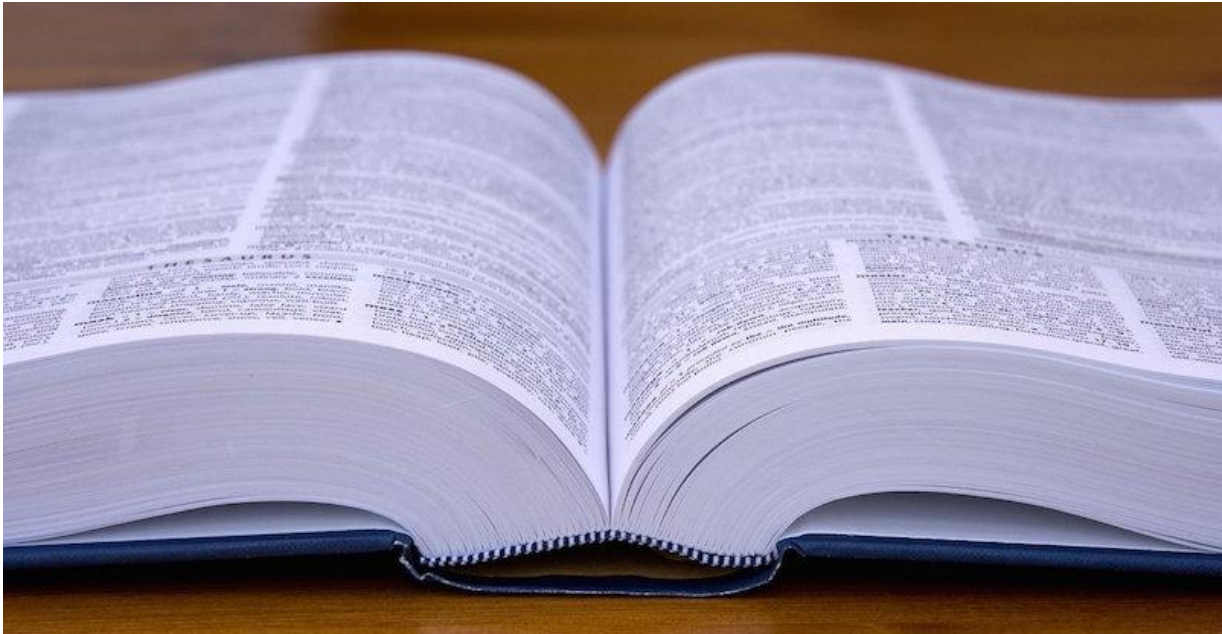


THE AGED CARE SUPPLEMENT, SUBSIDY & FEE GLOSSARY

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We understand that payment statements can be a little challenging to read at times (or all the time). A sound understanding of the supplements that your facility is entitled to ensures that you and your residents are not missing out. The team who reads your payment statements need to know not only what is listed on a payment statement, but what you might be missing out on and how to get it.

So, to make your reconciliation easier, we have put together a glossary covering the current supplements, subsidies, fees and reductions that exist for your residents. Remember that the legislation surrounding aged care payments changes regularly, so please ensure that you and your team stay up to date.

These are the current supplements and subsidies. To learn more about grandparented supplements and subsidies, rates and fees and how to interpret your Payment Statement, you can purchase our course [Payment Statement & Supplement Education](#), or call us on 1300 419 119.

FINANCIAL SUPPLEMENTS

These supplements are paid to cover a range of financial costs, primarily for accommodation and hotel related services.

Basic Daily Fee Supplement (Clean Energy Supplement): Provides additional funding to aged care facilities for residents who are self-funded retirees as this supplement is usually included in the aged pension.

- **Who is eligible?** Non-pensioners who entered care from 30/06/2012 and who do not hold a Commonwealth Seniors Health Card.

Hardship Supplement: Provides financial assistance for residents who are unable to cover some or all of their aged care costs due to financial hardship.

- **Who is eligible?** Respite and Permanent Residents who have assets less than 1.5 times the annual amount of the basic age pension + pension supplement + energy supplement but have not gifted assets more than \$10,000 in the last 12 months or more than \$30,000 in the last 5 years.

Means Tested Accommodation Supplement: Covers the accommodation costs for residents who do not have the means to cover their accommodation costs through a Refundable Accommodation Deposit (RAD)/Daily Accommodation Payment (DAP) or a Refundable Accommodation Contribution (RAC)/Daily Accommodation Contribution (DAC).

