

Application Form for Refundable Accommodation Deposit Approval

Version
August 2022

This form should be used to apply for approval of refundable accommodation deposits (RAD) that are more than \$550,000 or the equivalent daily accommodation payment (DAP).

If you are not sure this is the right form, read [RAD approvals](#) and [applying for RAD approvals](#) on our website.

Application Form for Refundable Accommodation Deposit Approval

When will I hear the outcome?

The Independent Health and Aged Care Pricing Authority (IHACPA) will process your application within **60 calendar days** of receiving your application. If you have an urgent business or operational need that requires approval, please call us on +612 8215 1100 and tell us:

- why your application is urgent
- when you would like to receive a decision.

If you need help

Some questions in this form have a question mark icon (?) to assist you in completing this form. Select the icon to see more information about that question in the [Help section](#). If you have any further questions or require assistance in completing the form, please contact us on +612 8215 1100 or enquiries.ihacpa@ihacpa.gov.au.

How to submit

Please complete the checklist on Page 8 of this document before you submit the application. Submit the original completed form (not a scanned copy) and all supporting files by:

- emailing to enquiries.ihacpa@ihacpa.gov.au
 - each email with attachments should be no more than 30MB, send several emails if needed
 - if you are having problems with emailing large files, please contact us for options.
 - you will receive an automatic reply when we have received your email. If you do not receive an automatic reply, please call us on +612 8215 1100.
- posting to: PO Box 483
Darlinghurst NSW 1300
- We cannot process incomplete applications. If we need to contact you for more information, this may delay our decision.
- Keep a copy of your application (including any supporting documentation) in your records to help with future applications.

Your privacy

The information you provide is confidential. It is protected information under the *Aged Care Act 1997*. We will not use or disclose it for any other reason except to assess your application.

Contact and provider details

1. Who can we contact if we need more information about this application?

| | | | | | |
|-----------------|-----------------------------|------------------------------|-----------------------------|-------------------------------|----------------------------|
| Title | Mr <input type="checkbox"/> | Mrs <input type="checkbox"/> | Ms <input type="checkbox"/> | Miss <input type="checkbox"/> | Other <input type="text"/> |
| Name | <input type="text"/> | | | Email | <input type="text"/> |
| Position | <input type="text"/> | | | Phone | <input type="text"/> |

2. Who should we address our decision letter to?

| | | | | | |
|-----------------------|-----------------------------|------------------------------|-----------------------------|-------------------------------|----------------------------|
| Title | Mr <input type="checkbox"/> | Mrs <input type="checkbox"/> | Ms <input type="checkbox"/> | Miss <input type="checkbox"/> | Other <input type="text"/> |
| Name | <input type="text"/> | | | Email | <input type="text"/> |
| Position | <input type="text"/> | | | | |
| Postal address | <input type="text"/> | | | | |

3. Provider details

| | |
|----------------------|-----------------------------|
| Provider name | Approved Provider ID |
| <input type="text"/> | <input type="text"/> |

Aged care home details

4. General details of aged care home

| |
|----------------------------------|
| Name of aged care home |
| <input type="text"/> |
| Service ID (NAPS or RACS) |
| <input type="text"/> |
| Address |
| <input type="text"/> |

Accommodation groups and rooms

5. Accommodation groups in your aged care home



List and describe all accommodation groups for which you are applying for a RAD price. Include a brief summary of features common to each group. Explain how each group is different from other accommodation groups in this aged care home, including groups that are not in this application.

Example description:

This group offers an electronic king single bed, walk-in wardrobe, flat screen TV, air-conditioning and ensuite in all 10 rooms, a balcony in six of the 10 rooms, the same window dressings in all rooms, and exclusive access to the rooftop terrace for all rooms. This group is different from the classic accommodation group because it offers higher quality furniture, larger room size, and better views.

| Accommodation group name | Number of rooms | Proposed RAD price per room (\$) | Maximum number of residents in the room | Description (suggested max. 150 words) |
|--------------------------|-----------------|----------------------------------|---|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

6. Spreadsheet: room details

☐ Complete the room list tab of the **RAD Application Data Sheet**.

7. Photos of rooms



☐ Attach photos of a representative room and ensuite for each accommodation group.

☐ Attach photos of any special room features that help justify the price such as a superior outlook, kitchenette or separate living area.

Common areas and plans

8. Spreadsheet: common areas

- ☐ Complete the common areas tab of the **RAD Application Data Sheet**.

9. Photos of common areas

- ☐ Attach photos of common areas accessible to residents of these rooms.
- ☐ Attach photos of special features such as areas recently renovated or high-cost features such as a hydrotherapy pool.

10. Floor plan and site plan

- ☐ Attach a clear floor plan that identifies room numbers and accommodation groups (not required if it has not changed since you last provided it to us).
- ☐ Attach a site plan of the aged care home if available (not required if it has not changed since you last provided it to us).

