



Aged care ... it just got more
interesting

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Important information



- ▶ The information contained in this presentation is intended to provide a brief outline of legislation as at 1 July 2017.
- ▶ It is based on our understanding of the present laws and Government announcements and the assumption that they will continue.
- ▶ These are general statements and should be relied upon as a guide only, as an individual's circumstances can be quite different. You should seek advice about how the relevant laws impact on your particular circumstances.
- ▶ The rates of return and inflation used in the projections are estimates only and are intended to be only a guide to future performance. No guarantee of investment performance is given or implied through the use of these projections and actual returns will differ from those indicated. Past performance should not be taken as a guide to future performance.
- ▶ We recommend that you refer to the relevant Product Disclosure Statement where reference is made to a particular product before taking any action.
- ▶ Aged Care Steps ABN 42 156 656 843 AFSL No 486723.

Care options



At home
care

ACAT
assessment

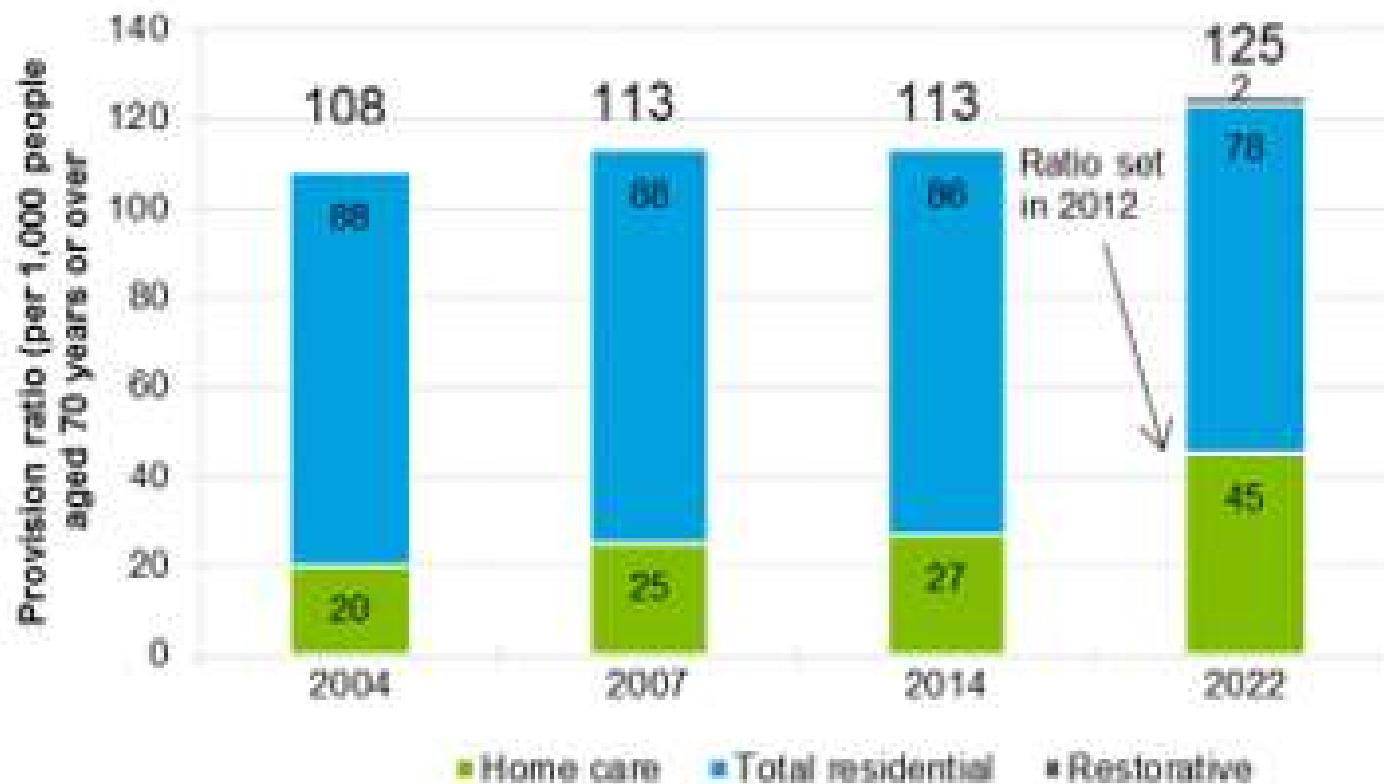


Residential
care

Trend towards home care



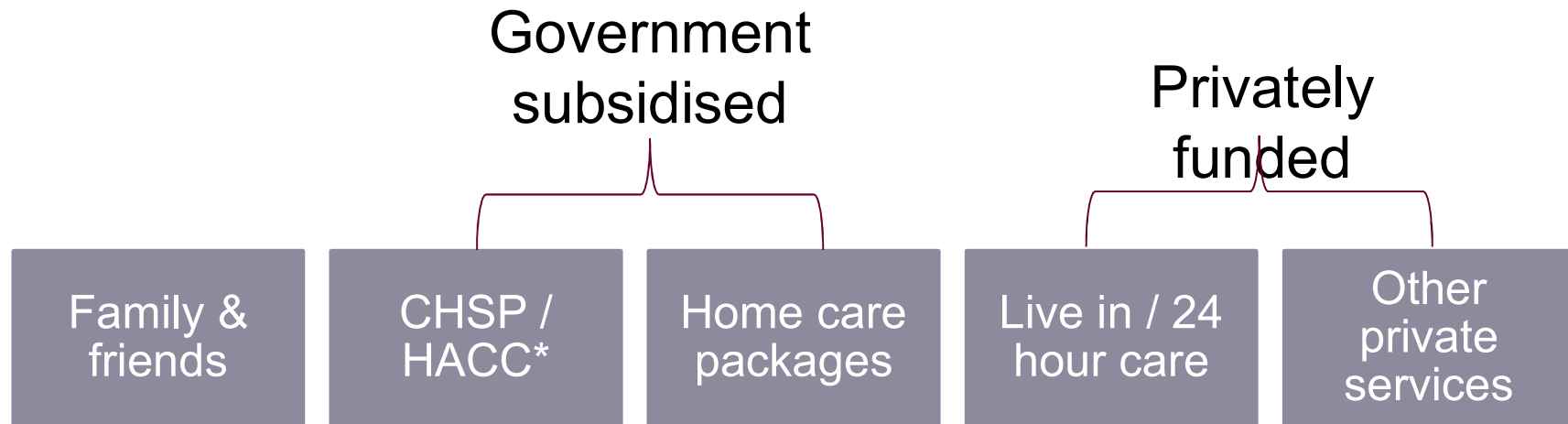
- ▶ Government targets for every 1,000 people over age 70



Source: ACFA report, July 2016

Looking at home care

Home care options



- ▶ Access depends on location, availability, personal circumstances and financial well-being
- ▶ Importantly, the greater your financial security the more options you may have available

* HACC in WA

Home care packages



- ▶ Each package has a budget value
- ▶ You and family can decide how you want to spend this money but part will need to pay the administration costs

Level 1	Level 2	Level 3	Level 4
\$11,844	\$18,524	\$36,307	\$53,279

- ▶ On average, government pays 90% of costs
- ▶ Your contribution is income-tested

Cost of home care package



Basic fee

\$10.10 per day or \$3,687 p.a.

Income-tested fee*

Full pensioners

- NIL

Part-pensioners

- Up to \$14.49 per day capped at \$5,276 p.a.

Self-funded

- Up to \$28.98 per day capped at \$10,552 p.a.

Maximum cost

\$3,687 p.a.

\$8,963 p.a.

\$14,239 p.a.

* Subject to lifetime cap of \$63,313 (all indexed).

What can you spend it on?



