated on first day of the refund period; eg probate shown 30/11/15, the refund period commences 31/11/15.

Refer Aged Care Act 1997 Chapter 3A Part 3A.3 Division 52-P – Refunds.

The amount of refund interest to be paid is calculated by the formulae:

$$\frac{BIR \times RDB \times ND}{365}$$

Refer Fees and Payments Principles 2014 (No. 2) Sect 69(1)

RBD = amount of refundable deposit/accommodation bond to be refunded
ND = the number of days in the period beginning on the day after the day on which the refunding event occurred and ending when with repayment of the refundable deposit or accommodation bond.

ACCOMMODATION FEES Slide 27

ACCOMMODATION CONTRIBUTION

Liability determined through the DHS/DVA income and asset assessment process.

Residents who are assessed as liable to pay an accommodation contribution are low-means residents (ie residents who are financially disadvantaged, know as supported or concessional/assisted under the old arrangements).

Unlike concessional, assisted or supported residents, low-means residents accommodation contribution rate can vary after admission – whereas for concessional, assisted and supported residents the accommodation bond amount or accommodation charge rate is fixed at the tie of admission, including at nil.

Like its predecessors, once a resident is approved as low-means that status will not alter during the duration of their tenancy in the residential service to which the DHS/DVA assessment applies.

Slide 28

REFER EXAMPLE 3

INCOME AND ASSET ASSESSMENT LETTER

FULL LOW-MEANS EXAMPLE

Slide 29

REFER EXAMPLE 1

INCOME AND ASSET ASSESSMENT LETTER

ACCOMMODATION CONTRIBUTION EXAMPLE

ACCOMMODATION CONTRIBUTION – Slide 30

The accommodation contribution amount may change after admission (including from nil) in respect to two factors:

- the accommodation contribution rate can not be higher than the highest means tested accommodation supplement rate received by that service; and

- where the resident's MTA varies after admission the accommodation contribution rate will in turn vary accordingly – DHS/DVA advise through quarterly review letters.

The highest rate of the means tested accommodation supplement a service receives is determined by whether that service has been approved for the significantly refurbished/newly built rate (currently $54.29 per day as compared to $35.37 for non-refurbished/new services) or where that service's low-means/supported/concessional ratio is above 40%.

Where equal to or less than 40% a service's highest means tested accommodation supplement rate is reduced by 25%:

- from $54.29 for refurbished/new services to $40.72;

- from $35.37 for non-refurbished/new services to $26.53.

CALCULATING ACCOMMODATION CONTRIBUTION RATE VARIATIONS UNDER THE 40% RULE SLIDE 31

In the February 2016 Medicare Statement the Commonwealth appear to have changed their formulae for calculating the means tested accommodation supplement rate in respect to the 40% supported ratio rule.

The adjustments do not alter the DAC rate but do consistently decrease the means tested accommodation supplement rate.

Example A – not refurbished residential service Slide 32

	Accommodation Supplement rate	Accommodation Contribution rate
Over 40%	$12.02	$23.35
40% or less	$3.18	$23.35

Resident assessed by DHS/DVA as liable to pay an accommodation contribution of $23.35 per day.

Where the residential service's supported ratio exceeds 40% the means tested accommodation supplement rate should be $12.02. Where the residential service 's supported ratio is equal to or less than 40% the means tested accommodation supplement should be $3.18 per day.

As the assessed accommodation contribution rate of $23.35 is lower than the highest accommodation contribution rate the approved provider receives when the service's supported ratio is 40% or less ($26.53), the accommodation contribution rate remains $23.35.

For a **refurbished service** the accommodation contribution rate would remain $23.35 irrespective of the service's supported ratio - however where the service's supported ratio was 40% or less, the means tested accommodation supplement rate would decrease from $30.94 to $17.37.

Example B – not refurbished residential service **Slide 33**

	Accommodation Supplement rate	Accommodation Contribution rate
Over 40%	$0.00	$35.37
40% or less	$0.00	$26.53

Resident assessed by DHS/DVA as liable to pay an accommodation contribution exceeding $35.37 per day.

Where the residential service's supported ratio is 40% or less the accommodation contribution rate of $35.37 must decrease to $26.53 so that it does not exceed the service's highest accommodation supplement rate received (which is $26.53).

Where a resident's income and asset assessment indicates an accommodation contribution rate in excess of $35.37, DHS/DVA Quarterly Review letters should increase the rate to the highest accommodation supplement rate received by that service for each review undertaken on 20 March and 20 September until the rate reached the assessed accommodation contribution rate; eg a resident with an accommodation contribution rate initially assessed at $40.00 would pay $35.37 if admitted to a not refurbished service today. Subsequent DHS/DVA Quarterly Review letters on 20 March and 20 September each year should increase the accommodation contribution rate to the then applicable highest accommodation supplement rate for the relevant service until the accommodation contribution rate reaches $40.00.

