



📷 The soaring cost of luxury nursing homes makes it harder for average families to find care.

NSW

Aged care bond prices leave many elderly out in cold

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PENSIONERS are trapped in the same home-hunting plight as their grandkids, forced to take out million-dollar mortgages just to pay for a place in aged care.

Sydney nursing homes now demand up to \$2.7 million for a room, while hundreds of homes have won federal government approval to charge more than \$550,000 for a place in care.

The state government has warned that sky-high bonds are a barrier to aged care, with a shortage of subsidised places for those too poor to pay.

It told the federal health department that elderly people “who are unable to pay a large bond on entry appear to be ‘unattractive’ to care providers”.

“In some areas there are many financially disadvantaged consumers who struggle to obtain beds in facilities because there are limited places available for disadvantaged people,” it said.

The opulent Mark Moran “aged care and wellness precinct” at Vacluse charges a bond of between \$1 million and \$2 million for a room.

A single ensuite room at Cranbrook Care’s luxury Landsdowne Gardens complex requires a \$2.7 million bond and \$80.75 a day for “extra services”.

Bupa charges \$960,000 for a place in its Willoughby centre, \$900,000 at its Queens Park nursing home and \$800,000 at its Mosman centre — plus \$63.44 a day in “care fees and extra services”.

Anglicare charges up to \$997,000 for a suite or \$697,000 for a standard room at Elizabeth Lodge in Rushcutters Bay.

Advantaged Care at Bondi Beach charges \$725,000 for a standard room, \$1.1 million for a superior room and \$1.45 million for “penthouse” accommodation.

Bonds, known as “refundable accommodation deposits”, work like an interest-free loan to aged care homes, which invest the money and refund the original amount — minus any deductions such as building refurbishment fees — to the resident’s estate upon death.

The federal government has given 215 aged care homes the green light to charge more than the maximum bond of \$550,000 for 12,780 rooms.

More than 20 nursing homes now charge more than \$1 million for a total of 1328 rooms, with another 6109 rooms priced at \$700,000 to \$1 million.

La Trobe Financial, which offers “aged care loans” at a 5.6 per cent interest rate over seven years, has lent up to \$750,000 to elderly customers who do not want to sell the family home to pay for a bond.

“(Bonds) are expensive but the new facilities are very well appointed and have excellent services and surroundings,” La Trobe Financial vice-president Martin Barry said yesterday.

Seniors Rights Service chief executive Russell Westacott said the soaring cost of luxury nursing homes made it harder for average families to find care.

“Many people are increasingly demanding aged care with luxury services and trimmings,” he said. “Ultimately this squeezes people out of the end of the market that caters to basic care needs.”

Aged Care Guild chief executive Cameron O’Reilly, representing the major operators, said the bonds reflected land values and development costs: “A bond will be higher in places like Sydney or Melbourne ... just as houses cost more in those locations, so do aged care facilities.”