

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015-16 Budget Estimates Hearings

Outcome Number: 3.4 Residential and Flexible Care

Question No: SQ15-000381

Topic: Alignment of aged care means testing

Hansard page: Written

Senator Helen Polley asked:

Can you outline how this measure is expected to save \$26.2 million?

Answer:

The new measures will mean that rental income from the former home will be counted as income in the aged care means test.

As this rental income will be counted for the means test, aged care fees for affected individuals will be higher than would otherwise have been the case. There will be a matching reduction in the level of Government subsidy paid in respect of those individuals.

The measure only applies in respect of residents entering care from 1 January 2016. Existing protections such as annual and lifetime caps on means tested care fees would remain to prevent any individual paying excessive fees.