

# Understanding your living and care costs

Fees and charges

Aeralife Watergardens



**We understand when you enter residential aged care for the first time it can be an emotionally difficult period for you and your family. However, it is extremely important that you understand the cost of residential aged care.**

There is a lot of information to be absorbed and it can sometimes be overwhelming. Therefore, this booklet is designed to help you familiarise yourself with the various terms used and the fees and charges associated with residential aged care. The amounts you must pay will be set out in your agreement.

## **What fees might I need to pay?**

When moving into an aged care home, there are a few different types of fees you may need to pay and include;

1. **Basic Daily Fee** – This is a set amount that everyone pays to cover everyday living costs such as meals, cleaning, and laundry.
2. **Non-Clinical Care Contribution** – may apply to some residents and is calculated by Services Australia based on your income and assets.
3. **Hotelling Supplement** – is also payable by some residents and is calculated by Services Australia based on your income and assets.
4. **Accommodation Costs** – This covers your room and can vary based on your financial assessment. Some people pay the full amount, some pay a part, and others have it covered by the government.
5. **Higher Everyday Living Fee** – is an optional fee to purchase enhanced goods and services that go beyond the standard care and daily living support set by the government under the Aged Care Act.

## **1. Basic Daily Fee (BDF)**

The basic daily fee is payable by all residents. It is currently \$65.55 per day and is indexed by the Commonwealth government each March and September.

## **2. Non-Clinical Care Contribution**

The Non-Clinical Care Contribution (NCCC) is a daily fee that some residents may need to pay, depending on their income and assets as assessed by Services Australia. The fee can range from \$0 to \$105.30 per day and stops once you reach a lifetime cap or after four years in permanent care, whichever comes first.

To ensure your NCCC is calculated correctly, please complete the Residential Aged Care Calculation of your cost of care form (SA457), available from Services Australia.

While this form isn't compulsory, if it isn't completed, you may be charged the full cost of your care. If we don't have enough information when you move in, the maximum or agreed daily fee may be applied temporarily until Services Australia finalises your assessment, at which point your fees will be adjusted accordingly.

## **3. Hotelling Supplement Fee**

The Hotelling Supplement Fee may apply to some residents, depending on their individual financial circumstances as assessed by Services Australia. This fee can range from \$0 to \$22.15 per day. When you first move in, the maximum rate may be applied temporarily, and once Services Australia confirms your assessed amount, your fees will be adjusted to reflect the correct rate.

#### 4. Accommodation Costs

Watergardens	Premiere	Superior	Deluxe
Accommodation Type	Single	Single	Single
Occupancy	1	1	1
Suite Size	19.67 - 22m <sup>2</sup>	19-20m <sup>2</sup>	12-14m <sup>2</sup>
Bathroom	Private ensuite	Private ensuite	Private ensuite
Maximum Refundable Accommodation Deposit (RAD) (per resident)	\$650,000	\$600,000	\$500,000
Maximum Daily Accommodation Payment (DAP) (per resident) @ 7.65% MPIR	\$136.23	\$125.75	\$104.79
DAP after indexation on 20 March 2024 if you enter care on 1 January 2026 (@ indexation factor of 1.0727)	\$146.14	\$134.90	\$112.41
The retention amount deducted from your RAD each day will be (rounded up to 2 decimal places)*	\$35.62	\$32.88	\$27.40
<b>Combination of RAD and DAP</b>			
If you pay a RAD of 50%	\$325,000	\$300,000	\$250,000
Your DAP will be	\$68.12	\$62.88	\$52.40
DAP after indexation on 20 March 2024 if you enter care on 1 January 2026 (@ indexation factor of 1.0727)	\$73.07	\$67.45	\$56.21
The retention amount from your RAD each day will be (rounded up to 2 decimal places)*	\$17.81	\$16.44	\$13.70

\* This example illustrates how a retention amount is applied to the first month's billing statement.

#### Accommodation payment options

We encourage potential residents or their families to contact us to discuss their situation. Residents can choose to make their accommodation payment in one of three ways:

##### a) Refundable Accommodation Deposit (RAD)

You can pay the room price in full as a lump sum amount. We can deduct agreed fees and charges from the RAD. Retention amounts set by the Government will also be deducted from lump sum payments. Retentions of 2% per annum will be deducted on a monthly basis for 5 years (up to 10% of RAD paid).

##### b) Daily Accommodation Payment (DAP)

You can choose not to pay the lump sum amount but instead pay a daily interest equivalent which is currently 7.65%. The daily interest rate is calculated and set by the Government. The DAP is indexed in March and September each year.

##### c) Combination of RAD and DAP

You can pay any portion of the lump sum RAD amount and pay the remaining balance as a DAP equivalent. Please see the table above for examples of this payment method.

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We may allow you to have the RAD deducted from a RAD lump sum if you are making a combination payment. If deducted from the lump sum, this will reduce the RAD refund payable to you or your estate. If DAP or other fees are deducted from the RAD lump sum, the amount you must pay us by DAPs will increase.

Any Accommodation Payment is due at the date of admission. If you choose to pay a RAD after admission, you will be charged interest on any unpaid amount. The Maximum Permissible Interest Rate is currently 7.65% per annum.

The DAP is calculated using the same interest rate. However you choose to pay for your accommodation, it is advisable to obtain independent financial advice before making a final decision.

**Supported or low means residents**

If your combined income and assets are below the current limits specified by the Commonwealth, your accommodation payment might be supplemented by the Commonwealth government, either in full or partly. The correct amount is calculated according to a government formula and is reviewed quarterly.

