



NAZARETH CARE  
AUSTRALASIA

## 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** 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 call My 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 15<sup>th</sup>** (or next working day).

**Three types of fees apply:**

**BASIC DAILY CARE FEE**  
**(Meals / Cleaning / Laundry service)**

The **Basic daily care fee** is currently **\$51.63 per day**.

This fee set by the Government equates to 85% of the single person 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.

**ROOM ACCOMMODATION CONTRIBUTION**

In addition to basic daily care fees you may also be required to pay an accommodation contribution.

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 based on your individual assets and income 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 \$49,500 are classified as supported residents and their accommodation payment will be paid by the Commonwealth Government. Residents with assets above \$49,500 and below \$169,079.20 may be required to contribute to their accommodation cost. Residents with assets above \$169,079.20 may be required to pay the full room price applicable to the room they choose.

The following **three options** are available to pay your **Room 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 at the date of resident admission. From 1 July 2019 the rate is **5.54%**. The charge is applied to the unpaid room price amount from admission date. The DAP is paid in addition to the monthly fees paid 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 admission. 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 at any time 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 RAD balance is fully refundable upon leaving the facility.

### SUPPORTED RESIDENTS

Residents with assets below \$49,500 are classified as *supported residents* and *do not* pay an *Accommodation Contribution or Means Tested Fee*. Residents with assets between \$49,500 and \$169,079.20 are classified as partially supported residents and pay a lesser Accommodation Contribution. All supported residents' 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 into care, if the spouse ceases to reside in the home it may then be included as an asset and the Room Accommodation Contribution will be increased. The **maximum Room Accommodation Contribution** a supported resident can be asked to pay is currently **\$57.49 per day**.

#### MEANS TESTED CARE FEE (You may be asked to pay)

This is an additional daily contribution towards the cost of care that *you may be asked to pay*. This fee is determined by Centrelink **based on the individual resident's assets and income** after you have submitted a completed **'Request for a Combined Assets and Income Assessment' form to Centrelink**.\*

This fee (at 1 July 2019) is **capped at \$27,754.52 per annum and at \$66,610.90 over a resident's lifetime**, however these caps are indexed and increase with each pension increase on 20 March and 20 September yearly. This fee is not retained by Nazareth Care, but passed to the Department of Health.

\*If you are receiving a **means tested** payment from Centrelink or DVA and:

- You do not own your home, **and**
- You have updated your records within the last 2 years, **or**
- Your assets and income have not changed since you last provided an update to Centrelink

you are *not* required to complete a **'Request for a Combined Assets and Income Assessment'** form.

Otherwise if you choose not to complete a **'Request for a Combined Assets and Income Assessment'** form, the maximum daily means tested care fee will apply until the above caps have been reached.

MPIR

5.54%

Room Type	Ballarat	Camberwell	Geraldton	Tamworth	Wynnum
<b>Private with ensuite</b>					
Residential Accommodation Deposit (RAD)	\$ 625,000	\$ 545,000	\$ 390,000	\$ 370,000	\$ 380,000
Daily Accommodation Payment (DAP)	\$ 94.86	\$ 82.72	\$ 59.19	\$ 56.16	\$ 57.68
Residential Accommodation Deposit (RAD)	\$ 575,000		\$ 450,000		\$ 450,000
Daily Accommodation Payment (DAP)	\$ 87.27		\$ 68.30		\$ 68.30
Residential Accommodation Deposit (RAD)	\$ 550,000		\$ 520,000		
Daily Accommodation Payment (DAP)	\$ 83.48		\$ 78.93		
<b>Private with shared ensuite</b>					
Residential Accommodation Deposit (RAD)					\$ 430,000
Daily Accommodation Payment (DAP)					\$ 65.27
Residential Accommodation Deposit (RAD)		\$ 460,000			\$ 350,000
Daily Accommodation Payment (DAP)		\$ 69.82			\$ 53.12
<b>Dual share with ensuite</b>					
Residential Accommodation Deposit (RAD)		\$ 360,000			\$ 300,000
Daily Accommodation Payment (DAP)		\$ 54.64			\$ 45.53