

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Senate Standing Committee on Community Affairs Legislation Committee

Inquiry into the Aged Care Bill 2024 (Provisions)

03 October 2024

PDR Number: IQ24-000140

Changes to Daily Accommodation Payments (DAPs) as part of the reforms

Written

Senator: Marielle Smith

Question:

What changes are being made to Daily Accommodation Payments (DAPs) as part of the reforms

Answer:

Under the reforms, providers will be required to index the Daily Accommodation Payment (DAP) an individual pays twice per year in line with changes in the Consumer Price Index. This change will ensure that the price paid for accommodation remains constant in real terms. The indexation will occur on 20 March and 20 September in parallel with Age Pension increases.

This brings the treatment of DAPs into alignment with how the government pays Accommodation Supplement for low means residents receiving support with their accommodation costs.

There will be no difference to current arrangements for individuals who choose to pay a Daily Accommodation Contribution (DACs). An individual's DAC is already recalculated when the Accommodation Supplement and means testing thresholds are indexed.