



Too wealthy for home care subsidies?

Did you think you would not qualify for the government subsidies on home care? Take another look - you might be surprised.

The cost of full-time private care provided in your own home may look daunting. But financial advice along with a government-subsidised home care package and support from friends and family, might make home care achievable and affordable.

Each home care package comes with an assigned budget that you can choose how to spend on care services (after administration costs). Part of this budget is paid by the government and part is paid by the recipient.

But are you too wealthy to qualify for the government subsidies?

Home care packages are income-tested. Any income-tested fee you are asked to pay, reduces the government subsidy. There is no cut-off limit for eligibility to the government subsidies, instead there is just an annual cap on the amount you might need to pay. This means no-one is too wealthy to qualify for government subsidies, except possibly someone with very high income who receives a Level 1 package.

The table below shows the minimum and maximum fees that you could be asked to pay for each package level as well as the government subsidy range (rounded to nearest dollar).

Package level	Total annual budget	Care recipient pays:		Government pays:	
		Min	Max	Min	Max
Level 1	\$12,574	\$3,548	\$12,574	Nil	\$9,026
Level 2	\$19,630	\$3,752	\$15,088	\$4,542	\$15,878
Level 3	\$38,409	\$3,858	\$15,194	\$23,215	\$34,551
Level 4	\$56,338	\$3,960	\$15,296	\$41,042	\$52,378



An income-tested fee is only payable if assessable income exceeds \$28,101 per year for a single person, or \$21,814 per year combined for a couple living together. Below this income level, only the basic fee is payable (which is the minimum amount in the table above). Some home care providers waive this fee, but if they do, it also reduces the package budget available for you to spend.

Example 1:






Moira is a single homeowner with \$1.2m in financial investments. She does not qualify for an age pension but has been approved for a Level 3 home care package. Moira will not pay an income-tested fee. She will only be asked to contribute \$3,858 per year for her home care package and the government will pay the remaining \$34,551.

Example 2:

Vinita and Rahul are married homeowners with \$2m in financial investments. They do not qualify for an age pension, but Vinita has been approved for a Level 4 home care package. Vinita will not pay an income-tested fee. She will only be asked to contribute \$3,960 per year for her home care package and the government will pay the remaining \$52,378.

Get in touch with us today to see what support you might be eligible for.

For more information or if you have any questions, please contact us at:

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