



AGED CARE

CHECKLIST

**Making the
hardest
decisions in
life a little
easier**

Knowing the right thing to do when making decisions about the care of a loved one, can be complex and overwhelming. This is heightened when you are the key decision-maker.

What you need to know

Whether considering options for yourself or deciding how best to help someone close to you, aged care is a complex area that requires careful thought and planning. The uncertainty around where and when to move, how much it will cost and where the money will come from can be overwhelming and stressful.

Early and effective planning is critical to ensure that your affairs are properly structured to maximise benefits, reduce costs and retain control. The complexities in aged care may require legal, taxation and financial planning expertise, so you need a competent, experienced team to assist you. We provide a range of options for you to consider, so that you can make an informed choice that best suits your circumstances.

Steps to aged care

There are a lot of confusing terminologies and acronyms used in this area. For example, RADs and DAPs are 'refundable accommodation deposits' and 'daily accommodation payments'. We prefer to call them 'lump sum deposits' and 'daily payments', so that is how we will refer to them here.

Your aged care plan begins with four initial steps:

1. **Assess your current financial position.** In order to understand the fees and charges you may have to pay, you will need to review your asset values and income position, e.g. assets held in joint names, superannuation, family companies, trusts such as family discretionary trusts, and pensions or annuities.
2. **Be assessed by ACAT (Aged Care Assessment Team).** The level of care will depend on your needs. Your health situation must be assessed to determine if you are eligible for Government-subsidised aged care services and admission to a home. This is a free service provided by the Aged Care Assessment Team and funded by the Federal Government.

The different levels of care broadly cover two areas

ASSISTANCE IN YOUR OWN HOME	ENTERING AN AGED CARE HOME
<p>LEVELS 1-2. Low care – help around the home, with showering, medications, leisure activities</p> <p>LEVELS 3-4. Manage skin dressings; mobility; support you with activities of daily living.</p>	<p>Independent living in a retirement village through to high care facilities providing 24 hours care.</p>



We believe in taking away the overwhelm during a highly emotional time, by providing facts, advice and support.

3. **Understand your current and future lifestyle needs.** There are many aspects to selecting a facility and the search should not be done based on fees alone. Amongst the many considerations are your own particular needs, proximity to family and friends and the general standard of the facility. You may want access to extra services or be able to share a companion room.

Prepare a list of things that are important to you in terms of daily living and use this to help select a home. This may be:

- a private room – outdoor facilities, cupboard space
- social activities and excursions provided
- exercise classes, level of care

4. **Work out the cost of care.** There are Federal Government subsidies available for residential aged care facilities. Residents will also need to complete a financial assessment to determine how much they will be asked to contribute.

Residential basic daily payment. Payable to the facility, this fee contributes to daily living costs such as nursing, personal care and meals. This fee applies to all care residents regardless of their income. This fee is indexed in March and September each year.

Accommodation payment. An accommodation payment is an amount determined at the time that you enter the home. This can be paid as a refundable lump sum deposit, regular daily payments or a combination of both. The amount is based on your means test assessment. If you fall below the Government scheduled fee you can never be asked to make a refundable lump sum deposit (usually several hundred thousand dollars). You will have 28 days from when you become a resident in an aged care facility to decide whether you pay a lump sum, daily payment or a combination of both.

Assets and income means tested care fee. A Means Tested Care Fee is a fee payable to the aged care facility for your care. The amount payable is based on your assessable income and assets. You will be required to complete an assessment form and submit this to Centrelink.

Fees for 'extra services'. Extra service facilities provide a higher level of accommodation and services than standard facilities. This may include hotel type services or lifestyle extras such as higher standards of accommodation and food.

Paying for accommodation in an aged care home. How much you could be asked to pay towards your accommodation costs will depend on your financial situation. You may be asked to pay full, part of even no accommodation costs.

TYPES OF SCHEDULE FEES AND CHARGES FOR RESIDENTIAL CARE

BASIC DAILY FEE

MEANS-TESTED CARE FEE The actual amount that you will be asked to pay is determined by the asset and income means test assessment

MAXIMUM ACCOMMODATION SUPPLEMENT amount per day. **ADVERTISED ACCOMMODATION PAYMENT** or refundable lump sum deposit.

DAILY ACCOMMODATION PAYMENT This interest rate is applied to the difference between the amount of advertised lump sum for the room and the amount actually paid. **EXTRA SERVICE FEE** Not all facilities offer extra services and not all residents want extra services.



**The first step
is a brief
consultation
with one of our
advisers.**

Once these initial steps have been completed, there are four further steps required:

1. **Develop a strategic financial plan** – covering how to best structure your assets, treat the family home, fund aged care and leave a legacy to your family. This may include plans around accommodation (e.g. keeping or selling your home, gifting to children or restructuring your investments), assessing your Age Pension and the impact any change in circumstance may have on pension and other entitlements and your means test assessment.

2. **Apply for placement into the facility** of your choice that meets your current lifestyle needs, provides the desired level of comfort and has the capacity to meet your changing requirements over time.

3. **Review your estate plan** – this includes things such as ensuring that you have a current will that fully reflects your wishes. It is important that you know where a copy of the will is kept and that the executor knows this as well.

Enduring Power of Attorney is a legal document in which you appoint a person of your choice to manage your assets and affairs if you have lost the capacity to manage these things yourself.

A Guardian is someone you appoint to make lifestyle, health and medical decisions for you when you are not capable of doing this yourself. It is only in force while you have lost capacity and during a period of incapacity. It may never come into force – it is however a very important way of planning for the unforeseen.

4. **Prepare advance care plans and directives** – we also recommend advance care plans and advance care directives to give guidance to those around you when difficult health decisions need to be made.

HOW CAN WE ASSIST YOU?

Everyone has different circumstances and requirements – there is no “one solution fits all”. Our specialist service will help you understand how your circumstances are implicated by the changes you are considering, how best you can structure your affairs to protect yourself and your assets and how best to fund the move to a new home. We help you make the right decisions which include:

- How to maximise the pension entitlement and minimise the cost of care
- How to facilitate wills, enduring powers of attorney, guardianship and care
- How to fund the care facility of your choice
- How to locate and assess the right facility for you and your loved one

Our services are designed to simplify the aged care process for you, the family and other beneficiaries.

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