

Explaining the costs

Is an important part of caring

Once you've been assessed as needing care, the next step is to understand how the costs are structured.

This is broken down into two costs:

1.

The base care fee

This covers the cost of your daily clinical nursing care, meals, housekeeping and activities.

The base care fee is set by the Ministry of Health on an annual basis and relates to the provision of rest home-level care.

If you receive hospital or specialist dementia care, a government funded top up will be paid. Your local village manager will be able to explain this in more detail.

2.

The accommodation premium

This covers the cost of accommodation over and above the minimum standard and can include the following: private room, spacious room size, private ensuite and room aspect.*

Due to this, we charge an accommodation premium. The cost of this premium can vary depending on the type of room you choose. You have a choice in how you pay for it. In fact, payment option 2 outlined on the next page enables us to waive the accommodation premium completely.

*Room layouts can vary. Please check with your local village.

Here are your accommodation payment options

Option 1

Pay by an accommodation premium

You can choose to pay the accommodation premium for the length of your stay.

Please note, while you are reviewing the payment options and have already moved into your care room, the accommodation premium is charged as the default payment. If you choose to pay by refundable accommodation deposit, the full accommodation premium will continue until the refundable accommodation deposit has been paid and legal documentation is returned.

Please note:

The figures used in the following scenarios are examples only. Your accommodation premium and refundable accommodation deposit will vary dependent on the care room you choose.

Your village manager will be happy to discuss this further with you.

Option 1 example

Pay by an accommodation premium

Refundable accommodation deposit	\$0
Weekly accommodation premium	\$490

Cost when you pay by an accommodation premium after one year:

Accommodation premium (\$490 x 52 weeks)	\$25,480
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Option 2

Pay by refundable accommodation deposit (RAD)

The refundable accommodation deposit is a single upfront payment that you can choose to pay when you enter your care room. If you choose this payment option, our normal accommodation premium will **not** apply.

In addition to this, your upfront refundable accommodation deposit will be repaid in full no later than 30 working days after you vacate your care room. Or, from when you give notice to cancel the refundable accommodation deposit.

This means you will pay lower overall fees with the refundable accommodation deposit payment option.

Save \$25,480/year compared to paying an accommodation premium*

Option 2 example

Pay by refundable accommodation deposit (RAD)

Refundable accommodation deposit	\$490,000
Weekly accommodation premium	\$0
Cost when you pay by refundable accommodation deposit after one year:	
Accommodation premium (\$0 x 52 weeks)	\$0
Yearly saving compared to paying an accommodation premium	\$25,480
When you vacate your care room, the refundable accommodation deposit is repaid in full within 30 working days.	

Option 3

Pay by a combination

You can pay 50% of the refundable accommodation deposit up front and pay 50% of the accommodation premium for the length of your stay.

Save \$12,740/year compared to paying an accommodation premium*

Option 3 example

Pay by a combination

Refundable accommodation deposit	\$245,000
Weekly accommodation premium	\$245
Cost when you pay by combination after one year:	
Accommodation premium (\$245 x 52 weeks)	\$12,740
Yearly saving compared to paying an accommodation premium	\$12,740
When you vacate your care room, the refundable accommodation deposit is repaid in full within 30 working days.	

*Savings will differ dependent on the care room and village you choose.

Where to next?

We appreciate that moving into care can be a stressful time, with arrangements often being made within a short timeframe. While you and your family are adjusting to your new lifestyle, we want to give you as much time as possible to decide on a payment option.

Please note, when you enter your care room, the default payment option will be the accommodation premium.

However, the offer of paying by a refundable accommodation deposit or combination is available to you for the length of your stay. Please talk to us at any time about your payment options.

If you choose to pay by refundable accommodation deposit or combination:

Step 1

Fill in the attached application form and either send it to the email address on the form or hand it to your village manager.

Step 2

We will contact your solicitor and provide them with a disclosure statement and occupation agreement (and any other required documents).

Step 3

You must obtain independent legal advice if you are paying by refundable accommodation deposit or combination. Therefore, arrange to meet with your solicitor to sign the documents.

Step 4

You will need to arrange payment via your solicitor.

Step 5

Once we've received your signed documentation and the refundable accommodation deposit or combination payment, the accommodation premium will be adjusted in line with your chosen payment option.

Frequently asked questions

1. Do I need a solicitor? Yes, you are required to sign an occupation agreement and receive independent legal advice before signing the occupation agreement with a solicitor present.