Bathing &
dressing

Meals

Cleaning
house

Drive to
meetings

Medication
and wound
dressings

Home
modifications

Take on social
outings

Dog walking

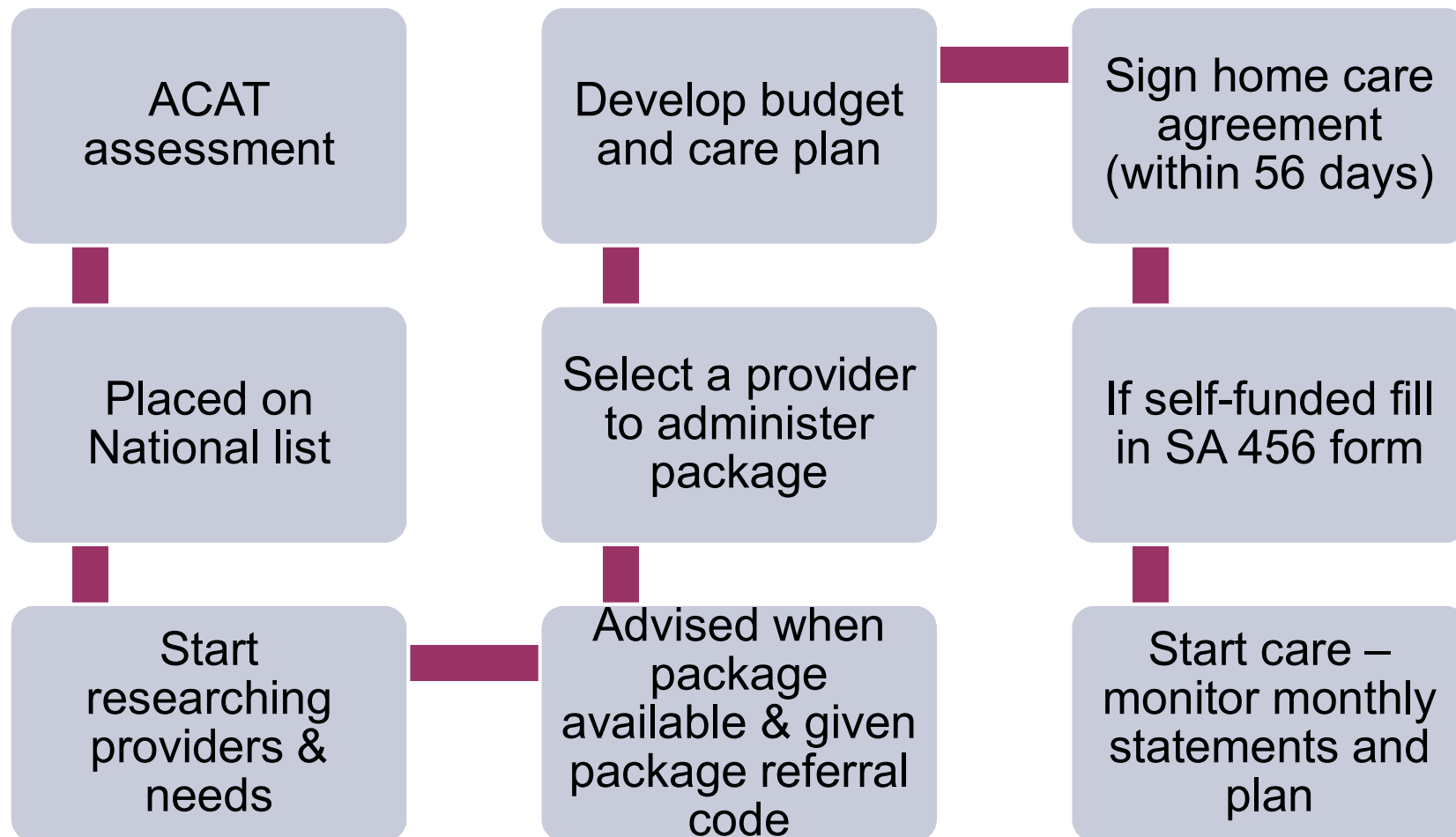
Run errands

Care in private
home

Help with your
living activities

Help to keep
you connected
and safe

An overview of home care



Tips to maximise value



- ▶ Consider what services you need and want to pay for
- ▶ Choose provider carefully
- ▶ Compare admin fees (including exit fees)
- ▶ Check monthly statements

Looking at residential care

How do they compare?

Retirement village

You pay all the costs

May not get all costs refunded

Money at risk if goes into liquidation

Independent living (can access home care or pay for service options)

