

TODAY'S TOPIC

Planning for Aged Care

Thank you for joining us.
We will commence shortly



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PLANNING TO MOVE
TO RESIDENTIAL
AGED CARE



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QUESTIONS



**PLANNING TO MOVE
TO RESIDENTIAL
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PLANNING TO MOVE TO RESIDENTIAL AGED CARE

Your seven steps for aged care



This can be a stressful time, but early planning and good advice can minimise the stress for you and your family.

You will be faced with many personal and financial decisions.

There are seven steps to help you to navigate through the aged care maze and where to get help.



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1. Planning

Reduce the stress by planning ahead.

Start with a family meeting to make shared decisions.

Use this meeting to:

- **Discuss options and preferences**
- **Explore each person's concerns**
- **Decide who needs to be involved in any planning.**

Frank and open discussion is the first step to an effective decision making process.

2. Assessing options

Aged care help can be accessed in your home or in a residential service.

To help you decide which option is best, arrange a free assessment by an Aged Care Assessment Team/Service (ACAT/ACAS). You will need to have ACAT/ACAS approval before you can access government subsidised services.

Book an appointment directly with ACAT/ACAS on 1800 200 422. Further information is available at www.myagedcare.gov.au.

Your seven steps for aged care

3. Searching for services

If residential care is required, think about what criteria are important in deciding where to live. Make a list. This should include location, amenities and your health care needs.

This list will help you to develop a shortlist of potential services which you might like to contact or visit. But first check what fees will be asked for accommodation to ensure it is affordable for you.

If all your boxes are ticked you can fill in the application form to add your name to the waiting list. You can put your name on the waiting list for more than one service to increase your chances of finding a place.

Where to find help

Listings: search by post code for the list of aged care services in your preferred location and check accommodation fees on www.myagedcare.gov.au.

Placement Services: search the internet for 'aged care placement services' for advice and help to choose a service and negotiate a place.

Application form: discuss the application process with your facility. You may be asked to fill in an application form.

Your seven steps for aged care

4. Understanding the costs

What you will pay for residential care is divided into contributions towards accommodation, care and additional services.

How much you have to pay may depend on :

- The service you choose
- Your assessable assets
- Your assessable income.

The total payable can be hard to calculate without good advice.



Your seven steps for aged care

4. Understanding the costs (Con't)

Accommodation costs

You need to pay for your accommodation. This is a contribution towards the cost of your room, use of the amenities and maintenance. You can choose to pay a lump sum or a daily payment or a combination.

- **Lump Sum Payment** - Refundable accommodation deposit (RAD) / Refundable accommodation contribution (RAC). Just like buying a house, the amount you pay may depend on the location and quality of the accommodation. The amount you pay is fully refunded when you leave, unless you ask for other fees to be deducted from it or you have outstanding fees when you leave. Repayment is guaranteed by the Federal Government if paid to an approved care service. Ask to see their certificate.
- **Rental-Style Daily Payment** - Daily accommodation payment (DAP) / Daily accommodation contribution (DAC) are like paying "rent" or interest on any unpaid lump sum payment.

Daily Care fees

You will be asked to contribute towards the cost of your care through:

- **Basic daily fee** at a rate of 85% of the maximum basic single age pension
- **Means tested fee** is payable if you have income and assets over specified thresholds. This amount is limited by an annual cap and a lifetime cap.

Additional service fees

This is payable for extra services or higher standards of accommodation if selected and may be offered as a package or on a user pays basis. Fees vary depending on the facility

Your seven steps for aged care



5. Covering costs

Before making a move, a complete review of your financial situation is ideal to ensure you can create sufficient cashflow and maximise your estate.

Many decisions may need to be made including:

- Should the family home be kept, sold or rented?
- Is it best to pay lump sum, rental style daily payments or a combination for accommodation?
- How is your Centrelink/Veterans' Affairs pension affected and can this be improved?
- What are the best investment options for any surplus money?
- How to manage any taxation implications?
- What are the implications for your estate?

6. Estate Planning

Anytime your circumstances change it is important to consider the impact this has on your estate plans. This includes when you move into aged care.

The Will: Review your will and if needed, update it to reflect any changes.

Investments: Review structure of financial assets and investment with 'death benefit' nominations.

Powers of Attorney: Make sure you have the appropriate powers in place so that someone you trust can make decisions on your behalf.

An Enduring Power of Attorney – Financial covers financial decisions even when you are no longer able to make decisions on your behalf.

Similarly, An Enduring Power of Attorney – Medical covers decisions on your medical, care and living arrangements.

These documents can only be put in place while you are deemed of sound mind so it's wise to establish them early.

Your seven steps for aged care

7. Moving

When you accept a place in an aged care service you will be asked to sign two or three contracts that cover all the details. These might be given to you as separate documents or combined into one. This will detail the services provided and fees payable. It will also outline your rights and obligations. After this you still have time to rearrange assets to make the payments.

Fees may commence once the place is accepted but you have 28 days to decide whether to pay for your accommodation as a lump sum or a daily fee or a combination of both.

If you receive Centrelink or Veterans' Affairs payments, you must notify the change in living arrangements as well as any changes to your income and assets.

Don't forget to let your doctor, bank, Medicare, electoral roll and other relevant organisations know your new address details.

Keep in touch with your adviser. He or She can review your financial situation to ensure that opportunities continue to be maximised.





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