
All District Health Boards

Changes to premium charging rules for aged residential care facilities

What are premium rooms and premium room services in aged residential care facilities?

Sometimes residents pay a premium for rooms and services at aged residential care facilities – for example, premium rooms might have an ensuite bathroom or are larger. Premium room services might include shared facilities like gardens and recreational equipment, special outings and Sky TV.

Premium rooms cost more per day than standard rooms, and their rates can vary across different aged residential care providers.

Residents in aged residential care are entitled to a high standard of care, regardless of their financial means or what room they occupy. Those residents who pay for premium accommodation don't receive a higher standard of care than others. They may simply have different surroundings in which they receive their care.

Changes to premium charging ('accommodation premium') rules for Aged Residential Care

From 1 November 2020, three changes take effect:

1. Aged residential care providers must publish accommodation premiums on their websites
2. When a resident wishes to opt out of premium rooms or premium room services, the notice period for doing this will increase
3. Aged residential care providers can waive the notice period mentioned in (2) when a resident is experiencing financial hardship.

More detail on the changes:

1. **Aged Residential Care providers must publish accommodation premiums on their websites.**

On 1 November 2020, all aged residential care providers are required to publish their accommodation premiums (the price for premium rooms) on their websites. This allows those entering aged care, their families, and others, to view fully transparent pricing.

Definitions

Premium Rooms: A room with additional features of a permanent or fixed nature, which constitute Premium Room Services. For example, a premium room may have an ensuite.

Premium Room Services: The services that arise from the additional features of a permanent or fixed nature in a Premium Room. For example, Premium Room Services might include shared facilities like gardens and recreational equipment, special outings and Sky TV.

2. When a resident wishes to opt out of premium rooms or premium room services, the notice period for doing this will increase.

- The notice period required for a resident who wants to stop receiving Premium Room Services at any facility has increased to six months. Residents may now give notice six months after the date of admission to a Premium Room Service (until 1 November, residents needed to give two months' notice). The notice comes into effect three months after it is given.
- Effectively, a resident who chooses to receive Premium Room Services may decide on each six-month anniversary of admission that they no longer wish to pay for a Premium Room. The facility has a further three months to move them either to a Standard Room, or a Premium Room that does not attract premium charges. For example, if a resident moved into a room in January and gave their 6 months notice in June, they would then need to wait until September before vacating.

3. If a resident experiences financial hardship, aged residential care providers can waive the notice period.

- If, before the six-month anniversary date as mentioned above, a resident who agreed to pay for Premium Room Services finds they are no longer able to meet the cost, they can advise the facility. The aged residential care facility may decide to waive or reduce the six-month notice period.
- The facility must discuss this with the resident and may ask the resident to provide proof of the change in their financial position.

Prepared by:

