



Publication of 1 July 2014 accommodation prices on My Aged Care by 19 May 2014

Information for Aged Care Providers

What is changing for providers?

From 19 May 2014, you are required to publish your maximum accommodation prices and descriptive information on the *My Aged Care* website. This information will be for new residents entering care on or after 1 July 2014. The accommodation prices and descriptions must also be available on your website and in materials provided to prospective residents and their families.

The published information must include the maximum accommodation price as a refundable deposit, an equivalent daily payment and an example of a combination payment of both. The final accommodation price you charge for any room may be less than the published amount, you can negotiate this, along with any extra services or amenities with the resident, as part of their Accommodation Agreement. However, you will not be able to charge a resident an accommodation payment for a room if you have not published the maximum price and accompanying information for that type of room.

This is a legislative requirement under the *Fees and Payments Principles 2014*, which are available at www.comlaw.gov.au

How do I publish my accommodation prices and information on *My Aged Care*?

Healthdirect Australia will contact you to confirm the correct contact officer for your organisation who will liaise with Healthdirect Australia about publishing your accommodation prices.

By the end of March 2014, Healthdirect Australia will supply you with a partially pre-populated template and instructions on how to complete the template. It will be pre-populated with data linked to your NAPS ID. The template will have a combination of drop-down menus and free-text fields for you to complete your accommodation pricing and descriptive information.



You will need to return the template to Healthdirect Australia by the end of April 2014, in preparation for publication on *My Aged Care* by 19 May 2014.

In the meantime, the Department will work with industry to develop a streamlined process for maintaining and updating your information on *My Aged Care* from 19 May 2014.

What information must be published?

Descriptive information

For each group of rooms or part of a room (a bed in a shared room or ward) that you are offering at different prices, you will be asked to provide the following information:

- the kind of accommodation offered (e.g. private or shared) and maximum occupancy;
- the type of bathroom (e.g. ensuite or shared);
- a statement describing the quality, condition, size and amenity of the room and any common areas which a person in that room could access;
- a description of any specific accommodation or design features of the room or the areas of the facility someone occupying this room will be able to access;
- any additional care or services (other than those specified in the *Quality of Care Principles 1997*) included in the accommodation payment; and
- whether there are any additional costs associated with the room (e.g. extra service fees).

Pricing information

For each group of rooms, you will need to provide the following information:

- the maximum price that you will charge for accommodation in that room on or after 1 July 2014, quoted as both refundable deposit and daily payment amounts; and
- an example of a combination payment (for example, the price of the room if the resident paid 50% of the accommodation payment as a refundable deposit and 50% of the accommodation payment by periodic daily payments).

What do I need to do?

You will need to have your accommodation pricing and descriptive information prepared for Healthdirect Australia. If you intend to publish a price above a refundable deposit of \$550,000 (or equivalent daily payment) you will require approval from the Aged Care Pricing Commissioner prior to publication.



You will also need to publish the same information on your own website and in other materials you provide to residents, families and carers, by 19 May 2014. This information will also need to include an explanation of the different payment options (that is, refundable deposit, daily payment, and combination).

How often do I need to update the information on *My Aged Care*?

You will need to update the prices and key feature statements if anything changes, for example you change the maximum price or the statement no longer accurately describes the room. The Department is currently working with industry to create a streamlined process for updating your information and we will provide more information on this process as it's developed.

Do I need to provide the accommodation prices and descriptive information for every room or part of a room in a service?

You do not need to publish a price for every individual room or part of a room in a service.

You may group rooms or parts of rooms that are substantially similar together, providing you intend to publish the same maximum price for all rooms in that category. The price and key features will need to apply equally to each room or part of room in each category.

Financial equivalence between the refundable deposit and the daily payment

Prices must be published as the refundable deposit amount and an equivalent daily payment, as well as show an example of a combination payment.

To calculate the equivalent daily payment, the refundable deposit is multiplied by the current maximum permissible interest rate (MPIR) and divided by 365 days.

For example, a refundable deposit of \$400,000 would have an equivalent daily payment of:

$$\frac{\text{Refundable deposit} \times \text{MPIR}}{365} = \frac{\$400,000 \times 6.59\%}{365} = \$72.21 \text{ per day}$$

An example of a combination payment for a \$400,000 price may be a refundable deposit of \$200,000 and a daily payment of the remaining \$200,000 of:

$$\frac{\text{Balance of price} \times \text{MPIR}}{365} = \frac{\$200,000 \times 6.59\%}{365} = \$36.10 \text{ per day}$$



The MPIR is calculated quarterly. All aged care providers are notified of the MPIR prior to the commencement of each quarter. The MPIR is also published on www.dss.gov.au.

Approval of prices above \$550,000

You will not be able to publish or charge a maximum accommodation price that is higher than \$550,000 unless you have received approval from the Aged Care Pricing Commissioner.

If you have a pending application that is not approved by 19 May 2014, you can either choose not to publish any information about that type of room, or publish information without a maximum accommodation price, with the text “Pending Application – Price Not Available” so that consumers are aware an application is underway. You can only publish this information if you have a pending application with the Aged Care Pricing Commissioner. If you choose not to publish any maximum accommodation price and descriptive information, you may update your information at any time, once the application has been finalised.

More information can be found at the Aged Care Pricing Commissioner’s website www.acpc.gov.au.

More information

For more information about the publication of prices or the template please contact Healthdirect Australia at myagedcare@nhsd.com.au or fax 02 9267 9010

For more information about the aged care reforms, please visit www.dss.gov.au/our-responsibilities/ageing-and-aged-care.

For information about the approval process for prices above \$550,000, please visit www.acpc.gov.au.