

# Planning for Aged Care

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A seven-step guide

# Need to plan a move to residential aged care?

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This can be a stressful time, but early planning and sound advice can minimise stress for you and your family. You will be faced with many personal and financial decisions. This seven-step plan will help you navigate through the complexity of aged care and identify where to get help.

Morgans has a team of financial advisers that specialise in aged care that can guide you through these seven steps.

## The seven steps to aged care

### 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.

#### Where to find help

A Morgans adviser can help facilitate your family meeting. They can provide advice as well as act as a conduit to achieve an agreement.

### 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.

#### Where to find help

Book an appointment directly with ACAT/ACAS on 1800 200 422 or speak to your family doctor. Further information is available at [myagedcare.gov.au](http://myagedcare.gov.au).

### 3. Searching for services

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

This list will help you to develop a shortlist of potential services which you might like to contact or visit. First check the accommodation fees to ensure it is affordable for you.

If all your boxes are ticked you can fill in an 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 postcode first for the list of residential aged care services in your preferred location and check accommodation fees on [myagedcare.gov.au](http://myagedcare.gov.au). Your Morgans adviser can assist you in preparing a shortlist.

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

### 4. Understanding costs

Costs 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 advice.

#### Accommodation payments

You need to pay for your accommodation. This is a contribution towards the land, buildings and maintenance. You can choose to pay a lump sum or a daily payment or a combination of both.

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Refundable Accommodation Deposits (RADs) are paid as a lump sum. Just like buying a house, the amount you pay may depend on the location and the quality of the accommodation. The amount you pay is fully refunded when you leave, unless you ask for other fees to be deducted from the RAD or you have outstanding fees when you leave. Repayment is guaranteed by the Federal Government if paid to an accredited aged care service. Ask to see their certificate.

Daily Accommodation Payments (DAPs) are like paying 'rent' or interest on any unpaid RAD.

## 5. Covering the 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 a RAD or DAP for accommodation?
- How is your Centrelink/Veterans' Affairs Pension affected and can this be improved?
- What are the best investment options available for any surplus money?
- How can I manage any taxation implications?
- What are the implications for your estate?

### Where to find help

Your adviser can review your financial situation and develop an appropriate strategy to help you make these decisions.

This will include advice on how to structure assets to pay for accommodation as well as create sufficient cashflow.

Your adviser may recommend strategies to minimise fees or maximise Centrelink or Veterans' Affairs benefits.

For the best outcome involve your Morgans adviser early.

## 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 changes.

### Investments

Review investments with 'death benefit' nominations.

### Powers

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 covers financial decisions even when you are no longer able to make these decisions yourself.

Similarly, an Enduring Guardianship covers decisions on your 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.

### Where to find help

Your Morgans adviser can identify the consequences of any financial restructures and highlight issues that affect your will and specific investments.

Your solicitor can review and redraft the will to reflect your wishes and establish documents to grant the desired powers.

## 7. Moving

When you accept a place in an aged care service you will be asked to sign a residential agreement. This will detail the services provided and fees payable. It will also outline your rights and obligations.

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 (RAD) or a daily fee (DAP). After this you still have time to rearrange assets to make payments.

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

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

### Where to find help

Keep in touch with your Morgans adviser. They can review your financial situation to ensure that opportunities continue to be maximised.

### Queensland

Brisbane +61 7 3334 4888  
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|                         |                 |
|-------------------------|-----------------|
| Brisbane Edward Street  | +61 7 3121 5677 |
| Brisbane Tynan Partners | +61 7 3152 0600 |
| Brisbane North Quay     | +61 7 3245 5466 |
| Bundaberg               | +61 7 4153 1050 |
| Cairns                  | +61 7 4222 0555 |
| Gladstone               | +61 7 4972 8000 |
| Gold Coast              | +61 7 5581 5777 |
| Holland Park            | +61 7 3151 8300 |
| Kedron                  | +61 7 3350 9000 |
| Mackay                  | +61 7 4957 3033 |
| Milton                  | +61 7 3114 8600 |
| Newstead                | +61 7 3151 4151 |
| Noosa                   | +61 7 5449 9511 |
| Redcliffe               | +61 7 3897 3999 |
| Rockhampton             | +61 7 4922 5855 |
| Springfield-Ipswich     | +61 7 3202 3995 |
| Spring Hill             | +61 7 3833 9333 |
| Sunshine Coast          | +61 7 5479 2757 |
| Toowoomba Chalk Capital | +61 7 4639 1277 |
| Townsville              | +61 7 4725 5787 |

### Northern Territory

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### New South Wales

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| Sydney Reynolds Securities | +61 2 9373 4452 |
| Sydney Currency House      | +61 2 8216 5111 |
| Armidale                   | +61 2 6770 3300 |
| Ballina                    | +61 2 6686 4144 |
| Balmain                    | +61 2 8755 3333 |
| Bowral                     | +61 2 4851 5555 |
| Chatswood                  | +61 2 8116 1700 |
| Coffs Harbour              | +61 2 6651 5700 |
| Cronulla                   | +61 2 8215 5079 |
| Gosford                    | +61 2 4325 0884 |
| Merimbula                  | +61 2 6495 2869 |
| Mona Vale                  | +61 2 9998 4200 |
| Neutral Bay                | +61 2 8969 7500 |
| Newcastle                  | +61 2 4926 4044 |
| Orange                     | +61 2 6361 9166 |
| Port Macquarie             | +61 2 6583 1735 |
| Scone                      | +61 2 6544 3144 |
| Wollongong                 | +61 2 4227 3022 |

### Australian Capital Territory

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### Victoria

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| Brighton    | +61 3 9519 3555  |
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