

ADMISSIONS TO COOEE LODGE HOSTEL AND ACCOMMODATION PRICING FRAMEWORK

Objective

This policy sets out the guidelines for admissions to Cooee Lodge Hostel and associated payment options.

Scope

This policy applies to all admissions to Cooee Lodge Hostel

Policy

Consumer research has found that people prefer to remain in their own homes for as long as possible, therefore Cooee Lodge will:

- Prioritise residents with higher care needs
- Not prioritise admissions on the grounds of accommodation payment
- Acknowledge the need to prioritise supported residents to maintain a ratio of 40%

Figures 1 & 2 provide a decision pathway consistent with this policy.

Figure 1 Assessment pathway respite residents

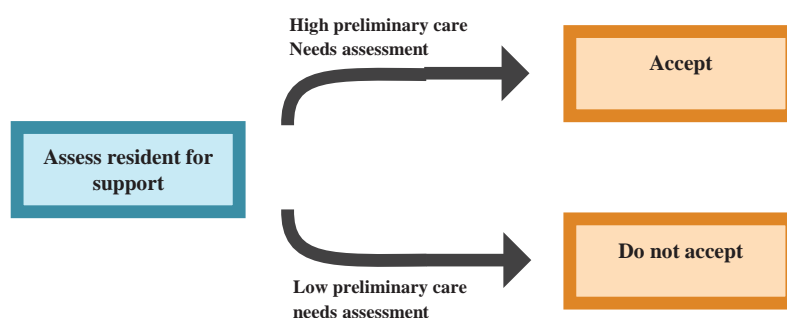
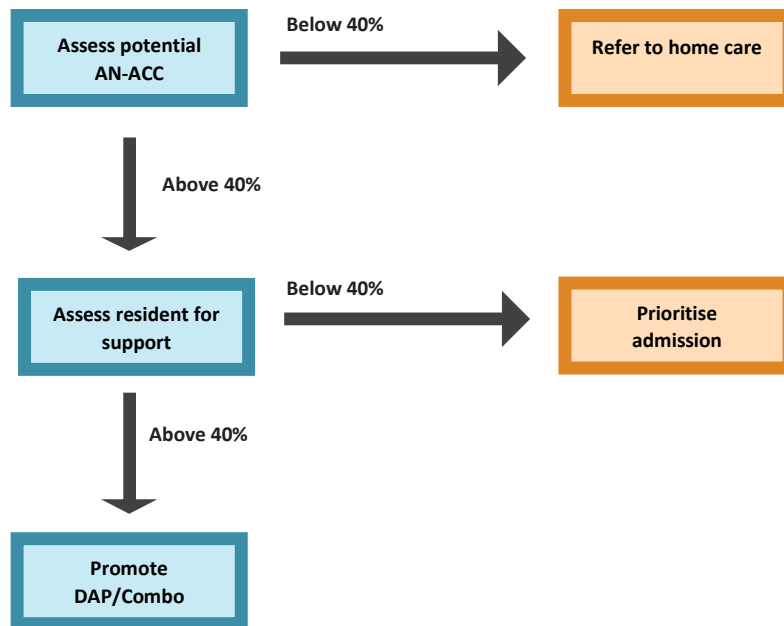


Figure 2 Pre-assessment pathway permanent residents



While consumers decide whether their preference is to pay a lump sum (RAD) or daily payment (DAP), providers have the right to promote a payment option that suits their business circumstances.

Council has no requirement for RAD and is restricted as to where excess RADs can be invested. House prices in Gilgandra may cause residents difficulty in accessing a funds to pay a full RAD. The MPS does not charge a RAD.

In light of the above, **the formal policy of Gilgandra Lifestyles is to promote either a DAP or combination payment** to potential residents.

Accommodation Pricing Framework

Accommodation charges are governed by the *Aged Care Act 1997*¹ (Act) and Fees and Payments Principles (Principles)². Section 19 of the Principles requires that Cooee Lodge provide intending residents a statement setting out:

- The maximum accommodation payment expressed as a lump sum and daily Accommodation payment, and
- At least one example of a combination payment
- Section 20 provides that there must be equivalence between the RAD and the DAP based on the Maximum Permissible Interest Rate (MPIR) prevailing at the time of admission

¹ Part 3A.2, *Aged Care Act 1997*; s 23.37(2), *User Rights Principles 1997*.

² Part 4

- Section 52J-7 of the Act limits amounts that can be deducted from lump sums to:
 - a. Daily payment,
 - b. Amounts agreed by the resident, and
 - c. Other amounts specified under the Fees and Payments Principles
- The Maximum Permissible Interest Rate is reset every quarter; this means that the equivalent RAD amount could change quarterly.

In recognition of this and Cooee Lodge's preference for DAP or Combination payment, Cooee Lodge adopts the following Accommodation Pricing and Payment Framework:

1. At least annually, the Director and Facility Manager will present their recommendations to the GLAB as to the Maximum RAD and DAP to be adopted for the ensuing 12 months.
2. Within 14 days of the announcement of the MPIR in any quarter following the setting of the maximum RAD and DAP, the Director will calculate the nominal RAD under the new MPIR by maintaining the prevailing DAP and calculate a new DAP based on the prevailing RAD and present this to the Gilgandra Lifestyles Advisory Board with a recommendation on whether to adjust the RAD or DAP to maintain the equivalence required under the Act and Principles.
3. Within 14 days of receiving the recommendation from the Gilgandra Lifestyles Advisory Board, the Facility Manager and the Director will implement the adjusted Maximum RAD/DAP for the ensuing quarter and update the information on the website.

Relevant Legislation

- *Aged Care Act 1997*
- *User Rights Principles 1997*

Associated Documents

- *Admissions to Cooee Lodge Hostel Procedures*
- *Aged Care Quality Standards Policy*

Responsible Officer:	Director Aged Care and Disabilities		
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