



Fees and payments explained

If you are new to aged care, understanding the fees and payments process can seem daunting. We're here to help make it easier for you.

While it can seem complicated, the system is designed to have the flexibility to meet everyone's differing needs. The Australian Government may also make a contribution to your aged care cost, depending on your financial situation. There are also different ways to pay your fees, such as in a lump sum or daily payments, to suit your personal financial situation.

What are the fees for aged care?

Aged care fees cover the care you receive and your accommodation, and sometimes extra and additional services.

Outlined on the following page are the fees you may be required to pay based on the Carinity aged care community and room type you are considering.



CARINITY AGED CARE COMMUNITY LOCATIONS

- Hilltop, **Kelvin Grove** ▪ Wishart Gardens, **Wishart** ▪ Clifford House, **Wooloowin**
- Brookfield Green, **Brookfield** ▪ Cedarbrook, **Mudgeeraba** ▪ Highfields, **Toowoomba**
- Colthup Manor, **Ipswich** ▪ Karinya Place, **Laidley** ▪ Kepnock Grove, **Bundaberg**
- Shalom, **North Rockhampton** ▪ Fairfield Grange, **Townsville**

CARE FEES

Basic daily care fee
\$61.96 per day*



Means-tested care fee

Based on your individual asset and income assessment, you may need to contribute an additional care fee.

*Current as of March 2024, though may change without notice.

ACCOMMODATION COSTS

The accommodation payment refers to the price of the room that you choose, and will vary across our aged care communities.

There are three payment options to choose from:

1 Refundable Accommodation Deposit (RAD) full payment

OR

2 Daily Accommodation Payment (DAP) partial/progressive payment

OR

3 A combination payment

See FAQ's overleaf for more information

OTHER SERVICES

An extra daily fee for extra or optional services.

Basic daily care fee

All aged care residents pay a daily care fee. This fee covers living costs, such as nursing and personal care, meals, electricity and laundry. This fee is indexed against 85% of the single person rate of the basic Aged Pension. In the case of a pension increase, the daily care fee will increase.

Means-tested care fee

Based on your asset and income assessment, the Department of Human Services determine if you need to pay an additional fee towards the cost of your care. There are annual and lifetime caps in place to limit the amount you pay.

Plus

Accommodation cost

In addition to the basic daily fee, you may also be required to pay an accommodation payment. Payments can be made in one of the three ways shown to the left.

The amount you can be asked to pay for your accommodation is based on your assets and income and will be one of the following:

- › **Assets below \$59,500**
no accommodation cost is payable.
- › **Assets of \$59,500 to \$201,231.20**
you will pay a contribution to your accommodation costs. The Australian Government will pay the rest.
- › **Assets above \$201,231.20**
you will be required to pay the full cost of your accommodation.

Plus

These may include additional extras, such as wi-fi access, phone lines or other services designed to make your everyday living more comfortable.



The MyAgedCare Fee Estimator is a very helpful tool.
Visit myagedcare.gov.au/fee-estimator



FAQs

Is the Refundable Accommodation Deposit (RAD) fully refundable? Yes. The RAD is a lump-sum payment for the entire accommodation costs. If you choose this option, the entire accommodation balance is due within six months. The RAD is entirely refundable. Care fees are still payable in addition to your RAD.

How does a combination payment work?

Combination payments involve a partial Refundable Accommodation Deposit (RAD), with the balance being paid via a Daily Accommodation Payment (DAP). The split is entirely up to your personal circumstances, providing greater flexibility. The RAD portion is fully refundable.

How much do I pay for the Daily Accommodation Payment (DAP)? Choosing the DAP allows you to make payments over time, rather than a full lump sum up front. The DAP payment is not refundable and is subject to the maximum permissible interest rate (MPIR). The amount of your DAP is equal to your refundable deposit multiplied by the maximum permissible interest rate as set by the government.

What fees do fully supported residents pay?

Fully supported residents only pay the Basic Daily Care Fee of \$61.96 per day*, or 85% of the Aged Pension. The means-tested care fee does not apply, and accommodation costs are paid by the Australian Government.

UNDERSTANDING PAYMENTS



Refundable Accommodation Deposit (RAD) full payment

Jayne has chosen a room with a \$350,000 Accommodation Cost, in addition to her care fees. Based on her circumstances, Jayne and her family elect to pay the Accommodation Deposit in full, as a RAD. When Jayne leaves Carinity, the \$350,000 is refunded in full.



Daily Accommodation Payment (DAP) partial/progressive payment

Thomas and his family choose a room with a \$500,000 Accommodation Cost, in addition to his care fees. They elect the Daily Accommodation Payment. The DAP is calculated from the room's RAD, using an interest rate set by the Australian Government (called the maximum permissible interest rate or MPIR). For example purposes only, the MPIR in this scenario is 5%. The DAP is determined using formula of $RAD \times MPIR \div 365$ days. In this scenario, Thomas would pay \$68.50 per day ($\$500,000 \times 5\% / 365 = \68.50).



Combination Payment

Ravind and his family select a room with a \$400,000 Accommodation Cost, in addition to his care fees. They choose to pay \$200,000 as a Refundable Accommodation Deposit (RAD), with the remaining \$200,000 to be paid via a Daily Accommodation Payment (DAP). In this case, the DAP would be \$27.39 per day ($\$200,000 \times 5\% / 365 = \27.39). The \$200,000 RAD is fully refundable, however the DAP payments are not.

We're here to help

Our Customer Service Consultants are here to help answer any questions you may have about aged care. While we don't provide financial advice, we can help you understand how aged care funding works. Please feel free to give us a call and we can talk through your options with you.

Call us today on **1300 109 109**

Visit **carinity.org.au**

AN OUTREACH OF  QUEENSLAND BAPTISTS

