

# Higher everyday living fees in residential care homes

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# Introduction

This booklet provides information on the new higher everyday living services that residential care homes may offer from 1 November 2025.

# Standard services must be provided at no extra cost

Residential care homes are responsible for meeting the care needs of their residents in line with the Residential Care Service List (service list).

The service list outlines the care and services that homes are required to provide.

These services are funded by the Government (with some contributions from you) and should be provided at no extra cost.

These services will be provided whether you have moved into a residential care home permanently or are there for a short period of time for a break (called respite).

When you enter a residential care home you will sign a service agreement and an accommodation agreement. These agreements will include information about the care, services and accommodation you will receive, and any payments you will need to make.

You can find out more about the service list by going here health.gov.au/resources/publications/guide-to-aged-care-law/Aged care service list

# Higher everyday living services and fees

Residential care homes can offer a range of higher everyday living services that are over and above the standard services outlined by the service list.

Residential care homes can choose which higher everyday living services they want to offer (if any).

This means that the range of higher services offered may differ between residential care homes.

Examples of higher services that might be offered, subject to an additional charge, include:

- Wi-Fi usage
- in-room television
- subscription services with a streaming television provider
- premium menu options
- wider refreshment selection such as wine, beer and spirits
- daily newspaper delivery
- hairdressing and beauty services

You can choose to receive these higher services if you wish. But you may be asked to pay a Higher Everyday Living Fee (HELF).

Whether you want to purchase any of these services is completely up to you – they are optional.

This means that you won't be required to pay for anything you don't want.

A HELF cannot be charged for accommodation related services. This includes things such as the building, your physical room in the home, common areas, gardening, pest control and maintenance. These services would be agreed when you pay for your room.

The HELF will replace the current 'additional service' and 'extra service' fees.

# **Quality Standards and Statement of Rights**

All services must be delivered in line with the *Aged Care Quality Standards*.

These standards are designed to improve your care outcomes and set clear expectations for residential care homes in delivering quality aged care.

Residential care homes must also comply with the *Statement of Rights* which guide homes and workers to uphold older people's rights when delivering care.

More information is available at <u>agedcarequality.gov.au/older-</u>australians/reform-changes-older-people/statement-rights

# Higher everyday living fee agreements

You will need to enter into a separate HELF agreement with your residential care home, after you have moved in, if you wish to receive any of the HELF services they offer.

You do not have to enter into a HELF agreement if you do not wish to receive these higher services.

This is a separate agreement to your service and accommodation agreements, which outline the care and services that are funded by the Government (with some contributions from you) and should be provided at no extra cost.

There are 2 types of HELF agreements:

### 1. Standing (written) HELF agreements.

It is intended that these are the most common agreement used by residential care homes and covers the services that are planned and agreed in advance.

They can include ongoing services, fixed term services, or one-off services.

They need to be made in writing.

# 2. Ad-hoc (verbal) HELF agreements.

These agreements are for situations where you request a single service which hasn't been planned or agreed in advance.

They can only be entered into immediately before, or at the time, a service is to be delivered.

They cover impromptu purchases such as a coffee at an onsite café.

It is intended that these agreements would generally be made verbally but could also be in writing.

# Respite care

If you are a short term (respite care) resident, you are still able to receive HELF services if they are offered by the residential care home.

You will do this in the same way as permanent residents.

The only difference is that your agreement will stop when you end your respite stay.

If you become a permanent resident, then a new HELF agreement would need to be completed.

# Standing (written) agreements

Standing (written) agreements are intended to be the most common type of agreement for HELF services.

A standing HELF agreement needs to be in writing and covers the services that are planned and agreed in advance.

They can include ongoing services (such as Wi-Fi), fixed term services (such as a term of yoga classes) or one-off services (such as a haircut).

There are a few things to consider for standing (written) agreements.

#### **Receive information**

Residential care homes must provide you with information on their HELF services before you enter a written HELF agreement.

This might be included on their website or in introductory materials such as welcome packs, or it may be explained verbally with you.

This information may help you compare residential care homes and make informed choices.

Information must include a list of the HELF services they offer and the price you will need to pay if you want the service.

# **Know your rights**

You cannot sign a HELF agreement until after you have moved into a residential care home.

This means that a residential care home cannot make you agree to higher services as a condition of getting a certain room within the home.

The HELF agreement must also be separate from the service and accommodation agreements that you will sign with your residential care home.

The HELF agreement must be signed after you enter care and have a chance to consider if you want or need higher everyday living services.

For more information on service and accommodation agreements see <a href="health.gov.au/our-work/residential-aged-care/managing/accommodation-agreements">health.gov.au/our-work/residential-aged-care/managing/accommodation-agreements</a>

# Decide on the services you want

Once you move into a residential care home you will need to decide on whether you want any of the HELF services that are offered.

Services might include things like Wi-Fi usage, in-room television, subscription services with a media streaming provider, premium menu options or a daily newspaper delivery.

If you don't want any HELF services, then you don't need to do anything further and you don't need to sign an agreement.

