

# Five steps to consider before entering an aged care home

If the need for residential aged care is nearing, following these five steps will help you make a smoother transition.

## 1. Get your eligibility assessed

Before you can enter an aged care facility and receive Government support, your health situation must be assessed by the Aged Care Assessment Team (ACAT).<sup>1</sup> The assessors are generally health professionals such as doctors, nurses and social workers who specialise in aged care.

This is a free service that can be done at home or in a health centre or hospital. The purpose is to determine whether you are eligible to move into residential care, or can access a range of care services that would enable you to stay in your home longer.

More information about ACAT assessments can be found on the Australian Government's My Aged Care website: <http://www.myagedcare.gov.au/eligibility-and-assessment/acad-assessments>

## 2. Find a suitable facility

Once ACAT has determined whether you are eligible for residential aged care and the care services you may need, it's a good idea to visit a few facilities. The My Aged Care website has an 'Aged Care Homes Finder' tool that enables you to locate and contact aged care homes in your preferred area.<sup>2</sup>

Each facility is different, so visiting a few will help you to decide which one is the most suitable for you. Not all aged care homes will be able to meet your care needs. Also, some provide higher standards of accommodation and broader food choices, which generally come at a higher cost. These are called 'extra services' facilities.

## 3. Work out the cost

While the Australian Federal Government provides some funding for residential aged care facilities, those who can afford it are expected to contribute to the cost of their care. The four different fees you may be asked to pay include:

- an **accommodation payment** – for your accommodation in the aged care facility, which may be paid as either a lump sum, regular instalments or a combination of lump sum and instalments
- a **basic daily fee** - which will usually be payable by all residents and is a contribution towards daily living costs, such as nursing, personal care and meals
- a **means-tested care fee** - which is an additional contribution towards the cost of care that you may need to pay depending on the assessment of your income and assets, and
- an **extra services fee** - which may be payable if you choose a higher standard of accommodation or additional services and it varies from place to place.

## 4. Seek advice

Moving into residential aged care can be a financially challenging time. However, obtaining financial advice can help reduce a lot of the stress by helping you to:

- determine which fees may be payable
- implement strategies that could reduce your care costs and/or increase social security entitlements, and
- ascertain whether care at your preferred facility(s) is affordable for you.

---

<sup>1</sup> An Aged Care Assessment Team is referred to as an Aged Care Assessment Service (ACAS) in Victoria. In this article a reference to ACAT, includes a reference to the Victorian ACAS.

<sup>2</sup> <http://www.myagedcare.gov.au/service-finders>

In conjunction with your solicitor or other legal professional, a financial adviser can also help you to ensure your estate planning affairs are addressed. Issues that may need to be considered include the:

- selling, renting, retaining or transferring ownership of your family home
- nominating a person to maintain and/or rent your home on your behalf
- reviewing your enduring power of attorney
- reviewing your Will (including the benefits of including provisions in your Will that establish a Testamentary Trust upon your death), and
- reviewing your superannuation death benefit nominations.

## 5. Apply for an aged care home

Once you've decided the type of care you want and can afford, and your estate planning affairs have been taken care of, it's time to apply with an aged care home. To do this, you will need to complete an application form with the relevant aged care home of your choice.

You may find that a place in your preferred aged care facility is not available. In case that happens, it may be a good idea to lodge an application with a few places and ask to go on the 'waitlist'. You can apply to as many places as you'd like and the facility will let you know if your application has been accepted.

If you are offered a place, you must be given a copy of the Accommodation Agreement before you move in. This agreement sets out the key terms and conditions and it should be reviewed by a legal professional. You must sign the agreement and decide how you will make the accommodation payment within 28 days of entering the facility.

The Department of Human Services (DHS) may also ask you to complete and lodge a 'Request for Combined Assets and Income Assessment'. DHS will then use the information to determine what, if any, means-tested care fees you may need to pay.

## Next steps

If you would like to find out more about moving into an aged care home, check out the My Aged Care website [myagedcare.gov.au](http://myagedcare.gov.au) or contact [ADVISER NAME] on <insert contact details>

### Important information and disclaimer

This publication has been prepared by Maher Digby Securities P/L.

Any advice in this publication is of a general nature only and has not been tailored to your personal circumstances. Accordingly, reliance should not be placed on the information contained in this document as the basis for making any financial investment, insurance or other decision. Please seek personal advice prior to acting on this information.

Information in this publication is accurate as at the date of writing (May 2015). In some cases the information has been provided to us by third parties. While it is believed the information is accurate and reliable, the accuracy of that information is not guaranteed in any way.

Opinions constitute our judgement at the time of issue and are subject to change. Neither the Licensee nor any member of the NAB Group, nor their employees or directors give any warranty of accuracy, not accept any responsibility for errors or omissions in this document.

Any general tax information provided in this publication is intended as a guide only and is based on our general understanding of taxation laws. It is not intended to be a substitute for specialised taxation advice or an assessment of your liabilities, obligations or claim entitlements that arise, or could arise, under taxation law, and we recommend you consult with a registered tax agent.