

Fee Structure for Permanent Care in an Aged Care Facility

There are three costs associated with a permanent resident:



- **Basic Daily Fee:** An amount that everyone pays for day-to-day services they will receive at the aged care home.
- **Accommodation Payment:** Bed cost that a resident has to pay partially or fully, depending on Centrelink's Income and Assets Assessment. The balance of the deposit is **fully refundable**.
- **Means Tested Care Fee:** A government charge. It is a contribution that some people pay towards the cost of their care, determined by Centrelink's Income and Assets Assessment.

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GLADES BAY GARDENS
02 9817 0722
16 Punt Road
Gladesville NSW 2111

HUNTERS HILL VILLAGE
02 9816 1239
8 D'Aram Street
Hunters Hill NSW 2110

GRACE GARDENS
02 9634 1354
454 Old Northern Road
Dural NSW 2158

Details Below:

1. The Basic Daily Fee: \$61.96 per day

All residents of an aged care facility are asked to pay something toward their daily living expenses. This is called the Basic Daily Fee.

The things you receive for this are:

- Your meals
- Cleaning of the facility and your bed
- Your laundry being washed and dried and delivered to your bed
- Heating and cooling
- Some personal care
- Assistance with daily living
- Some medical care and pharmaceutical services

The Australian Government has set the price for the daily fee and this amount is reviewed twice a year, in March and September.

The Government has set the Basic Daily Fee amount at 85% of the annual single basic Age Pension.

2. An Accommodation Payment

How much you pay for the accommodation depends on your assets and your income. A Centrelink income and Asset assessment will provide you with the required payment details.

For example, if you have less than \$59.5k in assets and your annual income is below \$32k, then the government will provide you with a full accommodation subsidy and you won't have to pay anything.

For more information on the Income and Assets Assessment, please refer to the following website:

<https://www.myagedcare.gov.au/aged-care-home-costs-and-fees/> or call 1800 200 422.

The following payment options are for Self-Funded Resident:

Payment option #1 - Refundable Accommodation Payment (RAD)

This is a **single payment** to the aged care facility, similar to a bond or deposit.

The balance of the deposit is **fully refundable** to you or your estate when you leave the facility, after the amounts which have been used to pay for agreed services are deducted.

Payment option #2 - Daily Accommodation Payment (DAP)

A **rental-style payment** calculated on a per day basis.

In this option you pay a Daily fee for your accommodation, which is the interest, called MPIR, on the unpaid RAD amount.

Daily Accommodation Payment (DAP) = (Unpaid RAD Amount X MPIR) /365

MPIR (Maximum Permissible Interest Rate) is the government-set interest rate.

Current MPIR =**8.34%**. Please see the current MPIR rates on the Services Australia website.

These payments are not refundable when you leave the facility.

Payment option #3 - A combination of a single payment (RAD) and rental-style payments (DAP)

The current bed price in Grace gardens is 350k to 550k, depending on room types:

Double Room/Shared Bathroom	350k room
Double Room/Shared Ensuite	400k room
Double Room/Ensuite	425k Room
Single Room/Shared Bathroom	450k room
Single Room/Shared Ensuite	475k rooms
Single Room/Shared Bathroom/Balcony	475k rooms
Single Room/Ensuite	500k room
Single Room/Ensuite/Courtyard	550k room

- You may choose to pay a smaller RAD and a larger DAP or the other way around. This really depends on your personal circumstances.
- You can also draw down DAP from your paid RAD.

Prospective residents and their families are encouraged to obtain individual financial advice on the best option for their accommodation payment.

Please refer to below RAD/DAP option table for some examples.

Please note that these are examples only and your individual circumstances and RAD/DAP combinations may produce difference price combinations.