If you decide to receive HELF services, then you must sign an agreement with your residential care home.

An agreement must be in place before any fees are charged.

The agreement must be in writing and must signed by you and your residential care home.

You can ask an authorised person, like a registered supporter, or an Enduring Power of Attorney or Guardian to sign the agreement on your behalf and with your permission.

The agreement must be written in plain language or translated if needed so that is easy for you to understand.

Ad-hoc (verbal) services are treated differently and are mentioned later in this booklet.

# **Understand bundling**

Some residential care homes may offer services as a bundle. This means that several services are provided together and charged as a group (i.e. bundle).

This may help the residential care home to plan for service delivery and they may charge a lower or discounted fee than if you purchased the services separately.

Each service in the bundle, and its fee, must be listed so that you can be clear on what the bundle includes.

Each service in a bundle must also be available for you to purchase separately if you don't want the other services. However, be aware that the service may cost more if you decide to receive it outside of a bundle.

The residential care home must show you both the standalone fee, and the bundle fee for each service.

You must be informed that you don't have to accept the bundle.

A bundle may include an item that you cannot use. However, you must not be worse off than if you paid only for the services that you can use.

# Example

Rose lives in a residential care home that offers a bundle of services that includes luxury toiletries, pay TV subscription, premium meal choices, and alcohol selections with the evening meal. The fee for the bundle is \$225 per week.

Alcohol interacts with Rose's new medications so she can no longer drink alcohol. This is an item in the bundle that she would not use, but she is advised that the total cost of the remaining items, if not taken as part of the bundle, would be \$235.

In that case, Rose elects to accept the bundle anyway, recognising she will not be financially worse off.

# Review the written agreement

The agreement must include a range of information on the HELF services that you have chosen.

Belov	w is a checklist of the information that must be included.
	a list of each service you have agreed to
	the amount you have agreed for each service
	how often you have agreed to receive each service
	details of how the service is better than, or additional to, the service
	that you would receive without paying an extra fee
	how long the service will be provided i.e. is it ongoing or does it
	have an end date
	how you can cancel or change services, and how much notice you
	need to give
	details of billing processes
	when you will not be charged, including when your residential care
	home cannot provide the service, or if you have been in hospital for
	more than 30 days
	any unavoidable costs that may apply for each service
	information about how and when you will be refunded
	a statement advising of an annual review process involving a
	review of all services
	how fees will be increased (this can only happen once per year)
some	or all of the fees. This arrangement would need to be included in greement, and should include agreed amounts, frequency of

payment and billing procedures.

# The cooling off period

There is a 28-day cooling off period after you sign an agreement.

This means that if you change your mind, you can cancel or vary your HELF services without a cancellation fee.

You must inform your residential care home of your decision, and they must cease services immediately.

You will be required to pay for the services you have already received up until that time.

The cooling off period gives you time to reflect on the services that you have agreed and decide whether you wish to continue receiving them.

# Change your agreement if needed

After the cooling off period, you can still cancel or vary a HELF service at any time.

You must inform your residential care home of your decision.

They can continue to charge you for 28 days from the time that you notify them that you want to cancel or vary a service. This is called a notice period and allows the residential care home to arrange for the change. They will need to continue to make the service available to you during this time.

If your residential care home can no longer deliver a service, the fees must be cancelled immediately, and you will no longer be expected to pay for the service

There may be instances where the home may offer you an acceptable substitute (i.e. a different TV streaming provider) which you would need to agree to.

Regardless of whether you or the home initiates the change, your HELF agreement needs to be updated to reflect changes to services and fees.

If the agreement is cancelled or varied, the residential care home must refund any amounts that you have prepaid. The home may deduct some costs from this refund, including for services that were available during the notice period, and for unavoidable costs after that time (see below section).

The residential care home must give you written advice within 14 days of your notice to cancel or vary a service. This must acknowledge the variation and the reason for the change (if initiated by them). They should also include details of the changes being made to the agreement, any unavoidable costs you are required to pay, and any refunds.

Residential care homes must not charge a fee for changes.

# What happens when you are on leave

A standing (written) HELF agreement must be suspended if you are in hospital for more than 30 days (meaning you are on extended hospital leave).

If you are on another kind of leave (i.e. social leave) it is up to your residential care home to decide whether they are prepared to suspend the agreement for an agreed period.

This is a matter you would need to discuss with your residential care home.

# Review your agreement each year

A standing (written) HELF agreement must be reviewed at least once per year.

This review provides an opportunity for you and your residential care home to reconsider the entire agreement and make any necessary changes.

These changes may include adding or removing services.

Residential care homes cannot increase fees during the annual review, unless indexation applies at the same time the review is undertaken.

The exception is if you change the services you want or the frequency you want them delivered.

For example, you may decide to add access to subscription TV services or increase the frequency of your yoga class from fortnightly to weekly. Either of these changes would result in increased fees.

Residential care homes are required to keep a record confirming that the review has taken place, along with details of the agreed outcomes, including any changes to the services to be delivered.

