

Costs Explained



The costs of Residential Care are determined by Services Australia (Centrelink) and vary according to a resident’s income and assets, level of care, date of entry and whether or not the resident is a pensioner.

The rates are reviewed regularly by Services Australia. Under the Aged Care Act 2024, all residents who enter Residential Care are required to have a financial assessment. This financial assessment is to determine the fees and charges applicable to each resident.

The information provided below is to assist you with the various fees and charges associated with Residential Care. More accurate information will be provided to you at the time you are offered accommodation based on the financial assessment provided.

Costs include:



1. Basic Daily Fee

All residents pay the Basic Daily Fee of \$65.55 per day (effective from 20/09/2025), which is 85% of the single age pension.

2. Hotelling Supplement Contribution

This fee is a means tested contribution for daily living costs such as food, cleaning, laundry and utilities. It is paid by some residents in addition to the Basic Daily Fee.

This contribution fee is set by the Australian Government and is updated twice a year in line with changes to the Age Pension (typically on 20 March and 20 September).

Residents with income and assets above a certain level will pay this as a contribution towards their living costs. If your income and assets are below the threshold, the Australian Government will cover the full cost on your behalf.

3. Non-Clinical Care Contribution

This is a means-tested contribution that some residents pay towards the cost of their non-clinical care costs such as bathing, mobility assistance and lifestyle activities.

The amount of Non-Clinical Care Contribution (if any) is determined by the Government based on your income and assets. The maximum daily amount is \$105.30, with a lifetime cap of \$135,318.69 (including any Support at Home contributions), or after 4 years in residential aged care, whichever comes first. These figures are indexed twice per year.

Residents with income and assets above a certain level will pay this contribution. The family home will continue to be exempt from any means testing where there is a protected person (a spouse or dependent adult child) residing in the home.

If your income and assets are below the threshold, the Australian Government will cover the full cost of your clinical and non-clinical care.

For further specific information, please contact the Services Australia phone line on 1800 227 475 or visit the Services Australia website.

4. Accommodation Payments

Accommodation payments are payable from the day of admission. The amount an individual is required to pay is based on Centrelink's assessment of the Means-Tested Amount, which is calculated using a resident's assessable income and assets. An accommodation payment is payable where a resident's Means-Tested Amount is greater than zero. Residents then have the option of paying the accommodation payment by various modes.

5. Interest Rates

Interest rates charged are set by Services Australia. The current maximum permissible interest rate from 1st October 2025 to 31st December 2025 is 7.61%. These rates are subject to change.

6. Higher Everyday Living Fee (HELF)

The Higher Everyday Living Fee (HELF) is an optional fee for people who choose to receive a higher standard of everyday living services.

This service will soon be offered to new residents in permanent or respite residential aged care with Lutheran Homes Group.

For Further Information

Residents assessed by the government as having limited financial means, may have part or all of their accommodation costs paid by the Government. Lutheran Homes Group is not able to negotiate or advise potential Residents on matters related to the Government's financial assessment process.

For further information in relation to the various types of accommodation and prices available at Lutheran Homes Group, please visit our website.

If you have any general queries regarding admission process, please contact the Residential Care Admissions Team at admissions@lutheranhomes.com.au. For assistance with financial or legal matters, please speak to your financial planner and/or legal advisor.

You can also get an estimate of your fees for Residential Care on myagedcare.gov.au ⁷