

## Refundable Accommodation Deposit – Decision (Renewal / New Approval)



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

By email: ceo@mbg.net.au

Dear Ms Roberts

### APPROVAL TO A CHARGE HIGHER THAN MAXIMUM ACCOMMODATION PAYMENT AMOUNT

#### SUNFLOWER AGED CARE SERVICES

Date of approval: 1 July 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.

Your application was received by the Independent Health and Aged Care Pricing Authority (IHACPA) on 2 May 2023.

#### Decision

1. Under section 52G-4(5) of the Act, I have approved a higher maximum accommodation payment amount for 14 room/s in the "Classic Suite" accommodation group as follows:

- \$600,000: this approved amount applies where there is one person residing in the room described.

The approved amount is the maximum amount that you may charge a person as an accommodation payment in the accommodation group described.

2. Under section 52G-4(5) of the Act, I have approved a higher maximum accommodation payment amount for 14 room/s in the "Deluxe Suite" accommodation group as follows:

- \$650,000: this approved amount applies where there is one person residing in the room described.

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 been given approval to charge Refundable Accommodation Deposit (RAD) amounts above \$550,000.

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

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

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

The 'Decision' section details the number of rooms, at what price and for how many people per room are approved.

Example 1: The provider is approved to charge up to \$600,000 for one person living in a room in the 'Classic Suite' accommodation group.

An accommodation group is a group of rooms that are similar in size, quality, comfort and features and are priced at the same RAD amount.

There are 14 rooms in this group.

## Refundable Accommodation Deposit – Decision (Renewal / New Approval)

The approved amount is the maximum amount that you may charge a person as an accommodation payment in the accommodation group described.

3. Under section 52G-4(5) of the Act, I have approved a higher maximum accommodation payment amount for 4 room/s in the “Premium Suite” accommodation group as follows:

- \$750,000: this approved amount applies where there is one person residing in the room described.

The approved amount is the maximum amount that you may charge a person as an accommodation payment in the accommodation group described.

4. Under section 52G-4(5) of the Act, I have approved a higher maximum accommodation payment amount for 2 room/s in the “Premium Companion Suite” accommodation group as follows:

- \$1,200,000: this approved amount applies where there is one person residing in the room described.
- \$600,000: this approved amount applies per person where there are two people residing in the room described and who are known to each other.

The approved amount is the maximum amount that you may charge a person as an accommodation payment in the accommodation group described.

The rooms approved in each of the above accommodation groups are as follows:

Accommodation Group	Number of Rooms	Room Numbers
Classic Suite	14	1 – 14
Deluxe Suite	14	15 – 28
Premium Suite	4	29 – 32
Premium Companion Suite	2	33 – 34

### Reasons

In deciding whether to approve the higher than maximum accommodation payment amount, I have considered:

- the information provided by you in your application
- your response to a formal request for information issued to you on 1 June 2023
- the factors that I am required to or may consider as set out in section 26(2) of the *Fees and Payments Principles 2014 (No.2)* (the Principles).

I find that the information you provided supports the accommodation payment amount for which you have sought approval.

### Your responsibilities in relation to the lapsed approval period

If, between the date of your application and the date of this approval you have charged an accommodation payment as a RAD or the equivalent above \$550,000 for any of these rooms then it is your responsibility to remediate this unapproved charging with affected residents or their estates.

Example 2: The provider is approved to charge up to \$1,200,000 for one person living in a room in the “Premium Companion Suite” accommodation group. If two people live in the room they may pay up to \$600,000 each. There are two rooms in this group.

The accommodation groups that have been approved in the service and information about the rooms that are included in each group.

The ‘Reasons’ section sets out what the delegate must consider when deciding whether to approve a higher RAD amount.

If a provider has previously been approved to charge RADS above \$550,000 they must reapply before the expiry of their existing approval period if they wish to continue to charge higher RADS. If they do not reapply their approval is deemed to have lapsed and they are no longer able to charge the higher RAD.

## Refundable Accommodation Deposit – Decision (Renewal / New Approval)

In addition, it is your immediate obligation to disclose any overcharging to the Aged Care Quality and Safety Commission as part of your compliance with the Prudential Standards set out in the *Aged Care Act 1997* and the Principles.

### Duration of approval

The approval to charge the maximum accommodation payment amount ceases to have effect on **1 July 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 July 2024
- (ii) 1 July 2025
- (iii) 1 July 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 [myagedcare@health.gov.au](mailto:myagedcare@health.gov.au).

If you have any questions about this approval, please contact the IHACPA by telephone on (02) 8215 1193, by email on [applications.accommodation@ihacpa.gov.au](mailto:applications.accommodation@ihacpa.gov.au) 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 July 2023**

If the provider has charged a higher RAD amount without a valid approval in place they must report this as an overcharge to the aged care regulator, the Aged Care Quality and Safety Commission.

Approvals are valid for four years. Providers must reapply before the expiry of their existing approval if they wish to continue to charge higher RADs.

The date the approval expires.

The approved prices shown in the 'Decision' section on pages 1 and 2 may be indexed on these dates.

Providers may index the approved price annually using a calculator that can be found on the [IHACPA website](#). 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 the My Aged Care website and in the provider published material may be more than the approved prices shown in 'Decision' section on pages 1 and 2 of this letter.

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

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 RADs amount 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.