## Understand unavoidable costs

If you cancel or vary the agreement, your residential care home is allowed to charge you for unavoidable expenses they incur beyond the 28-day notice period.

This is to allow them to cover the costs if a third-party was involved in the service that you have now cancelled. For example, the residential care home may have already paid a subscription fee for a service that you have now cancelled.

The residential care home cannot charge an unavoidable cost if they initiate the cancellation or variation of the agreement.

Unavoidable service costs can only be recovered for a maximum of 90 days from the end of the notice period.

The residential care home must be able to justify these expenses and cannot charge more than what was actually incurred.

Unavoidable service costs cannot be charged when the agreement is varied or cancelled in the cooling off period, during the annual review or when a residential care home can no longer deliver a service.

#### **Understand fee increases**

The fees payable under the HELF agreement can increase a maximum of once a year, in line with the Consumer Price Index (CPI) increases.

Fees for all services can only be increased once each year. If there is no increase in the CPI for a given year then fees must not increase.

Your residential care home must advise you of the new HELF fees as soon as practicable.

Residential aged care homes may increase the advertised price of HELF services for new entrants who are yet to sign an agreement.

# Ad-hoc (verbal) agreements

There are times when you may want to purchase a service that you have not previously agreed to via a standing (written) agreement.

For example, you may wish to buy a coffee at an on-site café, or you may see an art class about to start that you wish to join.

This can be managed through an ad-hoc (verbal) agreement.

Ad-hoc (verbal) agreements can only be entered into immediately before, or at the time, the service is to be delivered.

They do not have to be in writing and can be agreed verbally.

The residential care home must still provide you details of the service and the cost and how you will be charged before you receive it.

This information may be provided in a range of ways, such as by listing the services and costs in a prominent location where you can see it.

You cannot be asked to agree to an ad-hoc (verbal) service until immediately before, or at the time, you are going to receive it.

You are also under no obligation to use the service and cannot be charged if you decide not to use or receive the service.

# Extra service and additional service fees

# Changes to additional and extra service fee arrangements

If you had an extra or additional service fee agreement prior to 1 November 2025 it can continue up until 31 October 2026, on the same terms and conditions.

If the agreement provided for the indexation or increase of the fees, the amount of the fee may be indexed or increased on the terms outlined in the agreement.

If there are no such provisions, then the fees cannot be increased.

No new extra or additional service fee agreements can be entered into from 1 November 2025 onwards.

New residents entering care on or after 1 November 2025 can only be offered a HELF agreement.

#### Transition from additional and extra service fees to HELF

The transition period, from 1 November 2025 to 31 October 2026, is intended to minimise disruption for residential care homes and residents.

You can only receive services under one arrangement and cannot be asked to pay a HELF at the same time as an extra service fee or additional service fee.

If changes are required to an existing extra or additional services fee agreement, then a new HELF agreement will be necessary, and the previous agreement will cease.

Your residential care home should have a conversation with you if you are on an extra, or additional service fee agreement. This should occur prior to 1 November 2026 to inform you of the upcoming changes and what (if any) HELF services the residential care home intends to offer. They can ask you whether you would like to enter into a HELF agreement.

Residential care homes should not unreasonably refuse your request to exit an existing extra or additional service fee arrangement, or to transition to a HELF arrangement if the residential care home is offering HELF services to new residents.

Some examples of reasonable requests to exit extra or additional service agreements could include, but are not limited to, instances where:

- you no longer derive a benefit from the service/s being offered
- you cannot access the services you are being charged for
- you are experiencing financial difficulty or hardship in meeting the costs of the extra or additional services

If you have not agreed to transition to a HELF agreement by 31 October 2026 your current extra service or additional service agreement will expire. Those fees will no longer be payable, and you may no longer receive the services that were previously provided under the agreement.

# Help and more information

#### Questions about HELF

You can find more information about HELF on our website at <a href="health.gov.au/our-work/Higher everyday living">health.gov.au/our-work/Higher everyday living</a>, additional and extra service fees

#### Concerns about care and services

If you have a concern at any time about the care you, or someone else, is receiving you should raise it with staff or management in the first instance. This is often the best way to have a concern resolved quickly, as all residential care homes are required to have a complaints mechanism in place.

To help with these discussions, you can contact:

- the Australia-wide Older Persons Advocacy Network (OPAN), which provides free, independent and confidential support for older people receiving government funded-aged care.
  - Advocacy services provide information to older people, their families and carers about their rights and responsibilities when accessing aged care services. OPAN can be contacted from 8am - 8pm Monday to Friday, and 10am - 4pm Saturday through:
    - o the free aged care advocacy line on 1800 700 600 or
    - visit <u>opan.org.au</u> to be put in touch with a network member in your state/territory.
- 2. the Aged Care Quality and Safety Commission (the Commission).
  - The Commission provides a free service for people to raise concerns about the standard of care or services delivered by Australian Government funded residential care services.
    - Call 1800 951 822
    - Visit agedcarequality.gov.au