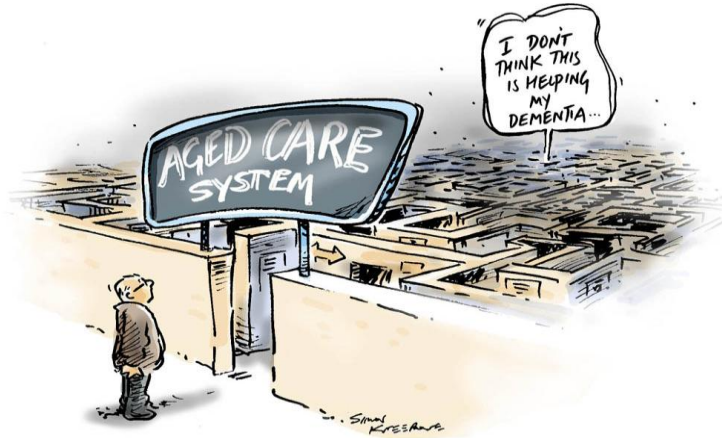


SPECIAL TOPIC – Aged Care – the value of advice



Contributed by Suzanne McCarthy, Financial Planning Client Services Manager

The costs associated with aged care facilities are complex and can vary significantly depending on a person's circumstances.

Moving into an aged care facility can also have a significant impact on social security benefits. Negative outcomes can often result when decisions are made without seeking advice.

Aged Care facilities are classified as low-level care, high-level care or extra services. A person's care needs, as assessed by the Aged Care Assessment Team will determine which facility will be appropriate.

Aged Care Assessment Teams (ACAT) are located in public hospitals, geriatric or community centres. They may include health professionals such as doctors, nurses, social workers. Apart from approving aged care accommodation, the ACAT can also provide information about home and community care, respite care and other aged care initiatives.

The fees payable by residents consist of entry costs (include the accommodation bond or charge) and the ongoing costs (include the basic daily care fee, income tested fee and extra service fee). These fees are assessed after Centrelink Income and Assets Testing. Careful planning around what to do with the family home, how to fund the accommodation bond and where to invest to meet cash flow requirements can produce substantial financial benefit by helping to reduce aged care costs and increase social security benefits.

There is no single solution to advice in aged care as individual circumstances can require very different solutions to achieve positive outcomes. Often decisions are not made by the person entering aged care, but by family and others, and often under duress.

We can assist you in making the best decision if you contact us prior to the Aged Care Assessment.

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