

What is the income-tested care fee (ITF)?



Need help?
1300 866 228

The income-tested care fee is a contribution the government requires some people to pay toward their Home Care Package. It varies for everyone and is based on an assessment of your income and assets, including your pension. The assessments are completed by Services Australia and will determine the amount you may be asked to contribute.

Will I be required to pay an income-tested care fee?



If you are a full pensioner and your annual income is below \$28,974.10* you don't pay an income-tested care fee. This means your Home Care Package will be 100% Government funded.



If you are not a full pensioner, and your annual income is above \$28,974.40* you do pay the income-tested care fee. An income tested fee has a lifetime cap of \$68,012.98 which includes home care and residential care. (Oct. 21) This means your Home Care Package will be partially Government funded and partly self-funded.

How much income-tested care fee will I pay?

Singles earning over:	Couples living together earning over:	Couples living apart due to illness earning over:	Your income-tested care fee (per day) <u>could</u> be up to:
\$28,974.40	\$22,471.80	\$28,454.40	\$15.81
\$56,035.20	\$42,868.80	\$55,515.20	\$16.15 - \$32.30

* These amounts change with indexation on 20 March and 20 September every year and are up to date as of 20 March 2022.

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Client example:

How will Suzie's income-tested care fee be calculated?

Suzie is a single, part pensioner who is keen to stay living at home, to be close to her family.

Suzie has \$300,000 of savings and shares with an annual income above \$28,974.40.

Investment income	\$8,400/year
	+
Age pension entitlement (less supplements)	\$22,200/year
Assessable income	\$30,600.00/year
Minus the income-free area	\$28,974.40
Multiply the income above the threshold by 50c and divide by 365	\$1,625.60
Suzie's income-tested fee <small>*less than a takeaway coffee!</small>	\$2.23/day

This is based on the current Home Care Package Level 2 Daily Subsidy Rate, 01/07/2021 - 30/06/2022.

\$43.50 is the most amount to be subsidised by day for a Level 2 package.

Quarterly reviews

If your financial situation changes while you are receiving care, your income-tested care fee can change. It is important to keep Services Australia up to date with any changes to your financial circumstances. As part of the quarterly reviews, they will also conduct regular checks to make sure you are paying the correct fees.

www.servicesaustralia.gov.au/getting-aged-care-services

How do I estimate the amount of my income-tested care fee?

Care Connect can assist you with this process. Call us if you'd like some help!

The My Aged Care website also has a fee estimator that can help you consider what fees you may need to pay.

You can access the fee estimator here:
www.myagedcare.gov.au/how-much-will-i-pay