

# Age Pension and Aged Care

## Fast Facts

Effective | 20 September 2016

# AGE PENSION AND AGED CARE FAST FACTS

**EFFECTIVE 20 SEPTEMBER 2016**

## Age Pension Rates:

Pension rates per fortnight	Single	Couple each	Couple combined
Maximum rate	\$877.10	\$661.20	\$1,322.40

## Assets test

### Assets test threshold for full pension:

	For homeowners assets must be less than:	For non-homeowners assets must be less than:
Single	\$209,000	\$360,500
Couple combined	\$296,500	\$448,000

### Assets test upper limits:

	For homeowners part pension assets must be less than:	For non-homeowners part pension assets must be less than:
Single	\$793,750	\$945,250
Couple combined	\$1,178,500	\$1,330,000
Couple separated due to ill health	\$1,446,000	\$1,617,500

## Income test

## Single:

Fortnightly income	Up to \$164	Over \$164
Reduction in payment	Full payment	50 cents for each dollar over \$164

## Couple combined couple separated due to ill health:

Fortnightly income	up to \$292	over \$292
Reduction in payment	full payment	50 cents for each dollar over \$292 (combined)

## Deeming thresholds and rates from 1 July 2016:

Threshold (single)	\$49,200
Threshold (couple combined)	\$81,600
Lower rate	1.75%
Higher rate	3.25%

## Income test upper limits

### Once fortnightly income reaches this level there is nil entitlement:

Single	\$1,918.20
Couple combined	\$2,936.80
Couple separated due to ill health	\$3,800.40

### Asset test – effective 1 January 2017:

Homeowner		Non-Homeowner
Single	\$250,000	\$450,000
Couple	\$375,000	\$575,000

Pensioners will be subject to a new taper rate of \$3 for every \$1,000 above the new assets test free areas.

### Asset test limits – effective 1 January 2017

Once assets reach this level there is nil entitlement:

Homeowner		Non-Homeowner
Single	\$542,500	\$742,500
Couple	\$816,000	\$1,016,000
Couple separated due to ill health	\$957,750	\$1,160,000

Figures based on current Age Pension rates as of September 2016.

### Commonwealth Seniors Health Card – adjusted taxable income limits:

Single	\$52,796
Couple	\$84,472
Couple separated due to ill health	\$105,592

### Residential Aged Care (as of September 2016):

Fee/ Charge/ Thresholds	Rates
<b>Maximum Basic Daily Fee</b>	
Residential Care	\$48.44
Home Care	\$9.97
<b>Income Free Area (annual amount) Residential Care</b>	
Annual income up to these amounts is excluded from the income test component of the residential means test and the income test in home care. To calculate the equivalent fortnightly income; divide by 26.	
Income Free Area (single person)	\$25,792.00
Income Free Area (Couple, illness-separated, single rate)	\$25,324.00
Income Free Area (Couple, living together, single rate – relevant to home care only)	\$20,025.20
<b>Asset Thresholds Residential Care Means Test</b>	
Asset Free Threshold (17.5%)	\$46,500
First Asset Threshold (1%)	\$159,631.20
Second Asset Threshold (2%)	\$385,893.60

<b>Home Exemption Cap (applies separately to both members of a couple)</b>  The net value of the home above this amount is excluded from the value of the resident's assets.	\$159,631.20
<b>Cap on Means Tested Care Fees in Residential Care</b>	
Annual cap	\$26,041.09
<b>Lifetime Cap on Means Tested Care Fees in Residential Care and Income Tested Care Fees in Home Care</b>	\$62,498.66
<b>Maximum Accommodation Supplement Amount</b>	\$54.39
<b>Relevant rates and thresholds for refundable deposits and daily payments</b>	
Maximum Permissible Interest Rate:	
For all new residents from 1 July 2016 – 30 Sept 2016	6.01%
For all new residents from 1 Oct 2016 – 31 Dec 2016	5.76%
Maximum rate of interest that may be charged on outstanding amount of daily payment from 1 July 2016 – 30 Sept 2016.	6.01%
Maximum rate of interest that may be charged on outstanding amount of daily payment from 1 Oct 2016 – 31 Dec 2016.	5.76%
Base Interest Rate.	3.75%
Minimum permissible asset level:  This is the minimum amount of assets a resident must be left with if they pay at least part of their accommodation costs by refundable deposit.	\$46,500