



Australian Government
Department of Health and Ageing

Permanent Residential Aged Care Request for an Assets Assessment Information Booklet

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The financial figures in this booklet are correct as at the time of printing. However, aged care fees and charges are indexed each March and September. The most current financial figures can be found on the Department of Health and Ageing's website at www.health.gov.au or by calling the Aged Care Information Line on 1800 500 853 (free call).

Help to complete your form

If you need any help to complete the *Request for an Assets Assessment* form:

If you currently receive a **Centrelink** income support payment

Call Centrelink on **1800 227 475**

For hearing and speech impaired:
TTY service FREECALL™ **1800 810 586**

If you currently receive a **Department of Veterans' Affairs (DVA)** income support payment

Call DVA on **133 254**

DVA callers from regional Australia can call **1800 555 254**

If you do **not** currently receive an income support payment from Centrelink or the Department of Veterans' Affairs

Call Centrelink on **1800 227 475**

For hearing and speech impaired:
TTY service FREECALL™ **1800 810 586**

Calling Centrelink or DVA: Calls to 1300 numbers cost 25 cents from anywhere within Australia. Calls to 1800 numbers are free of charge from a fixed telephone. Calls from public pay phones or mobile phones will be charged at a higher rate.

What is an income support payment?

Centrelink income support payments are:

- Age Pension
- Austudy Payment
- Bereavement Allowance
- Carer Payment
- Disability Support Pension
- Mature Age Allowance
- Newstart Allowance
- Parenting Payment
- Partner Allowance
- Sickness Allowance
- Special Benefit
- Widow Allowance
- Widow B Pension
- Wife Pension
- Youth Allowance

Centrelink also makes the following income support payments on behalf of the Department of Agriculture, Fisheries and Forestry:

- Exceptional Circumstance Relief Payment
- Farm Help

DVA income support payments are:

- Service Pension
- Income Support Supplement
- Age Pension

General information about assets assessments

The purpose of an assets assessment

An assets assessment will help you work out the amount that you may be asked to pay as an accommodation bond or accommodation charge for permanent residential aged care. Any accommodation bond or accommodation charge amount will be based on the net total of your assets over the relevant minimum permissible assets amount.

If you are entering either low level care or an extra service place, an assets assessment may help you to negotiate an appropriate accommodation bond amount with an aged care provider. If you are entering high level care that is not in an extra service place, it will enable the Department of Health and Ageing to work out the amount of your accommodation charge.

An assets assessment will also determine whether you are eligible to be a **supported, concessional or assisted resident**.

The Australian Government pays additional subsidises to aged care service providers for supported, concessional and assisted residents who in turn pay either nil or reduced accommodation bond or accommodation charge amounts to their service provider.

Information about supported, concessional and assisted resident status is on page 4 of this Booklet.

Even if your accommodation bond or accommodation charge is fully subsidised by the Australian Government, you will still be required to pay a basic daily fee, and possibly an income tested fee.

Residents who choose to enter care on an **extra service** basis may be required to pay an extra daily fee for additional 'hotel' type services. Extra service does not mean you will be provided with a higher level of care.

It is **not compulsory** to have an assets assessment. However, if:

- you are entering permanent residential aged care for the first time, or
- you are re-entering care following a break of more than 28 days, or
- you:
 - first entered care before 20 March 2008, and

- will be moving to a different home within 28 days of leaving the earlier home, and
- have not previously had an assets assessment by Centrelink or DVA,

you must have an assets assessment if you wish to test your eligibility to have your accommodation bond or accommodation charge subsidised by the government.

If you are entering high care, you may be required to pay the maximum amount of accommodation charge if you do not have an assets assessment.

You should NOT APPLY for an assets assessment if:

- you are intending to enter respite care, or
- you are currently in an aged care home and you have already negotiated an accommodation bond or accommodation charge and you do not intend to move, or
- you have moved, or are intending to move, into a new aged care home within 28 days of leaving the earlier home, and you:
 - paid an accommodation bond in the earlier home, and
 - will be rolling over the balance of that bond to the new home, or
- you have moved, or are intending to move, into a new aged care home within 28 days of leaving the earlier home, and you:
 - were/are paying an accommodation charge in the earlier aged care home, and you do **not** believe a new assessment would result in the amount of your accommodation charge being reduced, or
 - were determined by Centrelink or DVA to be eligible to be a concessional resident in the earlier home.

You should APPLY for an assets assessment if:

- you have had an Aged Care Assessment Team (ACAT) assessment, and you have been approved, or you expect to be approved, to receive permanent residential aged care, and you wish to enter residential aged care in the near future, or
- you have already entered permanent residential aged care, or

- you move to a different aged care home within 28 days of leaving the earlier home, and you:
 - were assessed as a concessional or assisted resident by the earlier aged care provider (rather than by Centrelink or the Department of Veterans' Affairs), or
 - need high level care and you paid an accommodation bond in the earlier home but you wish to pay an accommodation charge in the new home, or
 - paid an accommodation charge in the earlier home and you believe a new assessment would result in you being eligible to pay a lesser accommodation charge amount in the new home.

Definition of supported resident

To be a **supported** resident:

- you must have first entered permanent residential aged care (or commenced pre-entry leave) **on or after 20 March 2008**, or have re-entered care (or commenced pre-entry leave), after a break of more than 28 days, on or after 20 March 2008, and
- as at 20 March 2010, the value of your assets is not more than \$93,410.40.

Please note: Supported residents with assets between \$37,500 and \$93,410.40 can still be required to pay an accommodation bond or an accommodation charge. The maximum amount that you can be asked to pay will depend on the amount of your assets.

Definition of concessional resident and assisted resident

To be eligible to be a **concessional** resident or an **assisted** resident:

- you must have first entered permanent residential aged care (or commenced pre-entry leave) before 20 March 2008, and must not have re-entered care, after a break of more than 28 days, on or after 20 March 2008, and
- you must be receiving an **income support payment** from Centrelink or DVA, and
- you must **not** have owned or part-owned a home in the 2 years prior to the date of your assessment or the date of your entry to care (whichever is earlier), unless your home is protected under the assets assessment (see *Your home and the assets assessment* on this page), and

For a **concessional** resident:

- as at 20 March 2010, the value of your assets must be less than \$37,500.

For an **assisted** resident:

- as at 20 March 2010, the value of your assets must be between \$37,500 and \$60,500.

Please note:

- **Concessional residents** cannot be asked to pay either an accommodation bond or an accommodation charge.
- **Assisted residents** can be asked to pay a small accommodation bond or accommodation charge. The maximum amount you can be asked to pay will depend on the amount of your assets.
- The amounts above are adjusted in March and September each year in line with changes to the basic age pension amount.

The timing of your assets assessment

If you have not already entered an aged care home, your assets assessment will be based on your assets at the time the assessment is undertaken.

If you entered an aged care home before your assets assessment, the assessment will be based on your assets on the date you entered the home.

Gifted assets

If you have made a gift from 10 May 2006 of over \$10,000 in a single financial year, or \$30,000 over 5 consecutive financial years, the amount above these limits will be considered in your assessment.

Your home and the assets assessment

The value of your home **will not** be counted as an asset and you **will not** be regarded as a homeowner (when determining eligibility to be a concessional or assisted resident) **if, at the relevant time:**

- your **partner** or **dependent child** is living there, or
- your **carer**, who is eligible for an income support payment, has lived there for the past 2 years, or
- a **close relation** (either your parent, sister, brother, child or grandchild) who is eligible for an income support payment has lived there for the past 5 years.

If none of these situations apply to you, your home will be counted as an asset and you will not be eligible to be a concessional or assisted resident.

If your home is counted as an asset, you do not need to have it professionally valued. An approved government valuer will verify the estimated value of the property at no cost to you. In some cases, the valuer may need to enter your home or property to verify its value. However, this will not occur unless you give your prior consent. Centrelink or DVA will contact you if this is necessary.

Please note:

- It is not necessary for your **carer** to have received a Carer Payment or Carer Allowance from Centrelink in order to be considered a carer. However, they must be eligible to receive a Centrelink or DVA income support payment at the time of the assessment, or the date of your entry to care, whichever is earlier.
- Your carer or close relation will need to give their consent in the form to enable Centrelink or DVA to verify their eligibility for an income support payment.

Retirement Villages

Agreements with retirement villages include a variety of arrangements for sale proceeds or entry contribution refunds when a resident leaves the village. The amount repayable to you after your departure from the retirement village is the amount that will be included in the assets assessment and it will be used to determine whether you are considered to be a homeowner (for determining eligibility to be a concessional or assisted resident). (See also *Owners of homes with a low value* on this page.)

If your retirement village agreement allows you to choose when you take your refund, the amount that you are able to choose to accept on your departure from the village is the amount that will be included in the assets assessment. If your agreement allows the retirement village to keep the whole amount of the refund for a period after your departure, the total amount of the refund will still be included in the assets assessment.

