

ENTRY INTO AN AGED CARE HOME FOR PERMANENT CARE

Looking for a quick guide to residential permanent care?

People may be confused by the process for entering residential permanent care. For this reason, we have created this guide to clarify the requirements for entering an aged care home. We understand that too much information can create unnecessary stress for a person and their loved ones, so we hope this guide is helpful. We welcome any questions that you may have.

mecwacare is a leading not-for-profit organisation that provides quality care for clients in residential aged care homes throughout Victoria regardless of their financial means.

About residential permanent care

There's no place like a person's own home. When staying at home is no longer a viable option, permanent care in an aged care home is available, providing 24/7 general and specialised care in a secure and safe environment.

Requesting an aged care assessment

The first step to accessing government subsidised permanent care is to contact My Aged Care by phone on 1800 200 422 or online at [My Aged Care](#) to check eligibility and to register. A representative from the Aged Care Assessment Team in the person's local area will then make contact and schedule an appointment for a face-to-face meeting to complete the assessment.

Applying for permanent care

The following items are required when applying for placement in a mecwacare care home.

- My Aged Care service referral code for permanent care [i.e. 1-xxxxxxxxxxx]
- Application for residential care
- Privacy information consent statement
- Enduring power of attorney / guardianship order
- Fees letter from Services Australia or the Department of Veterans' Affairs if available

Accessing financial support and advice

It may be in a person's best interest to seek independent financial support and advice from a financial advisor who specialises in assisting clients with strategies to fund their permanent care journey. Helpful information and references are available through [My Aged Care](#).

Completing an income and assets assessment

The amount a person can be asked to pay in permanent care depends on their combined income and assets, which is determined by completing a means test via one of the following three methods.

- For age pensioners with no property – simply phone Services Australia on 1800 227 475 or the Department of Veterans' Affairs on 133 254 to report the entry date into permanent care and the means assessment will be automatically completed.

- For age pensioners with property – access the [Residential Aged Care Property details for Centrelink and DVA customers \(SA485\)](#) form to provide asset details.
- For self-funded retirees – access the [Residential Aged Care Calculation of your cost of care \(SA457\)](#) form to provide income and asset details.

Services Australia or the Department of Veterans' Affairs will then send the person and care provider (if the person is already in care) a letter confirming their fees. It is worth noting that a person can enter permanent care without having received their outcome letter. We can provide support to estimate fees beforehand. An alternative approach is to access the online [Fee Estimator](#) available through My Aged Care to receive an indication of fees a person may be asked to pay in permanent care.

A person can opt out of disclosing their financial information to the Australian Government. However, in doing so a person will not be eligible for assistance with their accommodation or cost of care and the maximum fees payable will apply.

Understanding the costs

There are three pricing components to permanent care that may be applicable. Further information about costs and fees is available through [My Aged Care](#).

All fees and charges are regulated and reviewed periodically by the Australian Government. Refer to the current [schedule of fees and charges for residential care](#) from the Department of Health for specific values.

(1) Basic daily fee (Every person pays)

This fee covers living expenses comparable to what a person pays at home such as utilities, meals, cleaning and laundry.

(2) Means tested care fee (Dependent on a person's income and assets)

There are daily, annual and lifetime caps in place to support a person who is required to contribute to the cost of their care.

Typically, mecwacare does not charge an interim fee upon entry while waiting for the letter from Services Australia or the Department of Veterans' Affairs. If it is likely that this fee will be applicable and the client's choice is to commence paying from the day of entry, then we can provide an estimate to support this request. Either way, the fee will be adjusted and backdated once we receive the letter.

(3) Accommodation payment (Dependent on a person's income and assets)

A person's accommodation type will reflect one of the following three categories.

- **An accommodation payment (self-funded)**

The agreed room price can be paid as a Refundable Accommodation Deposit (RAD), Daily Accommodation Payment (DAP), or as a combination of both the RAD and DAP. The DAP is the default payment method and is payable from the day of entry until the RAD is paid in full. The interest rate is set and fixed from the day of entry.

- **An accommodation contribution (partially supported)**
The contribution can be paid as a Refundable Accommodation Contribution (RAC), Daily Accommodation Contribution (DAC), or as a combination of both the RAC and DAC. The contribution amount is not fixed and may vary occasionally, as there are several variables that determine the value of the accommodation supplement paid to the care home by the Australian Government. The interest rate is set and fixed from the day of entry.
- **No accommodation payment (fully supported)**
The Australian Government will fund the person's accommodation.

Extra and additional service fees

mecwacare does not hold an extra service status, meaning these ongoing fees are not applicable to our care homes. There are however some optional additional services that are paid for by the resident, e.g. hairdressing.

Paying client fees

Tax invoices are generated and sent to clients in the first week of each month for the period starting on the first day and ending on the last day of the month. The first tax invoice will be from the day of entry into permanent care until the last day of the billing month.

The payment method for the ongoing fees is direct debit. Direct debits are activated on the 15th day of each month or the next business day if it falls on a weekend or public holiday. A Direct Debit Request is required from the client at the time of entry into permanent care. Please note that mecwacare does not offer an alternative payment method.

Leave entitlements

Overnight stays away from the care home are supported. Leave balances are reset by the Australian Government each year on July 1. Clients continue to pay their daily fees. Further information is available through the [Department of Health](#).

- Hospital leave is unlimited.
- Social leave of 52 nights per financial year.
- Pre-entry leave of 7 nights to secure a room and prepare for the move. The basic daily fee is payable only.
- Emergency leave during a defined period announced by the Australian Government. Available during emergency situations such as natural disasters and health pandemics.

Support documents

- Resident information handbook
- Care home service information
- Care home pricing information
- Schedule of fees and charges for residential care

Helpful resources

- Admissions team at mecwacare
Phone: 03 8573 4812
Website: mecwacare.org.au
- My Aged Care
Phone: 1800 200 422
Website: myagedcare.gov.au
- Services Australia
Phone: 1800 227 475
Email: servicesaustralia.gov.au
- Department of Veterans' Affairs
Phone: 133 254
Website: dva.gov.au