Room Price								
Interest Rate								
	350,000							
	8.34%							
	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	
Room Cost	350,000	350,000	350,000	350,000	350,000	350,000	350,000	
Deposit Paid	-		600,000	500,000	300,000	400,000	350,000	
Unpaid Amount	350,000	350,000	(250,000)	(150,000)	50,000	(50,000)	-	
DAP(Daily Accomodation Payment)	\$ 79.97	\$ 80.36	\$ (57.40)	\$ (34.44)	\$ 11.48	\$ (11.48)	\$ -	

Room Price								
Interest Rate								
	400,000							
	8.34%							
	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	
Room Cost	400,000	400,000	400,000	400,000	400,000	400,000	400,000	
Deposit Paid	-	270,000	200,000	250,000	300,000	350,000	400,000	
Unpaid Amount	400,000	130,000	200,000	150,000	100,000	50,000	-	
DAP(Daily Accomodation Payment)	\$ 91.40	\$ 29.70	\$ 45.70	\$ 34.27	\$ 22.85	\$ 11.42	\$ -	

Room Price								
Interest Rate								
	425,000							
	8.34%							
	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	
Room Cost	425,000	425,000	425,000	425,000	425,000	425,000	425,000	
Deposit Paid	-	175,000	225,000	275,000	325,000	375,000	425,000	
Unpaid Amount	425,000	250,000	200,000	150,000	100,000	50,000	-	
DAP(Daily Accomodation Payment)	\$ 97.11	\$ 57.12	\$ 45.70	\$ 34.27	\$ 22.85	\$ 11.42	\$ -	

Room Price	450,000
Interest Rate	8.34%

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7
Room Cost	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Deposit Paid	-		600,000	500,000	300,000	400,000	450,000
Unpaid Amount	450,000	450,000	(150,000)	(50,000)	150,000	50,000	-
DAP(Daily Accomodation Payment)	\$ 102.82	\$ 103.32	\$ (34.44)	\$ (11.48)	\$ 34.44	\$ 11.48	\$ -

Room Price	475,000
Interest Rate	8.34%

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7
Room Cost	475,000	475,000	475,000	475,000	475,000	475,000	475,000
Deposit Paid	-	270,000	200,000	250,000	300,000	350,000	475,000
Unpaid Amount	475,000	205,000	275,000	225,000	175,000	125,000	-
DAP(Daily Accomodation Payment)	\$ 108.53	\$ 46.84	\$ 62.84	\$ 51.41	\$ 39.99	\$ 28.56	\$ -

Room Price	500,000
Interest Rate	8.34%

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7
Room Cost	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Deposit Paid	-	250,000	300,000	350,000	400,000	450,000	500,000
Unpaid Amount	500,000	250,000	200,000	150,000	100,000	50,000	-
DAP(Daily Accomodation Payment)	\$ 114.25	\$ 57.12	\$ 45.70	\$ 34.27	\$ 22.85	\$ 11.42	\$ -

Room Price	550,000
Interest Rate	8.34%

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7
Room Cost	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Deposit Paid	-		600,000	500,000	300,000	400,000	550,000
Unpaid Amount	550,000	550,000	(50,000)	50,000	250,000	150,000	-
DAP(Daily Accomodation Payment)	\$ 125.67	\$ 126.27	\$ (11.48)	\$ 11.48	\$ 57.40	\$ 34.44	\$ -

For more information on accommodation cost, please refer to the following website for more details:

<https://www.myagedcare.gov.au/understanding-aged-care-home-accommodation-costs>

3. Means-Tested Fees

The government looks at your financial assets and your income to determine how much you can contribute to the cost of your care.

Depending on the overall amount, you may be asked to pay an additional fee, i.e. Means-Tested Care fee, for your care.

There is a maximum limit (capped amount) on this fee, which is \$400 per day, \$33k per year and around \$79k for lifetime.

You can never be asked to pay more than the capped amount.

The government has been charging over \$400 a day for those who entered aged care as permanent resident without **submitting** Centrelink assessment. Consequently, we have asked all potential permanent residents to **SUBMIT** the Centrelink Income and Assets Assessment before permanent care entry date.

The processing time for Centrelink Income and Assets Assessment is between 4 to 12 weeks, however the government will not charge this high Means Tested fee if they have received your submission before permanent entry date.

For more information on the Income and Assets Assessment, please refer to the following website:

<https://www.myagedcare.gov.au/income-and-means-assessments>

or contact My Aged Care directly on 1800 200 422.

Reference

If you would like to know how much you might have to pay towards your aged care home, the following fee estimator can give you an estimate – to help you plan.

https://www.myagedcare.gov.au/how-much-will-i-pay?fe_type_of_care=age_home_care