

**Distribution:** Public Hospitals  
Health Insurance Funds

**Subject:** Nursing Home & Nursing Home Type Patient Fee Adjustments

**Purpose:** The purpose of this circular is to advise hospitals and health insurance funds of the new nursing home and nursing home type patient fees and to amend their H&CS Fees Manual accordingly.

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Advice has recently been received that the standard rate pension will increase by \$0.95 to \$159.05 per week and rent assistance will increase by \$0.20 to \$34.20 per week from 24 March 1994. The increases take the combined rate of pension and rent assistance from \$192.10 to \$193.25 per week.

Consequently, a revised minimum statutory resident contribution of \$24.15 per day (\$169.05 per week) has been determined for residents in non-governmental nursing homes approved under the National Health Act. This represents 87.5% of the standard rate of pension plus rental assistance rounded to the nearest five cents.

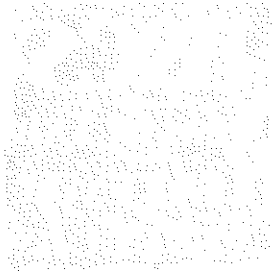
The increase in the resident contribution will take effect from 24 March 1994.

As a result of the changes to the nursing home and nursing home type patient fees effective 24 March 1994, could you please make the following amendments to your copy of the Fees and Charges for Acute Health Services in Victoria: A Handbook for Public Hospitals:

1. **Nursing Home Type Patients** - replace page 14 in Part 1, Fees for Admitted Patients. This change is effective from 24 March 1994.
2. **Nursing Home Fees** - replace page 2 in Part 3, Fees for Other Services. This change is effective from 24 March 1994.



**L J MORAN**  
Acting Director  
Acute Health Services



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## Ineligible Patients

Hospitals may set fees for patients who are not covered by Medicare, including overseas patients. In setting fees, hospitals should be aware that some overseas patients are entitled to free care because of reciprocal health care agreements.

Fees for ineligible patients should be set to achieve full cost recovery, unless specifically authorised by the Regional Director.

## Nursing Home Type Patients

The following fees are charged daily for nursing home type patients in public hospitals:

Basic Benefit (private patients)	\$61.56
Extensive Care (private patients - where applicable)	\$6.00
Patient Contribution (all patients)	\$24.15

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Total revenue for hospital	\$91.71
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(See section on Compensable Patients re: compensable nursing home patients)

*Date of effect: 24 March 1994*  
*Reference: Circular No. 7/1994*



## Nursing Home Fees

The following fees apply to nursing homes that continue to receive 'Frozen Benefits' from the Commonwealth Government and have not converted to the CAM/SAM funding model (that is, non-CAM/SAM homes).

	<b>FEE PER DAY(\$)</b>
Basic benefit	48.50
Extensive Care (where applicable)	6.00
Resident Contribution	24.15
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Total	78.65

Additional fees are payable by residents in non-CAM/SAM homes whose income is above the pension level. The maximum additional fee is \$14.00 per day. This additional fee is subject to an assessment of a resident's financial status.

For nursing homes that have converted to the CAM/SAM funding model (that is, CAM Modified SAM homes) the following applies:

Resident contribution	\$24.15
RCI 1 - 5 (including interim rate) depending on individual classification	\$79.92 - \$27.34
Modified SAM	\$27.71
OCRE	\$6.00

Resident contribution (all residents) of \$24.15 is deducted by the Commonwealth from the CAM Modified SAM fees and the balance is paid by the Commonwealth.

*Date of effect: 24 March 1994*  
*Reference: Circular No. 7/1994*

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