Pricing rationale

11. Rates and ratios

Occupancy rate of the aged care home (12-month average)

(not required for new buildings)

Supported resident ratio of the aged care home (12-month average)

(for new buildings, provide your target ratio once fully occupied)

12. Extra service and additional services fees

Do you offer these rooms on an extra service basis?

If yes, attach a copy of your benchmark list.

☐

Yes

☐

No

Is there an additional services fee for residents (including packages) that is charged as a condition of entry for these accommodation groups?

☐

Yes

☐

No

If yes, list fee amount and the items and services included.

13. Land and building costs or values

Select the option that best describes your aged care home:

☐

Existing aged care home with no major refurbishment or construction **(complete Table 13a)**

☐

Existing aged care home with major refurbishment or construction (such as refurbishing common areas and a large number of resident rooms, combining two separate rooms into one larger room, doing a major renovation, or constructing a new wing) **(complete Table 13b)**

☐



New aged care home (*home was built recently, currently being built, or about to be built*) **(complete Table 13c)**

Completion date of major refurbishment, major construction, or construction of new aged care home

Complete **one** of the following **three** tables that apply to your aged care home.

Attach the evidence of the cost or value. Select the question mark icon for the full list of documents you can use as evidence.

13a. Existing aged care home with no major construction or refurbishment

| Category | Value (\$) | Name of document and page number that provided evidence (attach document) | If cost or value is different to the evidence, explain why |
|--|------------|---|--|
| Land  | | | |
| Building Value  | | | |

Question 13 continues over the page

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13. Land and building costs or values (continued)

13b. Existing aged care home with major refurbishment or construction

| Category | Value (\$) | Name of document and page number that provided evidence (attach document) | If cost or value is different to the evidence, explain why |
|---------------------------------|------------|---|--|
| Land ? | | | |
| Building value ? | | | |
| Refurbishment or construction ? | | | |

Please provide details of costs of major refurbishments or construction.

| Category | Cost estimate (\$) | Describe the main components of expenditure |
|------------|--------------------|---|
| Fit out | | |
| Furnishing | | |
| Equipment | | |
| Other | | |

13c. New aged care home

| Category | Value (\$) | Name of document that provides evidence and page number (attach document) | If cost or value is different to the evidence, explain why |
|----------------|------------|---|--|
| Land ? | | | |
| Construction ? | | | |

Please provide details of costs of constructing the new aged care home.

| Category | Cost estimate (\$) | Describe the main components of expenditure |
|------------|--------------------|---|
| Fit out | | |
| Furnishing | | |
| Equipment | | |
| Other | | |

14. Factors justifying the proposed price for each accommodation group



Complete **one** of the following questions (14a OR 14b).

Do not use the cost of specified care and services (as set out in the [Quality of Care Principles 2014](#)) or maintenance costs to explain the price.

14a. If this is the first time you are applying for these rooms, OR you are applying for an increase (above permissible indexation) in your previously approved RAD, OR your previously approved RAD has lapsed:

State the reasons in support of your proposed RAD in 500 words or less. It is important to include all relevant information in support of your case.

14b. If you are re-applying for previously approved accommodation groups that are nearing the end of their first four-year approval period, and you are applying for the same price (or with permissible indexation) please respond to the following:

The quality and condition of these rooms is the same as when they were previously approved.

☐

Yes

☐

No

State why you think the accommodation groups in this application are still worth the same price? Please summarise your case in 500 words or less. It is important to include all relevant information in support of your case.

15. Provide more supporting information if you think it is relevant to your application. Attach evidence if you think it will help us to make a decision.

Checklist

Please note, your application cannot be processed until you have provided us with all the information we need. **Tick the boxes** below to check whether you have provided everything.

- ☐ Full rationale for the proposed RAD amount in [Question 14](#)
- ☐ Answers to all other questions that apply to you
- ☐ Floor plan
- ☐ Site plan, if available
- ☐ RAD history summary from last 12 months, if this was not included in the **RAD Application Data Sheet**
- ☐ Photos of rooms and ensuites
- ☐ Photos of common areas
- ☐ Photos of special features in rooms or common areas
- ☐ Evidence for land cost or value
- ☐ Extra service fee benchmark list, if applicable
- ☐ Evidence for building or refurbishment cost or value
- ☐ All tabs completed in the **RAD Application Data Sheet**

Declaration

I declare that:

- I am authorised to provide the above information
- the information supplied is true and correct
- I have not withheld any information likely to affect the assessment of this application.

Name

Date

Giving false and misleading information is a serious offence. Penalties may apply.

