

Understanding Aged Care Fees

A Quick Reference Guide for Residents and Families



Whiddon
Award-winning care

1 Which fees will I need to pay?

When moving into an aged care home, you may pay fees under one of three arrangements:

- **New Residents (from 1 November 2025):** Most people will pay fees under the new rules.
- **Residents already in permanent residential care as at 31 October 2025** - your existing fee arrangements (for accommodation, services, etc.) will continue unchanged - unless you voluntarily choose to move to the new fee arrangements.
- **Residents approved for, or receiving a Home Care Package on 12th September 2024** - you may be protected by the “no worse off principle” and pay fees under the previous rules

2 How Are My Fees Decided?

- **Means Assessment:** Services Australia or the Department of Veterans' Affairs will assess your income and assets to decide what fees you pay. Couples are assessed on half their combined assets and income.
- **No Assessment:** If you choose not to be assessed, you'll pay the maximum fees

3 How to get a Means Assessment?

To complete a means assessment:



[Residential Aged Care Calculation of your cost of care form \(SA457\)](#)



[Residential Aged Care Property details for Services Australia and DVA customers form \(SA485\)](#)

If Services Australia or DVA already have your financial details, you may not need to complete a form to have your means assessed.

Check if you should complete an Aged care calculation of your cost of care form at [ServicesAustralia.gov.au](#)

Once your assessment is complete, Services Australia will send you a fee advice letter.

4 Types of Fees You May Pay

- Visit [MyAgedCare.gov.au](#) for current fee rates.
- You can also get an estimate of your aged care fees using the [aged care home fee estimator](#).

Fee Type	What It Covers	How Much? / How Decided?
Basic Daily Fee (BDF)	Meals, cleaning, laundry, utilities	85% of the single basic age pension (changes twice a year)
Hotelling Contribution (HC)	Extra daily living costs	Based on your financial assessment; Services Australia will advise
Non-Clinical Care Contribution (NCCC)	Personal care (bathing, mobility, etc.)	Means-tested; Services Australia will advise; daily and lifetime caps apply
Accommodation Costs (RAD/RAC, DAP/DAC)	Your room and the built environment of the service	Means-tested; Services Australia will advise; Agreed with the provider; based on advertised room price or DAC assessed by Services Australia; pay as a lump sum, daily payment, or a mix
Higher Everyday Living Fee (HELP)	Optional extras and higher quality lifestyle services	Agreed with provider; written agreement on or after admission; can cancel within 28 days

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How Do I Pay for My Room / Accommodation Costs?

Payment Method	What this means
Lump Sum: <ul style="list-style-type: none"> Refundable Accommodation Deposit (RAD); or Refundable Accommodation Contribution (RAC) for residents partially supported by the Govt 	Paid up front, refunded when you leave (minus a mandatory provider retention amount: 2% per year for up to 5 years; minus outstanding fee balance at departure; minus any other deductions authorised by resident)
Daily Payment: <ul style="list-style-type: none"> Daily Accommodation Payment (DAP); or Daily Accommodation Contribution (DAC) for residents partially supported by the Govt 	Paid regularly (like rent), not refunded
Combination Payment (RAD & DAP; RAC & DAC)	Mix of lump sum and daily payment. You can top up your lump sum any time after entering care. Lump sum refunded when you leave (minus a mandatory provider retention amount: 2% per year for up to 5 years; minus outstanding fee balance at departure; minus any other deductions authorised by resident).

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Will My Fees Change Over Time?

Yes. Fees can change due to:

- Changes in your financial situation
- Government indexation (March and September each year)
- Reaching lifetime caps on certain fees

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What If I Can't Afford the Fees?

- You should seek independent financial advice before deciding to transition into residential aged care.
- If you can't afford aged care fees for reasons beyond your control, you can apply for financial hardship assistance. If approved, the government may pay some or all of your fees.

To find out more, visit



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What Are My Rights and Options?

- All fees must be clearly written in your agreement.
- You must keep your financial details up to date with Services Australia or DVA (report changes within 28 days)

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What Should I Do Next?

- Ask for a means assessment as early as possible—even before entering care
- Discuss payment options (lump sum, daily, or combination)
- Consider optional extras and understand your rights
- Seek financial advice if you have questions or complex circumstances

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Where Can I Get Help or More Information?

MyAgedCare
Fee Estimator



Find a
Provider Tool



Financial
Information Service

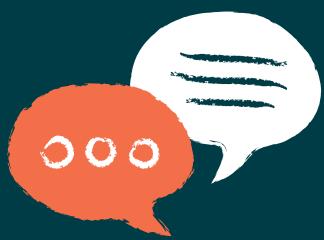


Aged Care
Advice



A guide to determining when accommodation reforms apply to new residents





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