

20 November 2015

[View this email in your browser](#)

Means Not Disclosed (MND) Persons

- Any person who does not submit an Assets and Income Assessment Form will be determined by DSS to be an MND. DSS knows of these persons by the nursing home submitting an Aged Care Entry Record (ACER). An advice will issue from DSS to both the resident and the service detailing that the person is an MND. The MTCF for an MND is shown as \$241.92, being the total of an HHH ACFI plus oxygen and enteral feeding.
- The maximum MTCF you can charge to any person is what their total ACFI plus primary supplements come to. For example, a person who is an MLH with oxygen supplement could be charged a maximum of \$164.67/day (even if the letter says \$241.92, as it will). Your payment statements will – in due course – show a reduction in subsidy to nil from date of entry for such a person. You can charge only up to the \$25,731.05 cap for the year for such a person, so their fee should cease after 156.26 days. A quarterly reconciliation occurs for all MTCF's, so this will be shown on your payment statements (eventually). (What actually happens is that DSS keeps taking out the full \$164.67/day until the end of the quarter and then adjusts by additional payment to you in the next month.)
- You may charge any reasonable amount as an interim MTCF to any resident from entry. If you know a person is a Self Funded Retiree (SFR) and likely to be an MND, then I recommend you charge the resident the estimated daily ACFI as the interim MTCF in advance from entry in your normal billing cycle. Reconcile the figure when you know the actual ACFI if it differs from the ACFI that your care manager estimated at entry.
- Anyone who has left/died can retrospectively be charged the MTCF from day of

entry. The figure will be clear from your payment statements even if the letters from DSS detailing MND status are not yet seen.

RAD Prices for Couples Sharing a Room

There are different ways to arrange RADs for couples in a double room. Following is our recommended method:

- Set and advertise two prices for the same room, e.g.

Room 28 - Double Occupancy - \$ 250,000 per person

Room 28 - Single Occupancy - \$ 500,000

- When a couple enters, charge an accommodation payment based on double occupancy - i.e. \$250,000 each - and provide the usual Key Features Statement (KFS), Pre-Admission Agreement and Agreement as you normally would for each person, completely separately (i.e. **two** agreements).
- When one member of the couple leaves or dies, the RAD or DAP of \$250,000 is refunded to their estate in the normal way after probate is received.
- The surviving member of the couple can remain on their current contract and a second person will be expected to come into the double occupancy room in due course (and on a \$250,000 payment).
- Few services can financially accept having a resident seek to change their double occupancy room into a single occupancy room (and pay the extra \$250,000) as this would result in the service receiving one less ACFI and BDF for that double room. (A fall of \$80,000 p.a. or so in income.)
- If the surviving spouse wishes to have single occupancy, then a (different) single room would normally be offered, when available.
- Many services have only a few double occupancy rooms and will prefer to offer these to couples (only). Having surviving spouses **elect** to move to a single room will "free-up" a double room for a couple.
- Services can nonetheless elect to offer single occupancy of a double room to a surviving spouse (and levy the single occupancy RAD/DAP of an additional \$250,000), if they wish.

Residential Aged Care Places - For Sale & Wanted

We have a number of residential aged care places for sale in the following states:

- New South Wales
- Tasmania
- Western Australia

We also have need of residential aged care places in the following states:

- Queensland
- South Australia

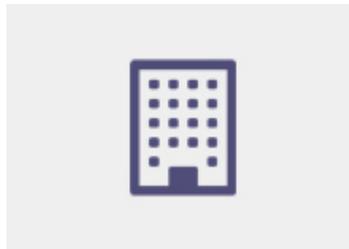
If you would like more information regarding the places for sale or can assist with supply of places, please contact Isabelle on (07) 3229 8955.



Latest news

Visit our website for all of the latest news and industry updates.

[View all articles](#)



Office hours

You can reach us Monday to Friday, 8.30am to 5pm.

[Find out more about us](#)



Contact us

Ph: 07 3229 8955
Fax: 07 3229 5435
A/H: 0419 765 001

[Send us an email](#)



Share



Tweet



+1



Share



Forward

**Disclaimer: The content of this issue does not constitute advice.
Specific advice should be sought for all specific instances.**

Copyright © 2015 James Underwood & Associates Pty Ltd, All rights reserved.

[unsubscribe from this list](#) [update subscription preferences](#)

MailChimp