

# Arpad Hungarian Aged Care Facility Accommodation Pricing Policy



## Purpose

A key component of the *Living Longer, Living Better* reforms is to provide older Australians entering aged care with more flexibility and choice in how they pay for their accommodation costs. From the 1<sup>st</sup> July 2014, all residents who can afford to according to Commonwealth means testing will have the choice of paying for their accommodation through a daily accommodation payment (DAP), a refundable accommodation deposit (RAD), or a combination of the both. A refundable accommodation contribution (RAC) and a daily accommodation contribution (DAC) is payable by those who the Commonwealth government deems can provide a part-contribution towards their own care. Aged care providers will not be able to choose between aged care recipients on the basis of how they elect to pay for their accommodation, or their individual circumstances.

This policy dictates in the pricing that Arpad Hungarian Aged Care will charge residents for each room or group of rooms with the facility. The purpose of this Accommodation Pricing Policy is to ensure that Arpad Hungarian Aged Care meets all legislative requirements set out by the Commonwealth Government in relation to setting a pricing accommodation policy for the organisation.

## Objectives

Policy objectives for Arpad Hungarian Aged Care's Accommodation Pricing Policy are:

- Produce a clearly written and understood policy
- Provide a background to the legislation
- Satisfy Commonwealth legislation requirements
- A recommended RAD, DAP and combination of the two
- Create a baseline policy for all staff to understand, interpret and implement the policy objectives

## Policy Framework

The legislative framework for this policy is the Aged Care Act 1997, with the amendments of the *Living Longer Living Better Act 2013*. This Act details all of the current legislative requirements around administering, setting and managing RADs, DAPs and contributions.

In developing this Accommodation Pricing Policy, the organisation considered several key factors to setting our accommodation pricing including historical trends, real estate prices and other market related statistics.

## Arpad Aged Care Facility Accommodation Policy:

The organisation has set the following pricing for each of the following categories of rooms:

Category #	Room Name	Narrative of room type	RAD	DAP	Combination of both	
					RAD	DAP
1	Top	Single Room + Private Ensuite	\$549,000	\$89,6449	\$274,500	\$44.82
2	Cat. 2	Single Room + Private Ensuite	\$549,000	\$89,6449	\$274,500	\$44.82
3	Cat. 3	Single Room + Private Ensuite	\$549,000	\$89,6449	\$274,500	\$44.82
4	Cat. 4	Single Room + Private Ensuite	\$549,000	\$89,6449	\$274,500	\$44.82
5	Cat. 5	Shared Room + Shared Ensuite	\$200,000	\$32,6575	\$100,000	\$16.33

The DAP is based on the current MPIR of: 5.96%

The maximum RAD is \$549,000 with equivalent DAP of \$89,6449. An example of a combination RAD/DAP is: RAD (lump sum) - \$274,500 and a DAP of \$44.82.

### **Features Statement**

We have classified the following standard features in each pricing group:

#### Single room + Private Ensuite (Top)

- Carpet, Vinyl
- Ceiling fan or individual air conditioner unit
- DUNA TV connection
- 5 door built-in robe

#### Single Room + Private Ensuite (Cat. 2)

- Ceiling fan or air conditioning
- 5 door built-in robe
- Rooms are very good to new condition

#### Single Room + Private Ensuite (Cat. 3)

- High Care Section
- Sliding door robes
- Ceiling fan
- Hospital bed
- Bedside cabinet
- Over-bed table

### Single Room + Private Ensuite (Cat. 4)

- 3 door built-in-robos
- Bedside cabinet
- Over-bed table

### Shared Room + Shared Ensuite (Cat. 5)

- Air-conditioner unit
- 5 door built-in robe
- Vinyl floor
- Hospital bed
- Bedside cabinet
- Over-bed table

## **Marketing Requirements**

Arpad Hungarian Aged Care will comply with requirements under the legislation to promote our accommodation pricing through:

1. Myagedcare.gov.au website
2. Organisation's website (arpadagedcare.com.au)
3. Promotion material including brochures