Council on the Ageing
Queensland

Understanding Costs and Contributions

Everyone contributes to their costs of care

The Australian Government subsidises aged care services, but everyone who receives services is expected to contribute toward the cost based on their capacity to pay. Financial hardship provisions exist for people who genuinely cannot afford to contribute.

Costs for Commonwealth Home Support Program (CHSP)

- Fees are set by each individual provider
- Providers must specify their fees upfront
- Many providers keep fees low for pensioners
- Speak to the provider directly about what you can afford

Costs for Support at Home

Services are grouped into three categories:

Contribution category	What you pay
Clinical supports (nursing, physiotherapy, podiatry, (personal care)	$0 – no cost to you
Independence (transport, social support, respite care)	A percentage of the service cost, based on the type of service and your income and assets
Everyday Living (cleaning, gardening, meals)	A percentage of the service cost, based on the type of service and your income and assets

Income assessment

To work out your percentage contribution, complete an income assessment through Services Australia. To complete the online assessment, sign in to myGov and select your linked Centrelink account. Select “Make a claim”, then choose “Apply for Aged Care calculation of your cost of care”.

If you do not have a myGov account, contact **Services Australia** on **1800 227 475.**

If you choose not to have this assessment, you may be charged the maximum rate. Most people benefit from completing the assessment.

Financial protections

Two caps protect you from excessive costs:

Care Management Cap: Your provider can charge a maximum of 10% of your package funds for managing your care.

Lifetime Contribution Cap: The total amount you can be asked to contribute towards non-clinical care over your lifetime is capped at just under $141,000. After you reach this amount, you pay no further contributions toward Independence and Everyday Living supports.

Costs for Residential Aged Care

Residential costs fall into two parts:

Care Fees

- **Basic Daily Care Fee:** Set at 85% of the single aged pension rate. Everyone pays this.
- **Means-Tested Care Fee:** An additional amount some people pay, based on income and assets.

Accommodation Costs

- Based on an assessment of your income and assets
- You may have costs fully or partly covered, or be asked to contribute
- Payment options: lump sum (refundable deposit), daily payment, or combination

Getting help with understanding costs

Financial Information Service (Services Australia): Call **132 300** for free, independent information about how fees are calculated.

Independent financial adviser: Consider professional advice before making major decisions about residential care costs.

If you cannot afford to contribute

Financial hardship provisions exist. Talk to:

- Your service provider about their hardship policies
- My Aged Care about formal hardship assistance

> Do not avoid seeking care because you are worried about cost. There are pathways to help people in difficult financial situations.