Some contract arrangements with retirement villages may cause a person to experience financial difficulty when they seek to enter permanent residential aged care. If so, you may be eligible for financial hardship assistance.

(See *Financial difficulties in paying an accommodation bond or charge* on page 7 and also *Owners of homes with a low value* on this page.)

Owners of homes with a low value

When determining eligibility to be a concessional or assisted resident, if you (and/or your partner) have owned or part-owned a home with a low value, including a mobile home, a caravan, or boat (or similar dwelling) in the past 2 years, and have lived permanently in that home, you will **not** be considered to be a **homeowner** in the following circumstances:

Eligibility to be a **concessional** resident:

- if your share of the home is valued at less than 2.25 times the basic age pension amount (\$37,500 at 20 March 2010). However, if this applies to your circumstances, your share of the value of the home will still be included as an asset in the assessment.

Eligibility to be an **assisted** resident:

- if your share of the home is valued at less than 3.61 times the basic age pension amount (\$60,500 at 20 March 2010). However, if this applies to you, your share of the value of the home will still be included as an asset in the assessment.

Definition of a partner

For the purpose of the assets assessment, a **partner** can be either:

- a person you are legally married to, and are living with on a permanent basis, or
- a person who lives with you in a de facto (opposite or same-sex) relationship, although you are not legally married to that person, or
- a person you are legally married to, or who you were living with in a de facto (opposite or same-sex) relationship, until you began living apart on a permanent basis due to health or health related reasons, for example, if the person entered permanent residential aged care, or
- a person in a registered relationship.

If you have a spouse or partner, the value of your assets will be taken to be 50% of the total value of your assets and your spouse's or partner's assets.

Definition of a dependent child

To be a **dependent child** for the purposes of the assets assessment, the young person must be:

- (a) under 16 years of age, or
- (b) aged 16 to 24 years and receiving full-time education at a school, college or university, and
- (c) **not** be in full-time employment, or be receiving a pension or benefit through Centrelink.

You must be **legally responsible** (whether alone or jointly with another person) for the young person's day-to-day care, welfare and development, or under a legal obligation to provide financial support in respect of the young person.

Who will undertake your assessment?

Centrelink undertakes assets assessments for people who currently receive:

- an income support payment from Centrelink (listed on page 2)
- a war widow's or widower's pension, but **do not** also receive an income support supplement from DVA,

and other people who do not receive an income support payment from Centrelink or DVA.

DVA undertakes assets assessments for people who currently receive:

- an income support payment from DVA (listed on page 2)
- a war widow's or widower's pension **as well as** an income support supplement from DVA.

To help people who currently receive an income support payment, Centrelink and DVA may use information they already have from assessing assets for income support payments.

Notification of the outcome of an assets assessment

Centrelink or DVA will provide you with a decision as to whether or not you are eligible to be a concessional, assisted or supported resident, and the assessed value of your assets.

Centrelink or DVA will **not** advise an aged care provider of the outcome of your assets assessment.

If you are assessed as eligible to be a **supported** resident and advised that your accommodation

bond or accommodation charge will be fully subsidised, you will also be given a separate statement for aged care providers confirming this. You will need to give this statement to your aged care provider. The separate statement will not include the value of your assets.

If you are assessed as a **supported** resident, but you are also eligible to make a contribution towards an accommodation bond or accommodation charge, Centrelink or DVA will give you 2 separate statements for aged care providers: one will confirm your supported resident status and the other will confirm the value of your assets. You need to give both statements to your aged care provider to calculate the maximum amount of your accommodation bond or the rate of your accommodation charge.

If you are assessed as eligible to be a **concessional** or **assisted** resident, Centrelink or DVA will give you a separate statement for aged care providers confirming this. You will need to give this statement to your aged care provider. If you are eligible to be an assisted resident, the information will help the provider to calculate the maximum amount you may be asked to pay as an accommodation bond or charge.

If you are assessed as **not eligible** to be a supported, concessional or assisted resident, you will also receive 2 separate statements for aged care providers confirming your resident status and the value of your assets. You may choose to pass these statements on to your aged care provider. However, this is not a Government requirement.

If you are assessed as eligible to pay an accommodation charge, the Department of Health and Ageing will write to you or your aged care provider will advise the rate of your accommodation charge.

Expiry date of assets decisions

Your letter from Centrelink or DVA will have an expiry date showing when the decisions will lapse.

If you have not entered care before this date, you will need to request a new assets assessment.