Help section

Accommodation groups

Question (5)

Accommodation groups are a number of rooms or parts of rooms that:

- have very similar size, quality, condition, comfort and features
- you are seeking to apply the same proposed RAD amount to.

For example, an aged care home may offer three types of rooms — standard, deluxe and luxury — at different prices.

We need information about your accommodation groups to help us better understand:

- how residents receive extra value for a higher RAD
- the differences between your accommodation groups
- how they are priced in comparison to one another.

→ [Back to Question 5](#)

Photos

Question (7)

Question (9)

If you have a large number of photos to submit, please send them in separate emails of no more than 30MB per email.

Photos must be clear and taken within the last six months.

Name each photo using the following pattern:

- Accommodation group name – description
Examples: Classic – whole room, Classic – ensuite, Classic – kitchenette
- Common area name – level
Examples: Dining room – ground floor, Sitting area – ground floor

Representative room and ensuite means they must accurately reflect all rooms in that accommodation group. If all ensuites are the same design for different accommodation groups, you only need to submit photos of one ensuite.

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→ [Back to Question 9](#)

Supported resident ratio

Question (11)

The supported resident ratio is also known as the concessional ratio. It is the percentage of residents at an aged care home who are supported residents. A supported resident's accommodation costs are fully or partly subsidised by the Australian Government because they have low assets.

Knowing the supported resident ratio helps us to assess your application. For example:

- when we look at the RAD history, a high supported resident ratio may explain why only a few residents have paid the maximum RAD
- if your aged care home has rooms with higher RADs, it is helpful to know you also offer rooms for lower RADs or supported residents.

[!\[\]\(e474458956c9a37fbf9586ddb60a7fa1_img.jpg\) **Back to Question 11**](#)

Extra service and additional fees

Question (12)

Knowing about these fees (and what they cover) allows us to better compare different aged care homes in a local area. For example, two aged care homes in a local area may have accommodation groups at the same RAD price:

- one home offers free Wi-Fi, free access to pay TV, and a free large smart TV.
- the other charges an additional services fee of \$25 per day for the same services.

This helps us to assess the value to the resident at each home. If the cost of care and services are part of your justification for the proposed RAD, we need to confirm that:

- they are not any of the specified care or services set out in the Quality of Care Principles 1997
- you are not charging residents for these services (now or in the future), including through extra service fees or additional fees.

[!\[\]\(7d1d6890825e83a6a4a51febe2dcc7f3_img.jpg\) **Back to Question 12**](#)

Land and building costs or values

Question (13)

Provide values that are relevant to the aged care home in this application. Do not include any other buildings on site, such as Independent Living Units or other care facilities.

[!\[\]\(28f72b996fc97883dfd9d4e8b1b16b4e_img.jpg\) **Back to Question 13**](#)

Help section:

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Land value or costs

Question (13)

For new residential aged care homes or existing aged care homes undertaking major construction, provide the cost of the land acquired for construction. If you constructed on existing land, provide the value of that land. For all other existing aged care homes, provide the value of the existing land.

Provide one of the following as evidence:

- Council rates notice from within the last 12 months showing land value
- Land (or facility) valuation conducted in last three years by a qualified valuer who is a member of the Australian Property Institute
- Contract of sale if purchased in the last three years
- Land Value Search document from State Government Valuer General.

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Building value

Question (13)

Provide one of the following as evidence of the value of the buildings:

- Insurance policy (or extract) from within the last 12 months showing the Insurance Replacement Value of this facility. Ensure you show the insurance replacement value of this facility, not the limit of liability of the policy.
- Building valuation conducted in last three years by a qualified valuer who is a member of the Australian Property Institute — provide the core value (excluding the net present value of the RADs)
- If the facility is leased, copy of lease showing annual rent.

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Help section:

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Construction or refurbishment costs

Question (13)

Construction or refurbishment costs should:

- exclude project management fees
- identify if fit-out, furnishing and equipment costs are included.

Provide **one** of the following as evidence of the cost or value of construction or refurbishment:

- contract for construction
- a quote or quantity surveyor's estimate of the cost of construction of a new facility
- the most recent quantity surveyor's progress valuation report showing value of
- work completed and value remaining.



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Pricing explanation

Question (14)

Your explanation may include:

- an overview of why you think the proposed RADs represent value for the residents
- how you worked out the RAD amounts
- the business considerations or strategy which support the proposed RADs
- the costs of construction or refurbishment that you want to recoup
- the benefits provided to the resident from any improvements to infrastructure (such as renovations, refurbishments or new construction)
- design features
- unique features of the accommodation or location that provide value to residents
- analysis of competitors and where this aged care home fits in the local market
- median house price changes in the local area
- specific needs that are not being met in the local area, such as dementia-specific or higher-end rooms.

If you are applying for a price we approved in the last four years, tell us why you think it is still worth the same price.



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