Sample letter



Refundable Accommodation Deposit – Decision (Satisfaction of Conditions)



Ms Hannah Roberts Chief Executive Officer Meadow Bank Group Pty Ltd PO Box 123 DURHAMVALE NSW 2000

By email: ceo@mbg.net.au

Dear Mrs Roberts

APPROVAL TO CHARGE A HIGHER THAN MAXIMUM ACCOMMODATION PAYMENT AMOUNT: SATISFACTION OF CONDITIONS

SUNFLOWER AGED CARE SERVICES

Date of approval: 1 December 2023

I refer to your application under section 52G-4 of the *Aged Care Act* 1997 (the Act) for approval to charge a higher than maximum accommodation payment as a Refundable Accommodation Deposit (RAD) at Sunflower Aged Care Services received by the Independent Health and Aged Care Pricing Authority (IHAPCA) on 2 May 2023.

On 1 July 2023, I sent you notification of my decision that your application had been approved pending satisfaction of the conditions identified under Section 26(3) of the *Fees and Payments Principles 2014 (No. 2)* (the Principles). On 14 November 2023, you provided information demonstrating how those conditions have been met.

Decision

I am satisfied, having regard to the information that you have provided, that you have met the requirements of the conditional approval granted to you on 1 July 2023. Specifically, I am satisfied that:

- the construction of the rooms listed in the table below have been completed
- the completed rooms are equivalent to or better than the proposal described in the application and
- the actual cost of the construction is not significantly lower than the proposed cost of the construction.

Your approval to charge a higher maximum accommodation payment will take effect from 1 December 2023. The approved RAD amounts are listed in the following table.

Independent Health and Aged Care Pricing Authority Eora Nation, Level 12, 1 Oxford Street Darlinghurst NSW 2000 PO Box 483 Darlinghurst NSW 1300 P: (02) 8215 1193 | ABN: 27 598 959 960 This decision letter informs a provider they have satisfied the conditions of their conditional approval and can now start advertising and charging the approved Refundable Accommodation Deposit (RAD) amounts listed in the table in this letter under 'Decision'.

The decision applies to the name of the service shown here.

The date the provider can start charging the approved RAD amounts listed in the 'Decision' section of this letter.

Approvals are valid for four (4) years commencing on this date.

The 'Decision' section details the conditions that have been satisfied for approval and what the provider is approved to charge for rooms in the service.

The date the provider can start charging the approved RAD amounts isted in the table on page 2 of this letter.

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Accommodation Group	Number of Rooms	Room Numbers	Approved RAD amount
Classic Suite	14	1 – 14	\$600,000
Deluxe Suite	14	15 – 28	\$650,000
Premium Suite	4	29 – 32	\$750,000
Premium Companion Suite	2	33 – 34	\$1,200,000

Duration of approval

(iii)

The approval to charge a higher than maximum accommodation payment amount ceases to have effect on **1 December 2027** or if there is a change in the location at which residential care is provided through the service.

It is your obligation to apply to the Pricing Authority to continue to charge a higher than maximum accommodation payment at least 60 days prior to your current approval lapsing.

Indexation of approved amount

The amount of maximum accommodation payment approved may be indexed on the following dates:

(i)	1 December 2024
(ii)	1 December 2025

1 December 2026.

Indexation is to be applied in accordance with the methodology set out in section 29(1) - (6) of the Principles.

Rules about charging accommodation payments

Division 52G of the Act and Part 4 of the Principles set out rules about charging accommodation payments.

Section 19 of the Principles requires you to make information publicly available in relation to a room, or part of a room, in the service. This includes information describing the key accommodation features, payment options, and the maximum accommodation payment amount. The approved price cannot be charged until it has been published.

Section 19(3) of the Principles provides that information about the maximum accommodation payment must (a) be published on the approved provider's website (if it has one); and (b) be given to the Secretary for publication by the Secretary; and (c) be included in written material to be given to prospective care recipients by the approved provider.

Further information

It is your obligation as an approved provider to maintain accurate pricing information on the My Aged Care website.

If you have any questions about the information published on My Aged Care, please contact the Department of Health and Aged Care at <u>myagedcare@health.gov.au</u>.

The RAD amounts that the provider has been approved to charge for rooms in each of the accommodation groups. The room numbers that belong to each accommodation group are also listed.

The date the approval expires.

The approved prices shown in the table under 'Decision' may be indexed on these dates.

Providers may index the approved price annually using a calculator that can be found on the <u>IHACPA website</u>. They do not need a new approval to charge the indexed amount.

If a provider has applied indexation to an approved RAD price, the amount advertised on My Aged Care and in the provider's published material may be more than the approved prices shown in the table under 'Decision' in this letter.

Providers are required to advertise details about the decision to the public before they start charging higher RADs to residents.

The provider must publish the approved RAD amounts on the My Aged Care website, on their own website and in their published materials for consumers.

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If you have any questions about this approval, please contact the IHACPA by telephone on (02) 8215 1193, by email on <u>applications.accommodation@ihacpa.gov.au</u> or by mail to the Independent Health and Aged Care Pricing Authority, PO Box 483, Darlinghurst NSW 1300.

Yours sincerely

Genevieve Donnelly Executive Director Aged Care Policy and Communications Independent Health and Aged Care Pricing Authority

Approval date: 1 December 2023

This may show an approval given by the Aged Care Pricing Commissioner (ACPC). This is because prior to 12 August 2022, assessment and approval of higher accommodation payments were the responsibility of the ACPC. The decision is still valid if it is from the ACPC as long as the date of approval is current.

The date the approval commences.