

Probate and the Return of a Lump Sum after the Death of a Resident

Your questions answered.

We understand that managing the affairs of someone who has died can be a challenging time. To help ease the administrative burden, we have compiled a short FAQ to help guide you through the process of returning a lump sum.

Q. How is the RAD lump sum refunded after a resident has passed away?

A. If a resident passes away, Opal HealthCare will refund the lump sum **to the estate of the deceased resident**, minus any other allowable amounts (such as any outstanding fees). *For residents who entered aged care after 1 November, providers are required to retain 2% of the lump per annum. Retentions are calculated daily and deducted monthly and cease after 5 years in care.*

The refund will be made within 14 days of receiving one of the following **certified** documents:

- 1. A Grant of Probate.** Probate is the process of legally validating a deceased person's will. Probate is granted by the court and is a legal document. To obtain a Grant of Probate, we recommend that you engage a general solicitor to make the application on your behalf. If the resident's will is being contested for any reason, this needs to be resolved by the court during the probate process before Opal HealthCare can refund the lump sum.
- 2. Letters of Administration.** This is specifically for people who die without a valid will in place. Letters of Administration is a court order, which allows a person appointed by the court, to distribute the estate of the deceased person who died without a valid will.

Q. How do I send my documentation to Opal HealthCare? Please send your documentation via email to billing@opalhealthcare.com.au or via regular mail to GPO Box 1172, Sydney NSW 2001.

Q. Can the requirement for a certified copy of documents be waived?

Opal HealthCare is unable to process a lump sum refund without receiving a certified copy of the Grant of Probate (and will) or Letters of Administration. This requirement safeguards the resident's estate and ensures that no later or superseding will exists.

Q. What other information do I need to provide in addition to the certified copy of Probate and will?

A. To facilitate the timely return of the lump sum, please also include a copy of the bankstatement of the estate. This should include the account name (which must be 'The Estate of') along with the BSB number and account number. Funds will only be refunded to the estate and not to the account of a living individual.

Q. Someone else paid the RAD on behalf of the resident. Can the lump sum be refunded to someone other than the resident?

A. If a third party, such as a family member, paid the lump sum on behalf of a resident, Opal HealthCare will still refund the lump sum (minus retentions) to the resident's estate (and not to the living family member). For this reason, it's important that a resident's will accurately reflects agreed-upon arrangements.

Q. Is interest payable on the lump sum?

A. Interest is not payable on a lump sum while a resident is in care. However, Opal HealthCare is obligated to pay interest to the resident's estate for any time the lump sum is held after the resident is deceased. The interest rate is set by the government.

Q. Can probate be waived under any circumstance?

A. No. Probate cannot be waived as it is required to confirm the validity of a will. This is in place to safeguard the wishes of the resident as documented in the will.

Q. Opal HealthCare recently acquired my Care Community; does this affect the refund of a lump sum?

A. Please be reassured that your lump sum was transferred to Opal HealthCare as part of the acquisition and will be returned to you in accordance with your resident agreement and relevant regulations.

Q. Who should I talk to if I have questions about the return of a lump sum?

A. We recommend you seek legal advice regarding questions around probate. For general questions about the refund of a lump sum, please call the Customer Support Manager in your Care Community or call our Billing Customer Service Team on 1300 200 653 or email us at billing@opalhealthcare.com.au