2. What is an occupation agreement? An agreement that gives you the right to occupy a residential unit within a retirement village. The agreement specifies the terms and conditions of the right to occupy.

3. What is a Statutory Supervisor? Statutory Supervisors are independent bodies licensed by the Financial Markets Authority and are a requirement under the Retirement Villages Act (2003). A Statutory Supervisor is appointed to safeguard the interests of village residents. Among other things, they act as an independent stakeholder for payments by residents to the village and monitor the financial position of the village for the security of the resident's interests.

4. Who do I pay the funds to? You pay the funds to your solicitor's trust account. Your solicitor will pay the funds to the Statutory Supervisor as required under the Retirement Villages Act (2003).

5. Can a third party be recorded as paying the refundable accommodation deposit? Yes, we can note a family trust or other parties. However, the occupation agreement must remain in the name of the resident. Probate would still be required by the Statutory Supervisor for repayment if the resident has passed away.

6. How is my money secured? The Statutory Supervisor has a mortgage over the village to secure your money. You also have the protections provided for under the Retirement Villages Act (2003).

7. What other ongoing costs will I have? Along with your chosen accommodation payment, you will be required to pay the cost of your daily care (the care fee), unless you are receiving a residential care subsidy, in which case the fee will vary. Your village manager will be happy to discuss this with you further.

8. Is a deferred management fee taken from the refundable accommodation deposit? No.

9. Can I withdraw from the refundable accommodation deposit payment option at any time? Yes, however you must provide notice. We will repay the refundable accommodation deposit no later than 30 working days from when you provide us notice. The full accommodation premium will recommence once the refundable accommodation deposit has been repaid.

10. Can I change from a combination payment option to a full refundable accommodation deposit? Yes. You will need to sign a new occupation agreement with your solicitor present. **Please note, if for example, you are waiting on a term deposit to clear or your house to sell and you plan to change from a combination payment to a full refundable accommodation deposit once this is confirmed, please make your village manager aware so we can document this.**

11. Can I change from a full refundable accommodation deposit to a combination payment option? Yes. Notice must be given, and you will be required to sign a variation of the occupation agreement. We will repay the difference within 30 working days of receiving your signed documentation. The accommodation premium payment will recommence once the refundable accommodation deposit has been repaid. **Please note, see payment option two for your accommodation premium payment details.**

12. Who will repay the refundable accommodation deposit? Ryman will pay the funds to the Statutory Supervisor within 30 working days from when you vacate your care room, or from when you provide notice to cancel or change the refundable accommodation deposit. The Statutory Supervisor will make repayment after receiving their required documentation.

13. If an estate is to be repaid, is probate required? Yes. The Statutory Supervisor will hold the refundable accommodation deposit repayment on an interest-bearing deposit (for care of the estate) in their solicitor's trust account until probate is granted and any other documentation they require is provided.



Care payment options application form

Resident details

First name:

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Middle name:

.....

Surname:

.....

Village name:

.....

Care room number:

.....

Daily accommodation premium:

\$

I would like to update my payment option to (tick one):

☐

Refundable accommodation deposit

Total: \$

☐

Combination

50% of the refundable accommodation deposit

And 50% of the daily accommodation premium

Total: \$

Please note, when you enter your care room and before you have made a payment choice, the default payment option will be the full daily accommodation premium.

Is a family trust or other parties providing payment?

☐ Yes
 ☐ No

Name of trust or other parties:

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Solicitor details

Solicitor name:

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Firm name:

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Phone number:

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Email:

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Application continued overleaf >

Application form continued...



The personal information you provide to us in this application form will be stored, used and disclosed in accordance with Ryman's privacy policy. This is available at www.rymanhealthcare.co.nz/privacy-policy or upon request.

Terms and conditions of application

1. I apply to enter into an occupation agreement for the care room detailed overleaf, using the payment option I have selected. The terms and conditions of the occupation right are set out in the disclosure statement and occupation agreement relating to the care room.
2. I acknowledge that this application is not binding on the Ryman village operator until such time as it is signed or confirmed as accepted in writing by the Ryman village operator. The Ryman village operator may decline this application without giving any reason.

For further information please refer to the occupation right agreement and disclosure statement for the care room that will be provided to your solicitor.

Signature:

☐

I am the resident

☐

Signing for and on behalf
of the resident

Date:

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Relationship to resident:

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Print full name:

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Email:

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Mobile number:

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Please send your completed application form to caresuites@rymanhealthcare.com or hand it to your village manager. Any questions should be directed to your village manager.