

## Fees and Charges for Residential Aged Care

Residents in Australian Government subsidised residential aged care can be asked to pay fees as a contribution towards accommodation costs, living expenses and the cost of care. Below is an overview of current fees and charges.

### Fees

There are five main types of fees that a resident of an aged care facility may be asked to pay:

- Basic Daily Fee
- Means Tested Fee
- Refundable Accommodation Deposit (RAD)
- Extra Service Charge
- Additional Service Fee

### Basic Daily Fee

All residents in aged care, including respite residents, can be asked to pay a basic daily fee as a contribution towards accommodation costs and living expenses, like meals, cleaning, laundry, heating and cooling.

The maximum basic daily fee for all permanent residents who first enter an aged care home on or after 1 July 2014 is 85% of the annual single basic age pension.

### Means Tested Fee

Depending on your income and assets you may be asked to pay a means-tested care fee. This is an additional fee that contributes to your day-to-day care costs, such as nursing and personal care.

*How much means-tested care fee will I be asked to pay?*

The amount you pay will depend on your income and assets; however, there are limits in place.

*How do I know if I will be asked to pay a means-tested care fee?*

Your Senexus aged care specialist will be able

to provide you with an estimate of the fees and charges you may have to pay towards your residential aged care.

*How are my income and assets assessed?*

Everyone entering an aged care home for the first time from 1 July 2014 will need to complete and lodge an income and assets assessment form which will be used to determine costs.

The government will use this form to determine the maximum means-tested care fee, if any, that you can be asked to pay.

*Will my means-tested care fee change over time?*

Yes, your means-tested care fee will change if your income and assets change. If your assessment reduces, you may receive a refund from your aged care home. If your assessment increases you may be asked to pay more; however, this will not be back-dated.

*Is there a limit on care fees?*

Yes. The annual limit (the most you can be asked to pay) for means tested care fees is \$25,000. Once this is reached, the Australian Government will pay these care fees for the rest of the year.

There is also a lifetime limit of \$60,000. This lifetime limit includes any fees paid as part of an income-tested Home Care Package, in addition to the means tested care fees.

### Refundable Accommodation Deposit (RAD)

In addition to the Basic Daily Fee and Means Tested Fee you may be asked to make an accommodation payment. This is for your accommodation in the home.

The amount you can be asked to pay is based on your income and assets, and will be one of the following:

- No accommodation costs - if your income and assets are below a certain amount, the Australian Government will

### Important

This document is only a guide to the Government's law and policies and does not take into account your individual circumstances. Senexus Aged Care Solutions recommends that you seek appropriate professional advice relevant to your particular situation.

# *Simplifying access to aged care*

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- pay your accommodation costs; or
- An accommodation contribution - if you are required to pay part of the cost of your accommodation, the Australian Government will pay the rest; or
- An accommodation payment - when you pay for the full cost of your accommodation.

The Department of Human Services will advise which applies to you based on an assessment of your income and assets.

### *How do I pay my accommodation costs?*

New residents will have the choice of paying for their accommodation as:

- a refundable lump sum (known as a refundable accommodation deposit or 'RAD');
- an equivalent daily payment (known as a 'daily accommodation payment' or 'DAP'); or
- a combination of the two

After entering a home, residents have a 28 day cooling off period in which they can decide how they would like to pay.

ple who have genuine difficulty paying their aged care payments and relevant ongoing expenses. Each case is considered on an individual basis.

Please ask your Senexus aged care specialist for more information.

### **Extra Service Homes**

Some aged care homes offer an extra service option for an additional fee. With an extra service option you receive a higher level of service or standard of accommodation. For example, you may receive a wider selection of meals or additional entertainment options (such as internet or pay TV).

The extra services fee and types of things included vary from home to home.

### **Financial Hardship Assistance**

There are financial hardship provisions for peo-

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