This amount is called an Accommodation Contribution.

This contribution replaces the DAP and can also be paid as a lump sum (A Refundable Accommodation Contribution) (RAC) or in combination. The RAC is subject to a retention charge of 2% per annum for up to 5 years. The retention amount will be deducted from the RAC automatically each month.

If we do not have sufficient information at admission to determine your supported or low means status, we may charge applicable DAP per day in the interim.

Information on completing an assessment can be found at: [www.myagedcare.gov.au/income-and-means-assessments/](http://www.myagedcare.gov.au/income-and-means-assessments/)

**Transitional cohorts**

There are different rules that apply to some people who were receiving or approved to receive aged care services before 1 November 2025. This includes:

- People who entered and were in care before 1 November, who transfer to a new care home and don't want their fees to be calculated under the post-1 November rules; and
- People who weren't in a care home, but were approved as a recipient of home care on or before 12 September 2024.

Please let us know if any of these situations apply to you as it may impact on fees and of RAD retentions.

**5. Higher Everyday Living Fee**

Residents can choose to benefit from a range of enhanced goods and services, which are provided at an affordable rate in addition to the standard services provided by all aged care providers and may do so by subscribing to Higher Everyday Living Services.

Higher Everyday Living Services vary at each Aeralife residence. Please see the daily fee and refer to the brochure and individual agreement for additional details (including how services and fees may change).

Package options	Daily Fee - standard	Daily Fee- concessional
Premium Package	\$25.00	\$10.00
Premium Xtra Package	\$35.00	-

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### Financial planning for aged care

Aeralife strongly encourages you to seek independent advice from a financial planner with expertise in residential aged care regarding your personal circumstances.

The DHS offers a free Financial Information Service (FIS). Call 132 300 for access.

A list of some financial advisors specialising in aged care is available at (they aren't endorsed by us):

[moneysmart.gov.au/financial-advice/financial-advisers-register](https://moneysmart.gov.au/financial-advice/financial-advisers-register)

### Monthly statements and payment methods

Regular statements

Statements are issued early each month and relate to the full month.

#### Direct Debit transfer

Direct Debit is our preferred method of payment, and it is processed mid-month (7 days from invoice date) from the nominated account, which is normally the one the pension is paid into.

#### Other payment methods

We accept bank transfers and payments by cheque for RAD payments. We do not provide credit card or BPAY payment facilities.

### Further information

If you have any further queries on the financial arrangements involved in your admission, please contact the Client Services Manager or your Financial Advisor.

#### Other useful websites

Department of Social Services: [www.dss.gov.au](http://www.dss.gov.au)  
My Aged Care: [www.myagedcare.gov.au](http://www.myagedcare.gov.au)

### Basis of calculations

All prices included in this document have been determined having regard to the relevant legislation, without regard to your personal circumstances. Information is of a general nature and subject to change. Aeralife isn't agreeing to monitor and notify you of changes that may impact you.

### Contact

1300 900 316

PO Box 6062 Hawthorn VIC 3122  
[accountsreceivable@aeralife.com.au](mailto:accountsreceivable@aeralife.com.au)

[aeralife.com.au](http://aeralife.com.au)

BDF effective from 20th Sep 2025. MPIR effective from 1st Jan 2026.

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# Compliance Disclosure Statement



aeralife.com.au

## Compliance Disclosure Statement

Heritage Care Pty Ltd is the registered provider for Aeralife Watergardens. Under the Aged Care Act 2024 (the Act), care recipients and prospective care recipients or their representatives are entitled to receive particular information from their provider on request.

This includes:

- a summary of the permitted uses for which we have used refundable deposits and bonds during the previous financial year,
- a copy of the permitted uses reconciliation in our most recent aged care financial report,
- information about whether we complied with the requirements for permitted uses of refundable deposits and bonds, and the Financial and Prudential Standards,
- information about the number of refundable deposit balances and bond balances (if any) that were not refunded in accordance with the timeframes set by the Act. For entry contributions (payable before 1997), information about the number (if any) that were not refunded in accordance with the entry contribution agreement,
- a copy of the audit opinion in our annual prudential compliance statement for the previous financial year,
- our most recent statement of audited accounts, and
- if we invest refundable deposits and bonds in particular kinds of permitted financial products, our investment objectives as recorded in our investment management strategy and the asset classes we may invest in.

We must also provide:

- if you have already paid a bond or a refundable deposit, a copy of your entry in the refundable deposit register,
- a copy of your refundable deposit or bond record at the end of each financial year.

Care recipients, prospective care recipients or their representatives may request any or all of the above information. The registered provider must provide the information within seven days of the request, and the information must be correct at the time of the request.

We must also provide a copy of your refundable deposit or bond record to you:

- if you cease accessing funded aged care services from us or, if you die, to your legal representative or estate;
- if you move to another approved residential care home of another provider.

Reference: *Aged Care Rules 2025*

## Evidence of Fees and Charges explained

I acknowledge that I have read this document and understand the fees and charges associated with entering aged care. I understand these costs, including any applicable basic daily fees, resident contribution, accommodation costs, and any additional services/higher everyday living fees as outlined.

I confirm that I have had the opportunity to ask questions and seek clarification regarding these fees and that I agree to the terms and conditions related to the charges.

Name\*:

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Signature:

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Date:

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\*The only representative with full legal authority to sign this document on behalf of a resident is a guardian with the power to make decisions about a person's accommodation and the services they receive.