



Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2012 (No. 1)¹

Aged Care Act 1997

I, MARK BUTLER, Minister for Mental Health and Ageing, make this Determination under subsection 44-5A(3) of the *Aged Care Act 1997*.

Dated 14th March 2012

MARK BUTLER
Minister for Mental Health and Ageing

1 Name of Determination

This Determination is the *Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2012 (No.1)*.

2 Commencement

This Determination commences on 20 March 2012.

3 Revocation

The *Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2011 (No.2)* made by the Minister on 7 September 2011, also known as F2011L01898, is revoked.

4 Definitions

In this Determination:

Act means the *Aged Care Act 1997*.

minimum permissible asset value, for a supported resident, has the same meaning as in subsection 57-12(3) of the Act for that resident.

new resident has the meaning given by section 21.11B of the Principles.

Principles means the *Residential Care Subsidy Principles 1997*.

Note A number of expressions used in this Determination are defined in the Act, including:

- assisted resident
- concessional resident
- residential care
- residential care service
- respite care
- supported resident.

5 Method to work out the amount of accommodation supplement

The amount of accommodation supplement payable for a supported resident is worked out in the following way.

- Step 1 For each day after 19 March 2012, the maximum rate of the accommodation supplement (the ***applicable maximum rate***) for a supported resident in a residential care service is:
- (a) if on the day the service meets the building requirements mentioned in section 21.11B of the Principles — \$32.58; or
 - (b) if on the day the service does not meet those requirements — \$27.39, which is the sum of the indexed maximum rate of the current Concessional Resident Supplement and Pensioner Supplement.

- Step 2 The notional accommodation supplement payable is the applicable maximum rate if:
- (a) a determination mentioned in paragraph 57-14(1)(a) or 57A-9(1)(a) of the Act applies to the supported resident; or
 - (b) the value of the assets of the supported resident is less than the minimum permissible asset value.

- Step 3 If Step 2 does not apply, the notional accommodation supplement payable for the supported resident is:

$$\text{NAS} = \text{AMR} - \frac{\text{A} - \text{T}}{2080}$$

where:

A is:

- (a) if the Secretary makes a determination about the supported resident under paragraph 57-14(1)(b) of the Act — the sum of:
 - (i) the maximum amount of bond that the Secretary has determined may be charged; and

- (ii) the minimum permissible asset value; or
- (b) if the Secretary makes a determination about the supported resident under paragraph 57A-9(1)(b) of the Act — the sum of:
 - (i) the maximum amount of charge that the Secretary has determined multiplied by 2080; and
 - (ii) the minimum permissible asset value; or
- (c) in any other case — the value of the supported resident's assets at the time when he or she entered the residential care service or at another time specified in the Principles for paragraph 44-5B(1)(c) of the Act.

AMR is the applicable maximum rate of accommodation supplement for the supported resident.

NAS is the notional accommodation supplement.

T (threshold) is the minimum permissible asset value.

- Step 4 The accommodation supplement payable for the supported resident will be:
- (a) equal to the notional accommodation supplement payable for the supported resident if, on a day for which accommodation supplement is payable, either of the following (the *specified circumstances*) apply:
 - (i) more than 40% of the residents to whom the service provides residential care (other than respite care), who are both post-2008 reform residents and new residents, are supported residents;
 - (ii) more than 40% of the new residents to whom the service provides residential care (other than respite care) are supported residents, concessional residents or assisted residents; or
 - (b) equal to 75% of the notional accommodation supplement payable for the supported resident if neither of the specified circumstances apply.

Note If the value of the person's assets exceeds the maximum asset threshold determined under paragraph 44-5B(1)(c) of the Act, the person will not be eligible for an accommodation supplement because he or she will not be a supported resident (unless there is a determination in force for the person and the person is a post-2008 reform resident — see subsection 44-5B(2) of the Act).

Note

1. All legislative instruments and compilations are registered on the Federal Register of Legislative Instruments kept under the *Legislative Instruments Act 2003*. See <http://www.frli.gov.au>.