



# Higher Everyday Living Fee

The Australian Government is replacing the Extra Service Fee and Additional Service Fee with the Higher Everyday Living Fee from 1 July 2025.

This optional fee has enhanced consumer protections for residents who choose to pay more for higher quality everyday living services.

People who live in aged care homes will continue to have choice about what extras they pay for, with improved protections to ensure they cannot be asked to pay for things they don't want or can't use.

Providers cannot discriminate based on a person's ability to pay for extra services.

Under the Higher Everyday Living Fee, residents and providers will agree to additional goods and services.

The Higher Everyday Living Fee gives clarity on what goods and services can and cannot attract a higher fee.

The Higher Everyday Living Fee is simpler for providers to administer. It will also require providers to be clearer about what additional services will be included and how much each will cost.

## What is the Higher Everyday Living Fee?

The Higher Everyday Living Fee is an optional fee charged for additional goods and services not otherwise required to be provided under the Aged Care Rules (the Rules) and in line with the Aged Care Quality Standards. This enables the resident to tailor additional goods and services to suit them. The goods and services must be of a quality significantly higher than what is required by the Rules.

Under the Higher Everyday Living Fee, residents and providers agree on the additional goods and services to be provided, and the fees to be paid.

## Consumer protections

The Higher Everyday Living Fee provides important new consumer protections:

- providers cannot force a resident to agree to a Higher Everyday Living Fee before they enter aged care, in order to secure a place

- providers must inform residents of all possible fees before entering care, including the options that may be available with a Higher Everyday Living Fee
- a resident cannot be asked to pay for a service that they cannot use (for example, a person with difficulty swallowing cannot be required to agree to pay for a cooked breakfast). This includes if the service is part of a bundle with other items the person can use
- after agreeing to a Higher Everyday Living Fee, residents will have 28 days to change their mind. After this time, they can still cancel or renegotiate the agreement by giving the provider 28 days' notice
- the provider must review each resident's Higher Everyday Living Fee agreement at least once a year, to ensure that the resident still wants the services and is able to make use of them
- if a resident or their family is concerned about a Higher Everyday Living Fee being charged, they can contact the Aged Care Quality and Safety Commission.

Providers can advertise their higher everyday living items and price lists, including on My Aged Care. However, these items cannot be advertised as part of a standard residential care service agreement.

Providers must be able to demonstrate that the services offered as part of the Higher Everyday Living Fee are not those they are already obligated to provide under the Aged Care Rules and specified in the Schedule of Specified Care and Services.

The provider does not need to seek approval for fees for these additional goods and services. There are no caps on the fees that can be charged for additional goods and services, or the range of items that can be offered.

Providers cannot charge an extra administration fee on top of the Higher Everyday Living Fee. All costs must be included in the fee.

The Higher Everyday Living Fee cannot be required to be paid for a resident to access a particular room in the aged care home. A resident may agree to pay a Higher Everyday Living Fee regardless of the room they are in.

Current protections that restrict when a resident may be asked to move rooms remain in place.

## **Replacing the Extra Service Fee and Additional Service Fee**

The Extra Service Fee and Additional Service Fee will be phased out. No new agreements for an Extra Service Fee or Additional Service Fee can be made after 30 June 2025.

Providers will have until 30 June 2026 to transition residents from the Extra Service Fee or the Additional Service Fee to the Higher Everyday Living Fee. It is the responsibility of the provider to ensure this happens.

If someone is already paying the Extra Service Fee or Additional Service Fee, the provider will need to enter into a new agreement with that resident for the Higher Everyday Living Fee. If a resident no longer wants to access these services and declines the fee, they cannot be required to pay it.

As part of the transition, the provider must review the goods and services a resident is receiving. Providers must check that the resident still wants the goods and services and can make use of them.

Conditions for existing agreements remain active until a Higher Everyday Living Fee has been agreed. The terms and conditions of any Extra Service Fee or Additional Service Fee cannot be changed, or the fees increased, after 30 June 2025.

If changes to an existing agreement are needed after this time, they must be as part of the resident's transition to a Higher Everyday Living Fee agreement.

If a resident paying an Extra Service Fee or Additional Service Fee has not signed a Higher Everyday Living Fee agreement at 30 June 2026, their agreement will be cancelled from 1 July 2026.

## Let's change aged care together

We invite Australians to continue to have their say about the aged care reforms.



Visit [agedcareengagement.health.gov.au](https://agedcareengagement.health.gov.au)



Phone **1800 318 209** (Aged care reform free-call phone line)

For translating and interpreting services, call 131 450 and ask for 1800 318 209.

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