

When do I need to pay for my aged care accommodation?

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The transition into aged care can be stressful and emotional, especially when it comes to making a significant financial commitment to enter your preferred aged care facility.

But when are you actually required to make that payment?

According to Affinity Aged Care Senior Adviser Don Swanborough, the law makes it clear.

“The Aged Care Act allows potential residents 28 days from the date of entry to decide how they are going to make their accommodation payment,” Don said.

Don said he had heard of some difficult situations where residents felt pressured to make upfront payments.



“The fact of the matter is a facility cannot demand an upfront accommodation payment – it is prohibited by the law.

“Of course, in many cases you may consider it prudent to pay a deposit to secure the room you like, but this decision is completely up to you.”

Don said there were a number of ways to pay for aged care accommodation, including a full upfront Residential Accommodation Deposit (RAD), a Daily Accommodation Payment (DAP), or a combination of both.

“If you elect to pay a RAD, you will be charged a DAP from the date of permanent entry to care until you pay the lump sum,” Don said.

“And while a RAD is fully refundable on leaving the aged care facility or is left to the estate if the person passes away, a DAP is not refundable.”

Don said when it comes to aged care decisions, it is important to discuss your options with a certified aged care adviser.

“Legislation can be complex and is subject to change, so make sure you speak to a trusted financial adviser who specialises in aged care when it comes time to plan for the future and make these decisions.”