

Australian Aged Care Fees and Payment Options

|  |
| --- |
| **OVERVIEW**  The Commonwealth Government of Australia regulates fees payable by a resident in an aged care facility.  You can use the [**Residential Care Fee Estimator**](https://www.myagedcare.gov.au/fee-estimator/residential-care) to help you estimate what costs your aged care home may ask you to pay. Refer [**www.myagedcare.gov.au**](http://www.myagedcare.gov.au)or callMy Aged Care information line on **1800 200 422**.  There are strong protections in place to ensure care is affordable for everyone. The Australian Government regulates the maximum costs you may have to pay. You will never be denied the care you need due to individual financial circumstances. If for some reason you cannot afford the fees, as determined by the Commonwealth Government, you can apply to Centrelink for a Hardship Assessment. Centrelink will assess your application on a case by case basis. We recommend you seek independent financial advice with respect to your personal circumstances.  **All fees are payable monthly by direct debit on the 15th** (or next working day).  Three types of fees are payable:  **STANDARD RESIDENT CONTRIBUTION OR BASIC DAILY CARE FEE**  The Standard Resident Contribution or **Basic daily care fee** is currently **$50.66 per day**.  This fee is set by the Government and equates to 85% of the single person rate of the basic age pension. The fee amount will be reviewed on 20 March and 20 September annually in line with the pension increase. Everyone in aged care is required to pay this fee.  **MEANS TESTED CARE FEE**  This is an additional daily contribution towards the cost of care that you may be asked to pay. This fee is determined by [Centrelink](https://www.humanservices.gov.au/customer/services/aged-care-means-test-assessments) **based on an individual’s assets and income** once you have submitted a completed **‘*Request for a Combined Assets and Income Assessment’* form**. If you choose not to complete this form, the maximum daily means tested care fee will apply until the cap has been reached.  This fee (at 20 September 2018) is currently **capped at $27,232.33 per annum and at $65,357.65 over a resident’s lifetime**, however this cap is indexed and increases with each pension increase on 20 March and 20 September each year. This fee is not retained by Nazareth Care, but passed on to the Department of Health.  **ACCOMMODATION CONTRIBUTION**  In addition to care fees you may also be required to pay an accommodation contribution payment.  The accommodation payment relates to the price of the room you select and varies across aged care homes, (refer table at end of document). The amount you are required to pay is based on your individual assets and income and is determined by Centrelink through completing a **‘*Request for a Combined Assets and Income Assessment’* form**. This form is not compulsory to complete, however if you choose not to complete and submit this form you will be required to pay the full room price.  Residents with assets below $49,000 are classified as supported residents and their accommodation payment will be paid by the Commonwealth Government. Residents with assets above $49,000 and below $166,707.20 may be required to contribute to the cost of their accommodation. Residents with assets above $166,707.20 may be required to pay the full room price applicable to the room they choose.  The following **three options** are available to pay your **Accommodation Contribution**.  **Daily Accommodation Payment (DAP)** – You can choose not to pay the lump sum amount, but instead pay a daily interest equivalent amount (DAP) added to your monthly fees. The **interest rate** applied, referred to as the MPIR (Maximum Permissible Interest Rate), is set by the Department of Health & Ageing at the date of resident entry. From 1 July 2018 the rate is **5.96%**. The charge is applied to the unpaid room price amount. The DAP is paid as an addition to the monthly fees via direct debit.    **Refundable Accommodation Deposit (RAD)** – You can choose to pay the accommodation payment in a lump sum amount. The RAD is payable at the time of entry. DAP charges will be levied with the monthly fees and payable monthly by direct debit until the RAD is paid. The **RAD** is **fully refundable** within 14 days of your departure or receipt of a certified copy of Probate, unless you choose to have fees or charges deducted from the RAD.  **Combination payment -** You may choose to pay a combination of RAD and DAP. You can pay any portion of the RAD then pay the remaining balance as a DAP. The DAP is paid as an addition to the monthly fees via direct debit or deducted from the RAD amount you have paid. If the DAP is deducted from the RAD, the RAD balance will diminish over time increasing the DAP payable. The balance of the RAD is fully refundable.  **SUPPORTED RESIDENTS**  Residents with assets below $49,000 are classified as s*upported residents* and *do* *not* pay an *Accommodation Contribution or means tested fee*. Residents with assets between $49,000 and $166,707.20 are classified as partially supported residents and pay a lesser Accommodation Contribution. All supported resident’s fees are reassessed by Centrelink quarterly and fees may change if the resident’s circumstances change. e.g. Where a home is not included as an assessable asset due to a spouse residing in the house at the time of the resident’s arrival, if the spouse ceases to reside in the home it may then be included as an asset and the Accommodation Contribution will be increased. The **maximum** **Accommodation Contribution** a supported resident can be asked to pay is currently **$56.59 per day**. |

**Current for period 20 September 2018 to 1 January 2019**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Room Type** | **Ballarat** | **Camberwell** | **Geraldton** | **Tamworth** | **Wynnum** |
| **Private with ensuite** |  |  |  |  |  |
| **Residential Accommodation Deposit (RAD)** | $625,000.00 | $545,000.00 | $390,000.00 | $370,000.00 | $380,000.00 |
| **Daily Accommodation Payment (DAP)** | $102.05 | $88.99 | $63.68 | $60.42 | $62.05 |
| **Residential Accommodation Deposit (RAD)** | $575,000.00 |  | $450,000.00 |  | $450,000.00 |
| **Daily Accommodation Payment (DAP)** | $93.89 |  | $73.48 |  | $73.48 |
| **Residential Accommodation Deposit (RAD)** | $550,000.00 |  | $520,000.00 |  |  |
| **Daily Accommodation Payment (DAP)** | $81.64 |  | $84.91 |  |  |
| **Private with shared ensuite** |  |  |  |  |  |
| **Residential Accommodation Deposit (RAD)** |  |  |  |  | $430,000.00 |
| **Daily Accommodation Payment (DAP)** |  |  |  |  | $70.21 |
| **Residential Accommodation Deposit (RAD)** |  | $460,000.00 |  |  | $350,000.00 |
| **Daily Accommodation Payment (DAP)** |  | $75.11 |  |  | $57.15 |
| **Dual share with ensuite** |  |  |  |  |  |
| **Residential Accommodation Deposit (RAD)** |  | $360,000.00 |  |  | $300,000.00 |
| **Daily Accommodation Payment (DAP)** |  | $58.78 |  |  | $48.99 |

**MIPR – 5.96%**