

# Residential Aged Care fees explained

Home Care approval prior to 12 September 2024



We want to empower you to make an informed choice when it comes to choosing the right home. This guide will help explain the costs associated with moving into one of Wesley Mission Queensland's residential aged care communities. Residents entering residential care from 1 November 2025 who were on the national queue to receive a home care package or approved for a home care package on or before 12 September 2024 will be considered "grandfathered". However, the RAD retention will apply.

**There are four possible fees that may apply. Lets review below.**

## 1 Basic Daily Fee

The basic daily fee covers your daily living expenses such as meals, laundry, utilities, and cleaning.

- Calculated @ 85% of the full single aged pension
- Adjusted twice per year in March and September
- Applies to all permanent and respite residents

**Set by the Federal Government**

## 2 Accommodation Fee

This fee covers the room pricing. Based on your financial situation, accommodation fees may apply. Your choice of payment method may include:

- A fully refundable lump sum (RAD/RAC) guaranteed by the government
- A daily accommodation payment (DAP/DAC)
- A combination of lump sum and and daily payments, including draw down options

### **RAD retentions**

Note If you pay a refundable lump sum deposit, your provider will retain 2% per year (up to five years). Daily accommodation payments (DAP) will be indexed on 20 March and 20 September each year. Indexation does not apply to daily accommodation contributions (DAC).

**Set by the aged care provider**

## 3 Means tested fee

The means-tested care fee is a contribution towards the cost of care. Services Australia determines this amount based on your financial situation.

- Annual and lifetime caps apply
- Subject to quarterly reviews and adjusted accordingly

**Set by the Federal Government**

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## Scenarios

The cost of care, accommodation and services is subject to your individual financial circumstances and is determined by Services Australia.\* The following table will give you an estimate of the fees that may apply to you.

| (as of 20 March 2025)           | Assets                          | Accommodation costs                                                                   |
|---------------------------------|---------------------------------|---------------------------------------------------------------------------------------|
| Fully Supported (Low Means)     | Under \$63,000                  | NA                                                                                    |
| Partially Supported (Low Means) | Between \$63,000 & \$210,555.20 | Daily Accommodation Contribution (DAC)<br>Refundable Accommodation Contribution (RAC) |
| Non-Supported (High Means)      | Over \$210,555.20               | Refundable Accommodation Deposit (RAD)<br>Daily Accommodation Payment (DAP)           |

Based on the financial information provided, the following table is an estimate of the fees that that may apply to you.

| Let's look at how this<br>could work for you | EXAMPLE OF YOUR FEES |                                  |                         |
|----------------------------------------------|----------------------|----------------------------------|-------------------------|
|                                              | Fully Supported      | Partially Supported<br>(RAC/DAC) | High Means<br>(RAD/DAP) |
| Basic Daily Fee                              |                      |                                  |                         |
| Accommodation Fee                            |                      |                                  |                         |
| Means tested fee                             |                      |                                  |                         |
| Daily Total                                  |                      |                                  |                         |
| Fortnightly Total                            |                      |                                  |                         |

\*Please note that all fees will be determined by your outcome letter from Services Australia.

## Declaration

I acknowledge I will be required to pay full (100%) residential fees as I choose not to disclose my assets via Services Australia.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

As Wesley Mission Queensland is unable to provide financial advice, we recommend that you consult with a financial adviser who specialises in aged care.

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