After you enter permanent residential aged care **you will not need to apply for another assessment** unless you have moved into a new home, or are intending to move into a new home, and you:

- move to the new home more than 28 days after leaving the earlier home, or

- paid an accommodation bond in the first home AND you will not be paying a bond in the new home, or
- you paid an accommodation charge in the earlier home AND you believe that you would benefit from a new assessment for the new home.

Review of decisions made as part of the assets assessment

If you disagree with the decisions on the value of your assets or your eligibility to be a concessional, assisted or supported resident, you may request a review by Centrelink or DVA. A request for a review must be made in writing, **within 28** days of receipt of advice of the decision, and must include your reasons for seeking a review.

If you are not satisfied with the outcomes of the review processes conducted by Centrelink or DVA, you are able to appeal to the Administrative Appeals Tribunal.

Financial difficulties in paying an accommodation bond or charge

If you are required to pay an accommodation bond or an accommodation charge and because of your special circumstances this causes you genuine financial hardship, you may be eligible to receive financial assistance.

Residents who face difficulties may apply to the Department of Health and Ageing for financial assistance. Further information may be obtained by contacting the Department's Aged Care Information Line on 1800 500 853.

Change of circumstances

If you have **not entered care**, and your assets change significantly, you may request another assets assessment, even if your assessment is still current.

If your assets circumstances change after you have entered care, there will be no effect on your assets assessment. However, if you are a pensioner, you are still required to advise Centrelink or DVA of these changes as they may affect your pension.

About the information you give

Legal authority

The use and disclosure of information collected by the Department of Health and Ageing, Centrelink and the Department of Veterans' Affairs (DVA) is governed by Part 6.2 of the *Aged Care Act 1997*, which deals with the protection of information, and the Information Privacy Principles in the *Privacy Act 1988*.

Why we need this information

Centrelink and DVA are collecting information on behalf of the Department of Health and Ageing for the purpose of undertaking assets assessments for entry into permanent residential aged care.

The information enables Centrelink and DVA to decide whether you are eligible to receive Government assistance in respect of your residential aged care accommodation bond or accommodation charge. If you are eligible, the Department of Health and Ageing will pay an accommodation supplement to an aged care home on your behalf.

The information collected will also be used to make a decision on the value of your assets, and to inform you of this decision. This will help to work out how much you can be asked to pay for your accommodation bond or charge.

Disclosure of the information you provide

Information you provide may be disclosed to:

- Centrelink or DVA for the purpose of undertaking the assets assessment, and
- the Department of Health and Ageing and Medicare Australia for the purpose of:
 - enabling payment of an accommodation supplement to an aged care home on your behalf
 - working out the amount of your accommodation charge (if applicable), and
 - confirming previous concessional, assisted or supported resident status (if applicable)
- an approved Government valuer of land, houses or buildings, for the purpose of verifying the value of your property.

The information you provide may also be disclosed according to provisions in the *Aged Care Act 1997* and the *Privacy Act 1988* which allow the disclosure of the information in certain circumstances.

The information you provide may also be used to assess your income under the *Aged Care Act 1997*.

If you consent, this information may also be used by Centrelink or DVA to update assets information in relation to your eligibility for an income support payment.

Where to post the completed form and supporting documentation

Centrelink

Post your form and supporting documentation to **Centrelink** if:

- you receive an **income support payment** (such as an Age Pension or a Disability Support Pension) from Centrelink, or
- you **do not** receive an income support payment from either Centrelink or the Department of Veterans' Affairs.

All States/Territories

Centrelink
Aged Care Assets Assessments
PO Box 1564
MOORABBIN VIC 3189

Department of Veterans' Affairs (DVA)

Post your form and supporting documentation to the **DVA office in your State or Territory** if you receive an **income support payment** (such as a Service Pension or an Income Support Supplement) from DVA.

ACT/NSW

Department of Veterans' Affairs
Aged Care Assets Assessments
GPO Box 9998
SYDNEY NSW 2001

QLD

Department of Veterans' Affairs
Aged Care Assets Assessments
GPO Box 9998
BRISBANE QLD 4001

SA/NT

Department of Veterans' Affairs
Aged Care Assets Assessments
GPO Box 9998
ADELAIDE SA 5001

TAS

Department of Veterans' Affairs
Aged Care Assets Assessments
GPO Box 9998
HOBART TAS 7001

VIC

Department of Veterans' Affairs
Aged Care Assets Assessments
GPO Box 9998
MELBOURNE VIC 3001

WA

Department of Veterans' Affairs
Aged Care Assets Assessments
GPO Box 9998
PERTH WA 6001