Example C – refurbished residential service

Slide 34

	Accommodation Supplement rate	Accommodation Contribution rate
Over 40%	$9.22	$45.07
40% or less	$Nil	$40.72

Resident assessed as liable to pay an accommodation contribution of $45.07.

Where a refurbished residential service's supported ratio is 40% or less the accommodation contribution rate of $45.07 must decrease to $40.72 so that it does not exceed the service's highest accommodation supplement rate received (which is $40.72).

In this case if the service was **not refurbished** the rates would be as follows:

	Accommodation Supplement rate	Accommodation Contribution rate
Over 40%	$Nil	$35.37
40% or less	$Nil	$26.53

SUPPORTED RESIDENT RATIOS SUMMARY (January 2016) Slide 35

Day	% Achieved for Service	% Achieved post 2008 Reforms		Day	% Achieved for Service	% Achieved post 2008 Reforms
01	59.16 (71/120)	58.62 (68/116)		16	58.33 (70/120)	57.75 (67/116)
02	59.16 (71/120)	58.62 (68/116)		17	58.33 (70/120)	57.75 (67/116)
03	59.16 (71/120)	58.62 (68/116)		18	57.85 (70/121)	57.26 (67/117)
04	58.67 (71/121)	58.11 (68/117)		19	57.85 (70/121)	57.26 (67/117)
05	57.85 (70/121)	57.26 (67/117)		20	57.85 (70/121)	57.26 (67/117)
06	57.85 (70/121)	57.26 (67/117)		21	58.19 (71/122)	57.62 (68/118)
07	57.85 (70/121)	57.26 (67/117)		22	58.19 (71/122)	57.62 (68/118)
08	57.85 (70/121)	57.26 (67/117)		23	58.19 (71/122)	57.62 (68/118)
09	57.85 (70/121)	57.26 (67/117)		24	58.67 (71/121)	58.11 (68/117)
10	57.85 (70/121)	57.26 (67/117)		25	58.67 (71/121)	58.11 (68/117)
11	57.85 (70/121)	57.26 (67/117)		26	58.67 (71/121)	58.11 (68/117)
12	58.33 (70/120)	57.75 (67/116)		27	58.67 (71/121)	58.11 (68/117)
13	58.33 (70/120)	57.75 (67/116)		28	59.01 (72/122)	58.47 (69/118)
14	58.33 (70/120)	57.75 (67/116)		29	59.01 (72/122)	58.47 (69/118)
15	58.33 (70/120)	57.75 (67/116)		30	58.53 (72/123)	57.98 (69/119)
				31	58.53 (72/123)	57.98 (69/119)
					Accommodation Supplement	56772.47
					Concessional Supplement	5007.12
					Assisted Resident Supplement	0.00
					Total	61779.59

CALCULATING THE SUPPORTED RATIO PERCENTAGE

The following residents are not included in a service's total places when calculating the low-means/supported/concessional ratio (column 1):

- Pre-October 1997 residents;
- Extra service residents;
- Respite care residents;
- Vacant places.

When calculating the ratio for post 20/03/2008 residents (column 2), in addition to the above categories pre-March 2008 residents are not counted towards the service's total places.

SUPPORTED RESIDENT RATIOS SUMMARY (September 2015) Slide 37

Day	% Achieved for Service	% Achieved post 2008 Reforms		Day	% Achieved for Service	% Achieved post 2008 Reforms
01	32.43 (12/37)	33.33 (12/36)		16	31.70 (13/41)	32.50 (13/40)
02	32.43 (12/37)	33.33 (12/36)		17	32.50 (13/40)	33.33 (13/39)
03	31.57 (12/38)	32.43 (12/37)		18	32.50 (13/40)	33.33 (13/39)
04	31.57 (12/38)	32.43 (12/37)		19	32.50 (13/40)	33.33 (13/39)
05	31.57 (12/38)	32.43 (12/37)		20	32.50 (13/40)	33.33 (13/39)
06	31.57 (12/38)	32.43 (12/37)		21	32.50 (13/40)	33.33 (13/39)
07	33.33 (13/39)	34.21 (13/38)		22	32.50 (13/40)	33.33 (13/39)
08	33.33 (13/39)	34.21 (13/38)		23	32.50 (13/40)	33.33 (13/39)
09	32.50 (13/40)	33.33 (13/39)		24	32.50 (13/40)	33.33 (13/39)
10	32.50 (13/40)	33.33 (13/39)		25	32.50 (13/40)	33.33 (13/39)
11	32.50 (13/40)	33.33 (13/39)		26	32.50 (13/40)	33.33 (13/39)
12	32.50 (13/40)	33.33 (13/39)		27	32.50 (13/40)	33.33 (13/39)
13	32.50 (13/40)	33.33 (13/39)		28	33.33 (13/39)	34.21 (13/38)
14	31.70 (13/41)	32.50 (13/40)		29	33.33 (13/39)	34.21 (13/38)
15	31.70 (13/41)	32.50 (13/40)		30	33.33 (13/39)	34.21 (13/38)
					Accommodation Supplement	8343.00
					Concessional Supplement	0.00
					Assisted Resident Supplement	0.00
					Total	8343.00