Residential care

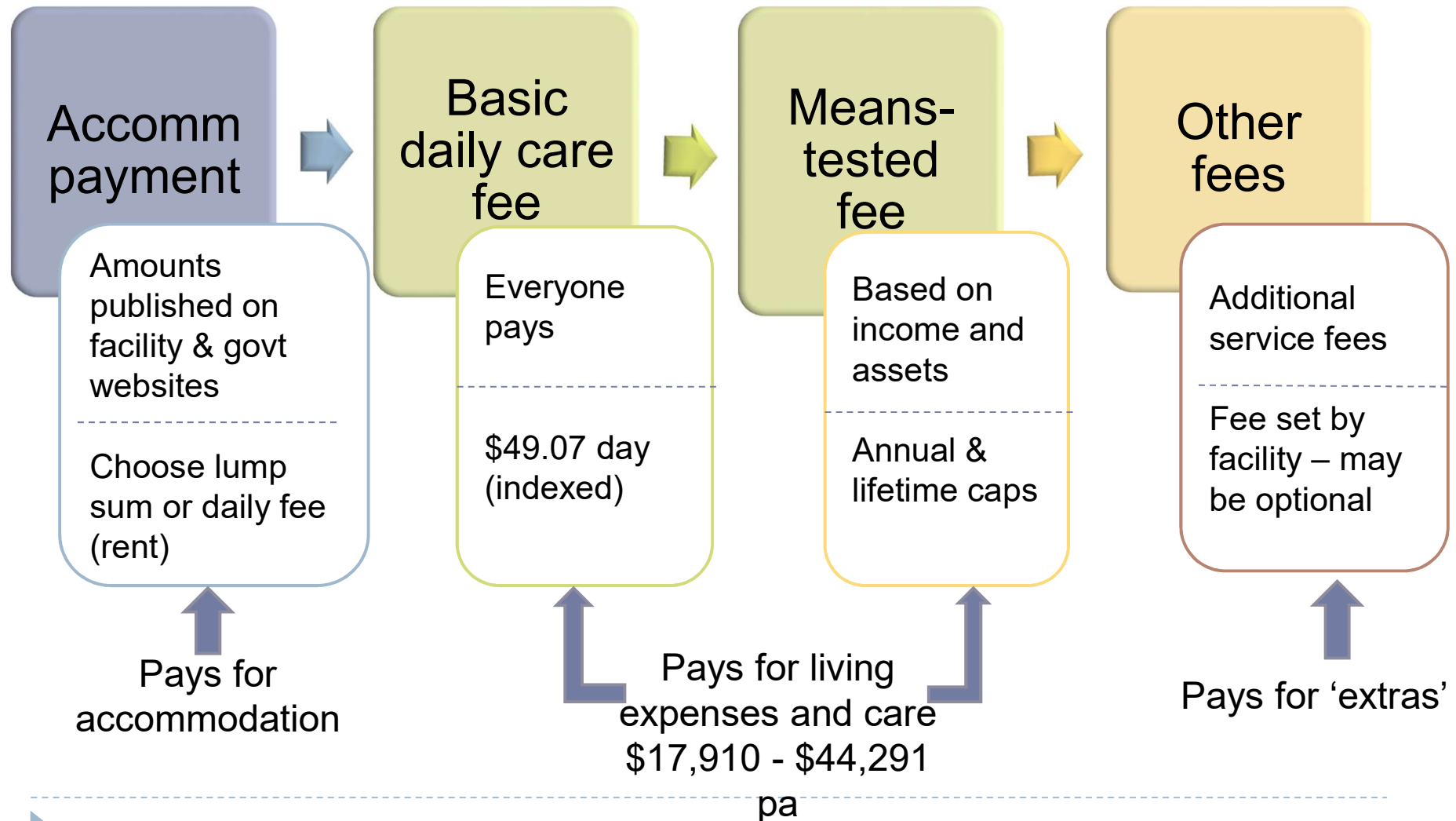
Government subsidised

Full accommodation cost repaid (unless fees deducted)

Government guaranteed

Fully supported living

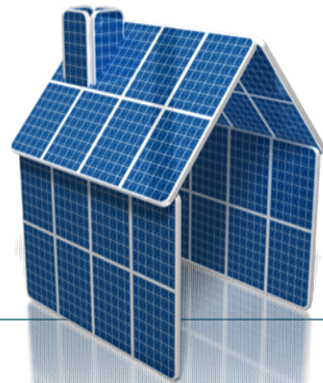
What will you pay?



Does your house count?

To determine fees ...

- ▶ No, if spouse or other “protected person” lives there
- ▶ Yes (at capped value - \$162,087.20) in all other cases
- ▶ Rent is assessable income



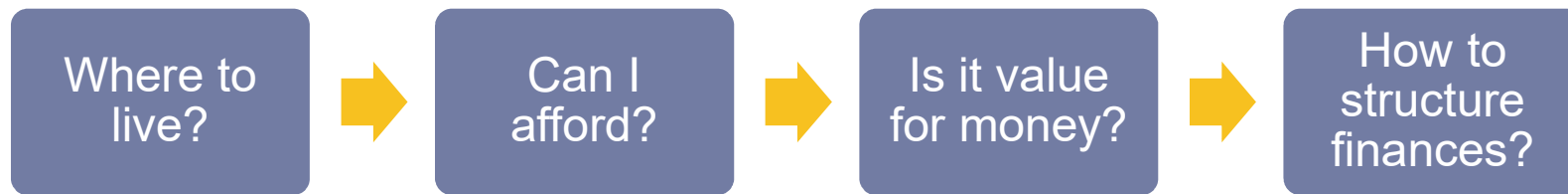
Impact on age pension ...

- ▶ Homeowner and exempt if spouse lives there
- ▶ Otherwise, homeowner and home exempt for 2 years (or until sell)
- ▶ After 2 years become non-homeowner and assessable market value
- ▶ Rent is assessable income

The decision process



- ▶ How would you normally decide where to live?



Find your own information:	Ask for help:
<ul style="list-style-type: none">• myagedcare.gov.au/service-finder• seniorshousingonline.com.au• agedcareonline.com.au/ratings	<ul style="list-style-type: none">• Placement services• Financial advice

Questions??

