



April 2012

### **Nursing Home Cost of Accommodations (Room and Board)**

#### **Overview**

Residents in manors and private nursing homes are now funded by Health PEI for basic health related costs.

Residents are still responsible for the accommodation (room and board) cost as well as their personal expenses.

Private nursing homes have various rates for their accommodation charges for their own respective facilities, (unless a resident has qualified for a government accommodation subsidy).

The 2012 accommodation cost for nursing home residents with a government accommodation subsidy is \$77.60 per day. Islanders with a net annual income less than \$30,000 may qualify for a subsidy and can apply to the Long-Term Care Subsidization Program.

#### **Long-Term Care Subsidization Program:**

Island Residents who wish to apply for this program must disclose all annual income information and provide appropriate Income Tax information. To inquire about the details of the program call;

**1-888-365-5313**

#### **Long-Term Care Subsidization Program - Details:**

**What papers do I need to accompany my application?**

(Answers are on the next page)

In applying for subsidization, the applicant must provide:

- a) a copy of his/her *Income Tax and Benefit Return* as submitted to the Canada Revenue Agency (CRA) for the previous two tax years; and
- b) a copy of the *CRA Notice of Assessment*

Where the applicant has a spouse, a copy of his/her *Income Tax and Benefit Return* and *Notice of Assessment* must also be provided. In some cases, other financial information may be required in order to complete the financial assessment process.

Applicants for subsidization will be required to participate in a financial assessment process to determine eligibility. The financial assessment is essentially an income test based on the applicant's net income (Line 236) as reported on the applicant's Canada Revenue Agency (CRA) *Income Tax and Benefit Return* and verified by the *CRA Notice of Assessment* for the preceding year.

Assessed income is the net income of the applicant, or if the applicant has a spouse living in the community, the net income of both applicant and spouse, less certain exemptions as provided for in the Act. Where the applicant has a spouse living in the community, the total assessed income is split on a 50/50 basis.

If the applicant's assessed income is less than the cost of care, then they are eligible for subsidization. The cost of care for determining eligibility is the monthly cost of accommodation plus a provision for comfort allowance.

A subsidized resident is required to contribute all of their income towards their accommodation costs. However, residents will no longer be required to use assets to pay for their stay in a nursing home.

Each subsidized resident's assessed income will be reviewed annually to determine if there has been any changes in the resident's eligibility status.

<http://www.healthpei.ca/>