SUPPORTED RESIDENT RATIOS SUMMARY (December 2015) Slide 38

Day	% Achieved for Service	% Achieved post 2008 Reforms		Day	% Achieved for Service	% Achieved post 2008 Reforms
01	39.47 (15/38)	40.54 (15/37)		16	39.47 (15/38)	40.54 (15/37)
02	39.47 (15/38)	40.54 (15/37)		17	39.47 (15/38)	40.54 (15/37)
03	39.47 (15/38)	40.54 (15/37)		18	39.47 (15/38)	40.54 (15/37)
04	39.47 (15/38)	40.54 (15/37)		19	39.47 (15/38)	40.54 (15/37)
05	39.47 (15/38)	40.54 (15/37)		20	39.47 (15/38)	40.54 (15/37)
06	39.47 (15/38)	40.54 (15/37)		21	39.47 (15/38)	40.54 (15/37)
07	39.47 (15/38)	40.54 (15/37)		22	39.47 (15/38)	40.54 (15/37)
08	39.47 (15/38)	40.54 (15/37)		23	39.47 (15/38)	40.54 (15/37)
09	39.47 (15/38)	40.54 (15/37)		24	39.47 (15/38)	40.54 (15/37)
10	39.47 (15/38)	40.54 (15/37)		25	39.47 (15/38)	40.54 (15/37)
11	39.47 (15/38)	40.54 (15/37)		26	39.47 (15/38)	40.54 (15/37)
12	39.47 (15/38)	40.54 (15/37)		27	39.47 (15/38)	40.54 (15/37)
13	39.47 (15/38)	40.54 (15/37)		28	39.47 (15/38)	40.54 (15/37)
14	39.47 (15/38)	40.54 (15/37)		29	39.47 (15/38)	40.54 (15/37)
15	39.47 (15/38)	40.54 (15/37)		30	39.47 (15/38)	40.54 (15/37)
				31	39.47 (15/38)	40.54 (15/37)

Accommodation Supplement	11565.48
Concessional Supplement	0.00
Assisted Resident Supplement	0.00
Total	11565.48

Supported Resident Ratios Adjustment Summary						
Day	% Achieved for Service	% Achieved post 2008 Reforms		Day	% Achieved for Service	% Achieved post 2008 Reforms
01	38.46 (8/39)	39.47 (8/38)		16	38.46 (8/39)	39.47 (8/38)
02	38.46 (8/39)	39.47 (8/38)		17	38.46 (8/39)	39.47 (8/38)
03	38.46 (8/39)	39.47 (8/38)		18	38.46 (8/39)	39.47 (8/38)
04	38.46 (8/39)	39.47 (8/38)		19	38.46 (8/39)	39.47 (8/38)
05	38.46 (8/39)	39.47 (8/38)		20	38.46 (8/39)	39.47 (8/38)
06	38.46 (8/39)	39.47 (8/38)		21	40.00 (8/40)	41.02 (8/39)
07	38.46 (8/39)	39.47 (8/38)		22	40.00 (8/40)	41.02 (8/39)
08	38.46 (8/39)	39.47 (8/38)		23	40.00 (8/40)	41.02 (8/39)
09	39.47 (8/38)	40.54 (8/37)		24	40.00 (8/40)	41.02 (8/39)
10	39.47 (8/38)	40.54 (8/37)		25	40.00 (8/40)	41.02 (8/39)
11	39.47 (8/38)	40.54 (8/37)		26	40.00 (8/40)	41.02 (8/39)
12	39.47 (8/38)	40.54 (8/37)		27	40.00 (8/40)	41.02 (8/39)
13	38.46 (8/39)	39.47 (8/38)		28	40.00 (8/40)	41.02 (8/39)
14	38.46 (8/39)	39.47 (8/38)		29	40.00 (8/40)	41.02 (8/39)
15	38.46 (8/39)	39.47 (8/38)		30	41.02 (8/39)	42.10 (8/38)
				31	41.02 (8/39)	42.10 (8/38)

ANDERSON, MARY	**Adjusted Subsidy: LLM**	**18/12/2016**						**17**		**90.63**	**1540.71**
	Adjusted Subsidy: MHH	18/12/2016						14		181.10	2535.40
	Accomm Supp	20/09/2015						31		53.84	1669.04
Adjustments for Claim Period November 2015											
	Accomm Supp							-6		40.38	-242.28
	Accomm Supp							-24		53.84	-1292.16
	Accomm Supp	20/09/2015						30		53.84	1615.20
Adjustments for Claim Period October 2015											
	Accomm Supp							-31		40.38	-1251.78
	Accomm Supp	20/09/2015						16		40.38	646.08
	Accomm Supp	20/09/2015						15		53.84	807.60
											6027.81

MEANS TESTED AMOUNT Slide 41

The means tested amount is required to determine a resident's liability to pay an accommodation payment, accommodation contribution (and amount), means tested care fee (and amount) and eligibility for an accommodation supplement.