- **Who is eligible?** Low Means Residents who entered care on or after 01/07/2014 (or those who entered care prior to this date but have chosen to opt into the new system). These residents must not occupy an extra service bed or hold the lowest care classification level (DNA or NNN). Residents who have been granted financial hardship might also be eligible to receive this supplement.

Respite Supplement: Provides additional funding to cover the higher cost administration and care that is associated with respite care compared to permanent care.

- **Who is eligible?** All residents that have ACAT approval for respite care and have not exceeded the 63 respite bed days per financial year that all respite residents are entitled to. The aged care facility will only receive this supplement if it has not exceeded the respite bed days that it has been allocated per financial year. This supplement is included in the Respite Subsidy amount on the payment statement.

Respite Incentive: An additional increase to the ACFI subsidy for all high care Respite Residents to encourage aged care facilities to take in more residents who have high care needs.

- **Who is eligible?** This incentive is paid to aged care facilities that use 70 per cent or more of their allocated respite bed days on a rolling year basis.

Supported Ratio Incentive: An additional increase to the accommodation-related supplements for all government supported residents (except assisted residents) to encourage aged care facilities to take in more financially disadvantaged residents.

- **Who is eligible?** This incentive is paid to aged care facilities that have more than 40 per cent of the total amount of their Permanent Residents classified as either low means, supported, partially-supported, concessional or assisted on any given day throughout the month.

FACILITY-RELATED SUPPLEMENTS

These supplements are paid based on the aged care facility meeting certain criteria rather than the resident themselves.

Homeless Supplement: Provides additional funding to cover the increased costs of supplying care for residents who have experienced homelessness and have complex behavioural/social needs.

- **Who is eligible?** Aged care facilities where at least 50% of their residents have been appraised as demonstrating complex behavioural and social disadvantage associated with their background as a homeless person, and that demonstrate the capacity to provide specialist services or a special allocation of places that are subject to conditions relating to care of people with a background of homelessness.

Viability Supplement: Provides additional funding to assist aged care facilities in rural and remote areas with the extra cost of delivering services to those areas.

- **Who is eligible?** In general, aged care facilities that have fewer than 45 places in less accessible areas. See our article, 'Changes to the Viability Supplement' for further information.

CARE SUBSIDIES AND SUPPLEMENTS

The subsidy provides funding to cover care costs, while the supplements cover other care costs that are not covered under the primary subsidy (ACFI).

Aged Care Funding Instrument (ACFI) Subsidy: Provides funding to cover the costs of residential care for a resident based on their assessed care needs.

- **Who is eligible?** For all residents who entered care on or after 20/03/2008 and were assessed under the ACFI system.

Respite Subsidy: Provides funding to cover the costs of residential care for a resident in respite care based on whether they have low or high care needs.

- **Who is eligible?** For all residents who have received ACAT approval for respite care

Oxygen Supplement: Provides funding to cover the costs of supplying oxygen for a resident who has an ongoing medical need to have an oxygen tank.

- **Who is eligible?** For residents in either permanent or respite care who have an ongoing medical need to have an oxygen tank.

Enteral Feeding Supplement: Provides funding to cover the costs of enteral feeding for a resident who has an ongoing medical need to have enteral feeding.

- **Who is eligible?** For residents in either permanent or respite care who have an ongoing medical need to have enteral feeding.

Veterans' Supplement: Provides additional funding for a Veteran with mental health conditions living in residential aged care.

- **Who is eligible?** The Veteran must have a mental health condition that has been accepted by DVA as associated with their service.

OTHER REDUCTIONS

Care Subsidy Reduction: A reduction applied to the care subsidy that is off-set by the means-tested care fee or the income tested fee (dependent on date of entry), as the resident is considered to be financially able to cover further costs.

- **Who is eligible?** For residents with income (and assets if their date of entry is post July 2014), that exceed the maximum threshold and therefore are considered able to cover part of their care costs.

Adjusted Subsidy Reduction: A reduction to cover the difference between state and Commonwealth funding due to infrastructure funding by state governments.

- **Who is eligible?** This is only applicable to state-operated beds, or in other words, services that are operated by state or territory governments.

Compensation Payment Reduction: A reduction for residents who have a worker's compensation, common law or other third-party claim. The costs that the other party must pay are reduced from the payment statement.

- **Who is eligible?** This is applicable for residents with a third-party claim – this should be advised to the Department on their Aged Care Entry Record.



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