

# Residential Aged Care

## **OVERVIEW: FEES, CAPS AND GOVERNMENT SUBSIDY**







# **BASIC DAILY CARE FEE** (set by Government)

**MEANS-TESTED FEE** (set by Government)

ACCOMMODATION PAYMENT (set by Provider)

ADDITIONAL SERVICES (set by Provider)

TOTAL COST

This covers clinical care, meals, laundry and basic services. This is based on 85% of the single person rate of the basic age pension. It is updated twice a year in line with the age pension. For current rates visit myagedcare.gov.au

This only applies if your income or assets exceed the maximum threshold set by Government.

The maximum amount you will be asked to pay is capped.

This applies to all residents determined as non-supported by the Government. The amount is based on the type of home chosen, it's features and facilities with various payment options available.

This applies to all residents in a residential aged care home and is determined by which home you are residing in and what additional services it offers.

### **MEANS-TESTED FEE CAPS**

If you have previously received home care services using a Home Care Package (HCP) Government subsidy and are now moving into a Residential Aged Care Home, any income-tested fees paid with your HCP will be counted towards your aged care home means-tested fee annual and lifetime Caps.

#### **Annual Cap\***

The maximum amount of means-tested fee you will be asked to pay is \$33,309.29 per annum.

#### Lifetime Cap\*

The maximum amount of means-tested fee you will be asked to pay in your lifetime is \$79,942.44.

#### **ACCOMMODATION PAYMENT OPTIONS**

- Lump Sum Refundable Accommodation Deposit (RAD) – if you are required to pay for your accommodation in full. This is refunded when the resident leaves the aged care home.
- 2. Daily accommodation payment (DAP) a recurring rental type payment option to be paid in increments if you are required to pay for your accommodation in full. It is calculated using the Maximum Permissible Interest Rate set by the Government and is reviewed four times a year.
- 3. A combination of the above.

**4. Drawdown payment** – This is when the DAP payment is deducted from your lump-sum RAD payment. If considering this option, it is recommended you seek independent professional financial advice.

\*Figures are subject to change. For up to date information, please visit <u>myagedcare.gov.au/changes-aged-care-fees-annual-and-lifetime-caps</u>

#### Find out more:

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