

Residential Care Fees Explained

Residential Care Fees cover two key areas of associated costs, which includes

✓ **Care Fees**

✓ **Accommodation Fees**

Care Fees

Care fees cover the cost of your daily care needs such as nursing care, housekeeping, basic utilities and meals. The Government covers the cost of a range of care services but, depending on your circumstances, you may also be required to contribute financially.

Basic Daily Fee

Set by the Government at 85% of the single age pension

+

Means Tested Fee

Additional fees, based on a Government assessment of your income and assets (with annual and lifetime caps), may be payable for:

- Hotelling contribution
- Non-clinical care contribution

Accommodation Fees

Accommodation fees cover the cost of your accommodation including building and maintenance.

The fee will vary according to the home and room type that you choose. An assessment of your income and assets will help to determine whether you may be required to pay the full price of your accommodation or the Government may pay some or most of it.

There are three main payment options that you can choose from to pay your accommodation fees.

Refundable Accommodation Deposit (RAD)

A single upfront lump sum payment. The balance of the deposit is refunded when you leave the home, less any amounts used to pay for agreed services.

or

Daily Accommodation Payment (DAP)

A daily and non-refundable accommodation fee, usually paid monthly.

or

Combination of RAD and DAP

A portion of the accommodation fee paid upfront as a RAD and the rest paid as a DAP. You have flexibility to choose your RAD to DAP ratio.

Your residential care fees in summary

Care Fees

Basic Daily Fee

+

Means Tested Fee (where applicable)

+

Accommodation Fees

Payment options:

RAD

DAP

RAD + DAP