



VECH Payment Information

Respite Care

You do not have to complete a means assessment to access residential respite care. If you receive residential respite care through an aged care home, you are required to pay a basic daily fee. You won't have to pay any accommodation costs or means-tested care fees.

After respite care, if you wish to transit into permanent care, further negotiation of care fees are required and a new agreement needs to be signed.

Permanent Care

1. Care Fees

- **Basic daily fee**

Everyone pays a basic daily fee. This fee helps pay for your day-to-day services such as meals, cleaning, facilities management, and laundry.

You pay this fee directly to the aged care home, generally on a monthly basis. The fee applies for every day you are a resident, including days when you might be away overnight—for example, on holiday or in hospital.

The basic daily fee is set at 85% of the single person rate of the basic age pension. The government updates it on 20 March and 20 September each year in line with increases to the age pension. Prices are published on the Department of Health website (<https://www.health.gov.au/resources/publications/schedule-of-fees-and-charges-for-residential-and-home-care>).

Based on current rates, the maximum basic daily fee is \$56.87 per day, or \$20,757.55 per year.

- **Means-tested care fee**

The means-tested care fee is an extra contribution that some people pay, as determined through a means assessment. It is an ongoing fee towards the cost of your personal and clinical care.

This means-tested care fee is different for everyone, and not everyone will have to pay it. If you do need to pay it, the exact amount will be determined once you enter care. Services Australia will let you and your provider know what this amount will be for you.

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2. Accommodation Payment

In addition to care fees, you may also be required to pay an accommodation payment.

The accommodation payment refers to the price of the accommodation that you choose and will be determined on a case-by-case basis. The price varies based on the room availability and the types of the room (en suite / adjacent room).

There are three options to pay your Accommodation Payment.

- I. **Refundable accommodation deposit (RAD)** - This is a refundable accommodation amount. The maximum RAD is \$550,000.00.

- II. **Daily accommodation payment (DAP)** – DAP is calculated as follows:
$$\text{DAP} = (\text{RAD} \times \text{MPIR}) / 365$$

For example, the maximum DAP based on current MPIR 6.31% is $(550,000.00 \times 6.31\%) / 365 = \$95.08 / \text{day}$.

- III. **Combination of RAD and DAP** - This is when you combine the two types of payments to meet your costs. You can split the combination any way you choose. For example, for an agreed room price of \$400,000, you could choose to pay \$100,000 as a refundable lump sum, and also pay a reduced non-refundable daily payment.

3. Additional Service Fees

You may also choose to pay for additional services, which go beyond the care and services which the aged care home must provide.

You will agree on a fee with us for additional services before you start receiving them, but you can only be charged for additional services that you can make use of or benefit from.

Fees for additional services are set by the provider and are not subsidised by the government.