Residential Aged Care Costs:

Vasey RSL Care Frankston South: Park Lodge

85 Overport Road, Frankston South VIC 3199

1 Oct 2025

How much does residential aged care cost?

The Australian Government provides some funding for residential aged care: however, you may be asked to contribute to some of the fees and costs relating to your care.

There are four fees you may be required to contribute to:

1. Basic Daily Fee
2. Additional Services Daily Fee
3. Accommodation Costs
4. Means-tested Care Fee

Your contribution to these costs will depend on your financial circumstances.

1. Basic Daily Fee

Current Fee: $65.55

The Basic Daily Fee pays for day-to-day services including meals, cleaning, laundry and facility management and applies to all aged care residents, no matter which aged care home you choose.

The fee is set by Government at 85% of the single person rate of the basic age pension in accordance with the Aged Care Act 1997 on 20 March and 20 September each year in line with changes to the age pension.

All residents in aged care are required to pay the Basic Daily Fee which is billed monthly in advance.

2. Additional Services Daily Fee

Current Fee: $11.95

The Additional Services Daily Fee pays for the amenities, additional choices and services that go beyond the minimum care and service requirements. These services are not subsidised by Government.

Note that respite residents and permanent residents who have been assessed as ‘Fully Supported’ by the Government pay a reduced daily fee of $6.95.

Please refer to the Additional Services brochure for full details of the Additional Services provided.

3. Accommodation Costs

The Accommodation Costs cover the cost of your room and are set by the aged care home: they vary according to the size of your room, the location of the home and the facilities it offers.

The contribution to the Accommodation Costs you are required to pay is determined by a means assessment by Centrelink (Services Australia) or the Department of Veterans' Affairs (DVA).

Residents may choose to pay their Accommodation Costs in a number of ways, as indicated below.

Option 1: Refundable Accommodation Deposit – RAD

A Refundable Accommodation Deposit (RAD) is paid as a lump sum amount.

Maximum Refundable Accommodation Deposit (RAD):	**$450,000.00**

Interest is payable from the day of arrival until the Refundable Accommodation Deposit (RAD) is paid in full, at the current legislated maximum permissible interest rate (MPIR) of **7.61%.**

Option 2: Daily Accommodation Payment – DAP

A Daily Accommodation Payment (DAP) accrues daily and is paid periodically.

For example, on a **$450,000** entry price at the maximum permissible interest rate (MPIR) of **7.61%**, the daily payment is **$93.82**/day.

Maximum Daily Accommodation Payment (DAP):	**$ 93.82**
Maximum Annual Accommodation Payment (AAP):	**$ 34,245.00**

Option 3: Combination Payment – RAD & DAP

A combination payment includes a lower Refundable Accommodation Deposit (RAD) and a reduced Daily Accommodation Payment (DAP).

For example, on a **50%** Refundable Accommodation Deposit on the **$450,000** entry price, the Daily Accommodation Payment is **$46.91**/day.

Maximum Refundable Accommodation Deposit (RAD) eg **50%**:	**$225,000.00**
Maximum Daily Accommodation Payment (DAP):	**$ 46.91**
Maximum Annual Accommodation Payment (AAP):	**$ 17,122.50**

The RAD is payable within 6 months of arrival. Interest is due on the unpaid RAD from the arrival date to the date of payment. It is refunded when you leave, less any unpaid interest, or other fees and charges owing.

4. Means-tested Care Fee

The Means-tested Care Fee goes towards the cost of your personal and clinical care and is charged from your date of arrival.

The amount you pay is determined by Services Australia (formerly the Department of Human Services) and is based on an assessment of your income and assets. Not everyone will have to pay this fee. There are also annual and lifetime caps on the Means-tested Care Fee.

You will be required to complete an 'Income and Assets Assessment' form and lodge this (even if you currently receive a means-tested income support payment from Centrelink or the Department of Veterans' Affairs, such as the Age Pension or the Service Pension).

You will be notified of your Means-tested Care Fee by letter from Services Australia around 3 to 6 weeks after your arrival.

The Cost of Residential Aged Care

The government is committed to ensuring that all Australians have access to residential aged care. Depending on your financial circumstances, the means assessment will determine how much of the various years' fees you are required to pay.

The Government also has options to review individual cases for financial hardship support: you can find out more here: https://www.myagedcare.gove.au/financial-hardship-assistance.

Questions

If you have any questions about the above, contact our staff on T: (03) 9596 7485.

Resident Agreement

A formal agreement, providing full details about your fees and charges, your rights and responsibilities and those of the aged care home, will be provided to you.

Further Information

MyAgedCare	1800 200 422 (Mon to Fri 8am to 8pm, Sat 10am to 2pm)
Commonwealth Information Line	1800 200 422
Centrelink	13 23 00
Department of Veterans' Affairs	13 32 54

Disclaimer

The information provided does not constitute financial advice. The information is of a general nature and does not take into account the individual's objectives, financial situation or needs. It should not be used, relied upon or treated as a substitute for specific professional advice.