



Aged care costs & fees explained

To enter an aged care home, you need to have an ACAT assessment and a financial assessment completed from the Australian Government.

If you are missing either of these documents, our friendly team can point you in the right direction and assist completing them.

If you already have both, you're well equipped to begin looking into aged care finances.



The 2 aged care costs to remember



1. Care Fees

These are used to pay for your day to day living costs



2. Accommodation Payments

These cover the cost of your home

How much do I pay of each?

What you pay in care fees and accommodation payments will depend on your income and assets and the value of the home you're purchasing.

To work out your income and assets, you will need to fill out some forms. Ask our friendly team for more information.

The 3 types of Care Fees and what they do



1. Basic Daily Care Fee

Everyone pays a basic daily care fee

The **Basic Daily Care Fee** is used to pay for your day to day services like meals, laundry, in-house activities.

No matter your income and assets, you will pay a Basic Daily Care Fee



2. Means-Tested Care Fee

Some pay an additional means-tested care fee

The **Means- Tested Care Fee** is an additional co-contribution you may get asked to pay based on your assets and income that the facility collects on behalf of the Government.



3. Additional Services Fee

Some pay an additional services fee

The **Additional Services Fee** is fee which you pay for personalised services. The availability of this will depend upon your chosen home.

Calculating your costs

3 ways you can pay for accommodation

1. Refundable Accommodation Deposit (RAD)

A one off lump sum accommodation payment that is fully refundable at the end of your stay, less any amounts you have agreed to have deducted.

The refund is guaranteed by the Australian Government within 14 days.

2. Daily Accommodation Payment (DAP)

The accommodation cost converted into a daily payment, which is charged periodically at the maximum permissible interest rate (MPIR) set by the Australian Government. (The MPIR will change but is locked in upon admission)

There is no refund at the end of your stay.

3. Combination payment (RAD+DAP)

The accommodation cost paid by a combination of a Refundable Accommodation Payment (RAD) and a Daily Accommodation Payment (DAP).

You can choose the RAD amount and we will calculate the remaining cost as a DAP.

Important: The amount each person pays for their accommodation depends on:

1. The negotiated price of the room
2. How much financial support the government provides (this is determined by an income and assets assessment)

You have 28 days (from the day you enter care) to choose your payment method. In the interim, you are required to pay a Daily Accommodation Payment (DAP).

If you are classified as needing government support, the names of payments you make will also change:

1. Your RAD payment becomes a RAC (a Refundable Accommodation Contribution)
2. Your DAP payment becomes a DAC (a Daily Accommodation Contribution)
3. If you have your accommodation payments covered by the government (fully supported) you will not be required to pay any accommodation payments.

Daily Care Fees

The **Basic Daily Care Fee** is calculated at 85% of the single Age Pension.

Based on this, the **Basic Daily Care Fee** is \$_____ per day

A **Means-Tested Care Fee** is based on my income and assets test and assessed by the Department of Human Services.

Based on this, my **Means-Tested Care Fee** is currently \$_____ per day

I may also pay for **additional or extra services**.

Additional Services \$_____ Extra Services \$_____

You can get a rough estimate of the fees you need to pay here:

<https://www.myagedcare.gov.au/fee-estimator>

In total, I pay \$_____ per day in care fees

Accommodation Payment

The RAD for my proposed home is \$_____

The current Maximum Permissible Interest Rate (MPIR) is ___%

My DAP =

$$\frac{(\text{Agreed room price} - \text{RAD paid}) \times \text{MPIR}}{365}$$

In total, my deposit is \$_____
In total, my daily payment is \$_____