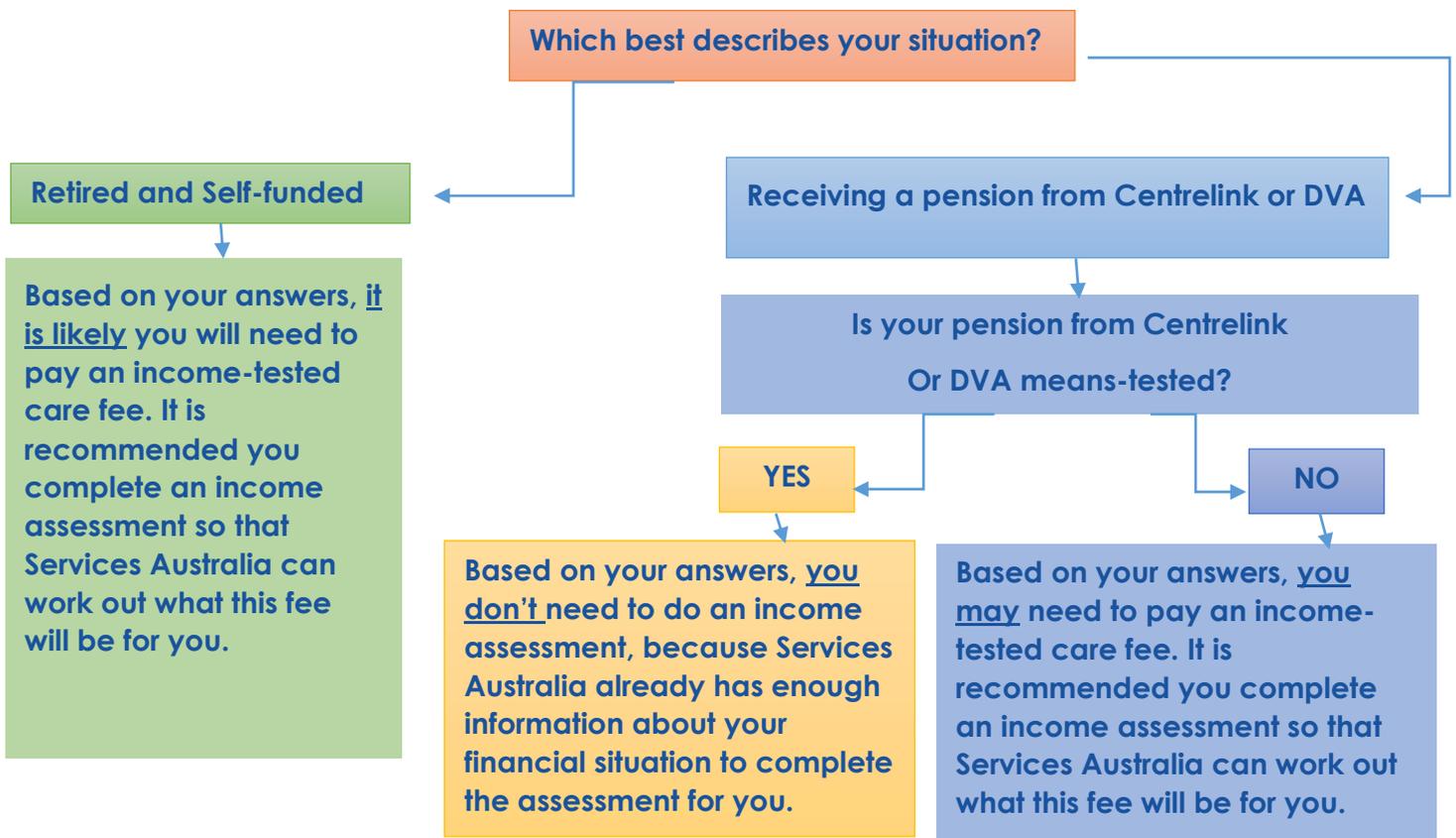


What is an income tested care fee?