Centrelink/DVA undertake income and asset assessments for the purpose of determining a resident's means tested amount.

Where a resident does not lodge an application to assess their means tested amount they can be charged the maximum care fee and accommodation payment amounts; ie means tested care fee and maximum accommodation payment for the room they occupy (as indicated in the Price Agreement Day Agreement).

MEANS TESTED AMOUNT Slide 42

The means tested amount (MTA)

=

the income tested amount (ITA) plus the asset tested amount (ATA).

THE INCOME TESTED AMOUNT (ITA) Slide 43

Where the resident's total assessable income is:

- below or equal to the total assessable income free area (currently $25,659.40 for single person or $25,191.40 for a member of a couple), the income tested amount is zero;

- above the total assessable income free area, the income tested amount is 50% of the amount that exceeds the total assessable income free area divided by 364.

Eg single resident has annual income of $30,659.40

$30,659.480 - $25,659.40 = $5,000

$5,000 divided by 2 (50%) = $2,500

$2,500 divided by 364 = $6.87 per day

Hence ITA = $6.87 per day

THE ASSET TESTED AMOUNT (ATA) Slide 44

Where a resident's total assessable assets:

- do not exceed the asset free area (currently $46,500), the asset tested amount is $0;

- exceed the asset free area but do not exceed the first asset threshold (currently $159,423.20) – the asset tested amount is 17.5% of amount above the asset free area);

- exceed the first asset threshold but not the second threshold (currently $385,269.60) – the asset tested amount is 1% of the excess above the first asset threshold plus 17.5% of the difference between the asset free area and the first asset threshold;

- exceed the 2nd asset threshold – the asset tested amount is 2% of the excess above the second asset threshold plus 1% of the difference between the 1st and 2nd asset thresholds plus 17.5% of the difference between the asset free area and the first asset threshold.

The per day asset tested amount is the asset tested amount divided by 364.

THE ASSET TESTED AMOUNT (ATA) Slide 45

ATA example – resident with total assets of $400,000

- Nil of assets less than asset free threshold, currently $46,500 = nil
- 17.5% of assets between asset free threshold and first asset threshold
  $159,423.20 - $46,500 = $112,923.20 x 17.5% = $19,761.56
- 1% of assets between the first and second asset thresholds
  $385,269.60 - $159,423.20 = $225,846.40 x 1% = $2,258.46
- 2% of assets above second asset threshold
  $400,000 - $385,269.60 = $14,730.40 x 2% = $294.61

ATA = $19,761.56 + $2,258.46 + $294.61 = $22,314.63

$22,314.63 divided by 364 = $61.30 per day

Hence ATA = $61.30 per day

MEANS TESTED AMOUNT (MTA) EXAMPLE Slide 46

Resident (single) with $400,000 assets and annual income of $30,659.40

ITA = $6.87 per day

ATA = $61.30 per day

Hence MTA = $68.17 per day

Maximum Accommodation Supplement = $54.29 per day

Upon admission to permanent residential care this resident would:

- Be liable to pay an accommodation payment as MTA greater than or equal to maximum accommodation supplement;
- Would not pay an accommodation contribution (MTA must be less than maximum accommodation supplement and more than zero);
- Would pay a MTCF of $13.88 per day (difference between MTA and maximum accommodation supplement); and
- The approved provider would not be eligible to receive the means tested accommodation supplement.

EXAMPLE OF MTA FOR RESIDENT ON FULL AGED CARE PENSION AND ASSESSED ASSETS EQUAL TO HOME EXEMPTION CAP ONLY (ie $159,423.20)

Slide 47

ITA = nil (as full pension less than the income free area).

ATA = ($159,423.20 - $46,500) x 17.5% divided by 364
= $112,923.20 x 17.5% divided by 364
= $54.29

Hence MTA = ITA + ATA = $54.29

This resident would be:

- Liable to pay an accommodation payment (as MTA equal to maximum accommodation supplement)
- Would not pay a MTCF as MTA is less than $1 per day above the maximum accommodation supplement;
- The resident is not a low-means care recipient and the approved provider would not be eligible to receive the means tested accommodation supplement.