



# Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2012 (No. 2)<sup>1</sup>

## *Aged Care Act 1997*

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

Dated 11 September 2012

MARK BUTLER  
Minister for Mental Health and Ageing

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### **1 Name of Determination**

This Determination is the *Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2012 (No. 2)*.

### **2 Commencement**

This Determination commences on 20 September 2012.

### **3 Revocation**

The *Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2012 (No. 1)* made by the Minister on 14 March 2012, also known as F2012L00607 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 September 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 — \$32.76; or
  - (b) if on the day the service does not meet those requirements — \$27.54.

- 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 under section 57-14 or 57A-9 in respect of the person and the person is a post-2008 reform resident — see subsection 44-5B(2) of the Act).

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## 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>.