When you apply for a Home Care Package the government may ask you a few questions about your income (how much money you have) and assets (the things you own) so they can decide how much money to give you in the Home Care Package and how much you have to pay out of your own pocket for services.

They may ask questions like the following:



Income tested pensions include:

- Age Pension
- Disability Support Pension
- Service Pension
- Income Support Supplement
- Disability Pension paid by DVA (with Qualifying Service)
- Income Support Pension paid by DVA

Pensions that are not income tested include:

- Blind Pension
- War Widow(er)'s Pension
- Veterans' Disability or Allowance

After you complete the income assessment (if you have to) you will receive a letter from Services Australia about your home care fees. Your The letter will look like this and will explain how much out of your own pocket you have to pay for services.

PO Box 7821 Canberra BC ACT 2610



Australian Government
Department of Human Services

Your reference: **0000000000**



<care recipient's name>
<care recipient's address>

29 April 2017

Dear <care recipient's name>

Home care fees

When commencing a home care package, the assessment of your income determines what you may need to pay to your service provider. The two types of fees you may be asked to pay are a basic daily fee and an income tested care fee.

All care recipients of home care can be asked to pay a basic daily fee. The amount is currently **\$10.10** per day.

Depending on your income, you may also be asked to pay an income tested care fee to your service provider to contribute towards costs of your care.

Your assessment details

Based on the information you provided, your service provider can ask you to pay:

- the basic daily fee of **\$10.10** per day, and
- an income tested care fee of **\$3.83** per day.

These fees are based on your fortnightly income which has been assessed as **\$1,110.01** and includes the income deemed from your financial assets. A summary of your income is in the attachment.

If the value of your income varies, your payments to the provider may also change.

What you need to know

This assessment and fees is based on your circumstances at 27/04/2017 and will be valid until 24/08/2017 subject to the conditions listed below. If you do not commence a home care package before 24/08/2017 but intend to do so at a later date, you will need to contact us prior to commencing a home care package as your fees and charges may need to be recalculated.

Once you have commenced a home care package, your daily fees may change over time in line with age pension increases in March and September each year or as your circumstances change.

For more information



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Whilst ADEC doesn't charge the 10.10 basic daily fee we need to charge the income tested fee (in the example letter above that is \$3.83 per day) to provide you with the full service. Below is another example to further explain how it all works.

Mr Smith is 67 years old and is allocated a **level 2 home care package**. He received a letter similar to the one above.

In his letter the government said that Mr. Smith may be asked to pay the basic daily fee of \$10.10 and has to pay an income tested care fee of \$10 per day.

Mr Smith is an ADEC client and ADEC do not charge the daily base fee of \$10.10 in order to support our clients better - so Mr Smith does not have to pay this.

However, he is still working part-time and earning money, so he has been assessed by Services Australia to contribute \$10 per day (= \$3,650 per year) towards his home care package (this is the income tested care fee mentioned above). ADEC has to charge this fee in order to provide services and support Mr. Smith.

Yearly package based on \$10 per day pocket income tested care fee.

Home care package	Level 2	
Total yearly home care package subsidy	\$16,443	= \$16,443
Your yearly home care package subsidy from the government	\$12,793	= \$16,443
Your contribution to your home care package (\$10 per day x 365 days)	\$3,650	

***Monthly package based on \$10 per day out of pocket income tested care fee**

Home care package	Level 2	
Monthly home care package subsidy	\$1,370.25	= \$1,370.25
Your monthly home care package subsidy from the government per month	\$1,066.08	= \$1,370.45
Your contribution to your home care package per month	\$304.17	

*the monthly figures above are worked out by dividing the yearly figures on the left by 12 months.

Without Mr. Smith's contribution to the home care package (the \$10 per day income tested fee) ADEC can't provide the service and support Mr. Smith in the way they would like to.