



# Understanding fees for home care

## Home Care Package budget

If you are eligible for a Home Care Package, the Australian Government will subsidise the cost of your care. The total funds in your package budget consist of:

- your contribution – the home care fees you pay to your provider
- the Government's contribution – the subsidy and any supplements you're eligible for.

These funds cover the cost of your home care services. The contribution amounts are calculated daily but are usually paid fortnightly or monthly to your provider.

There are four levels of Home Care Packages. The amounts you and the Government pay depend on your package level, your income, and what you agree to with your provider.

## Fees you may be asked to pay

Your home care provider may ask you to pay up to three types of fees as part of your Home Care Package budget. Your provider must record these fees in your home care agreement and list them in your monthly statement.

### Basic daily fee

Everyone can be asked to pay this fee, but some providers do not collect it. The amount you pay varies depending on your package level.

The basic daily fee increases twice a year in line with the age pension.

To see the maximum fee that providers can charge for each package level, go to [Home Care Package costs and fees](#) at myagedcare.gov.au. Providers must publish the amount they charge for each level in the [Find a provider](#) tool at myagedcare.gov.au.

### Income tested care fee

If your income is above a certain amount, you will need to pay an income tested care fee to contribute to the cost of your care. This fee is different for everyone.

Full pensioners do not pay an income tested care fee.

Annual and lifetime caps apply to this fee. To see the caps, go to [Home Care Package costs and fees](#) at myagedcare.gov.au.

If you move into an aged care home, any income tested care fee you have paid while in home care will count towards the annual and lifetime caps for the means tested care fee.

### Additional service fees

You can choose to buy additional care and services if you do not have enough money in your Home Care Package budget to support your care plan. You and your provider must agree on the fees for these services before you start receiving them.

## Estimating and confirming your fees

You can use the [Fee Estimator](#) at [myagedcare.gov.au](http://myagedcare.gov.au) for an estimate of your home care fees.

To confirm if you need to pay an income tested care fee, you will need an income assessment. Services Australia works out the amount you pay by assessing your individual income. If you are a member of a couple, Services Australia assesses half of your combined income, regardless of who earned the income.

To find out your income tested care fee before your package starts, complete a [Home Care Package Calculation of your cost of care form \(SA456\)](#) at [servicesaustralia.gov.au](http://servicesaustralia.gov.au). Services Australia will send you a fee advice letter after you submit the form. If you're a full or part pensioner, you don't need to complete this form; you can just ask Services Australia for a fee advice letter.

Your fee advice letter is valid for 120 days unless there is a change in your circumstances.

If you do not receive an income support payment and you choose not to complete an income assessment, you will pay the maximum income tested care fee. To see the maximum amount, go to [Home Care Package costs and fees](#) at [myagedcare.gov.au](http://myagedcare.gov.au).

## Changes to fees after entering care

Your fees will not remain fixed after signing a home care agreement – they will change over time. To find out more about fees, including current rates, go to [Understanding costs](#) at [myagedcare.gov.au](http://myagedcare.gov.au).

## What to do if your income changes

If your financial circumstances change, call Services Australia on 1800 227 475 or the Department of Veterans' Affairs on 1800 838 372 to let them know, or [update your details](#) online using MyGov.

Services Australia regularly reviews income tested care fees. They will tell you and your provider if your fee changes.

## Fees are payable every day

Fees are payable for every day you hold a Home Care Package, not just on the days that you receive services.

Your provider cannot ask you to pay any fees before you sign a home care agreement. Once you have signed your agreement, your provider can ask you to pay fees up to one month in advance.

## Financial advice, education and assistance

You should seek independent financial advice or education before deciding how to pay for aged care.

Services Australia's [Financial Information Service](#) (FIS) provides free, independent and confidential education to help you make informed decisions about your financial needs. They can help you understand how aged care costs may affect your finances. FIS Officers aren't financial counsellors or planners. They don't give advice, deal with other agencies on your behalf, or make decisions about your government payments.

To find out more about FIS, or to make an appointment, phone 132 300 and say 'Financial Information Service' when asked why you're calling.

If you cannot pay your home care fees due to circumstances outside your control, you can apply for financial hardship assistance. You must meet certain eligibility criteria to receive financial hardship assistance, and each case is assessed on an individual basis.

Read more about [financial hardship assistance](#) at [myagedcare.gov.au](http://myagedcare.gov.au).