



Planning for aged care

When it comes to accessing subsidised aged care for yourself or a loved one, a clear pathway can provide peace of mind at a time that can be very stressful and challenging. Decisions made under pressure can lead to costly outcomes; however, early planning and professional advice can help you make informed decisions.

What is aged care

Aged care refers to the support and services available to older people who need assistance with daily living activities, health care, and/or social engagement. The goal of these support services is to help older Australians maintain their independence, improve their quality of life, and ensure their well-being.

These services can be delivered in various settings, including at home, in the community, or in residential aged care facilities.

In Australia, aged care services include home care packages, the Commonwealth Home Support Programme (CHSP), residential aged care, respite care, transition care, and palliative care. These services cater to different levels of need, from basic support with household tasks to comprehensive medical and personal care.

- **Home Care Packages** provide support for older people to live independently at home. Services can include personal care, domestic assistance, nursing, and allied health services.
- **Commonwealth Home Support Programme (CHSP)** offers services like help with household chores, meals, personal care, and transport.
- **Residential Aged Care** provides accommodation and care services for those who need more intensive support. This includes assistance with daily activities, health care, and social activities.
- **Respite Care** provides temporary relief for carers by providing short-term care for older people, either at home or in a residential care facility.
- **Transition Care** is a short-term support and rehabilitation service to help older people recover after a hospital stay, to help them return home.

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- **Palliative Care** provides relief from symptoms and improving quality of life for people in the last stage of terminally illness.

Regardless of the type of aged care services you may need now or in the future, it's important that you plan ahead. Discuss your aged care preferences and concerns with friends and family.

Having an Enduring Power of Attorney in place will also help to ensure that you have a legally appointed representative who you trust to act on your behalf, should your health decline in the future.

You may also wish to consider establishing an Advanced Care (also known as an advanced health directive, or advance personal plan in different states and territories). This allows you to express your wishes concerning future health treatment, should you become incapable of making or communicating health care decisions for yourself.

A financial adviser can provide further information about the various aged care options available to you, and also help facilitate a family meeting, if appropriate.

What are the steps to access aged care?

Eligibility

Access to these services is subject to meeting eligibility requirements. You can check if you or a loved one is eligible by completing an initial eligibility questionnaire, either [online](#) or by calling My Aged Care at 1800 200 422. This involves providing information about your current situation and needs.

Assessment

If you are eligible, you can then apply for a formal Aged Care Assessment Team (ACAT) assessment. An assessor will visit you at home to understand your needs better. They will discuss your health, daily activities, and any support you might require.

Service arrangement

After the ACAT assessment is complete, you will receive a report detailing the services you are eligible for and recommendations for your care plan. You can then arrange the recommended services you have been approved for through the [My Aged Care](#) website.

Depending on your personal circumstances and the services you require, you may also need to work with a case manager to tailor the use of your home care package. Alternatively, you or your case worker may need to contact several residential aged care homes directly, to check room availability and other services they offer. When comparing facilities, it's helpful to consider:

- staffing arrangements at the facility
- measures to cater for people with dementia
- end-of-life care options
- access to doctors and other medical specialists
- culturally appropriate care
- social and recreational activities

Fees and charges

You should also understand the fees and charges that apply to each facility, before signing any agreement. While the fees and charges for aged care are regulated by the Government, the amount you are likely to pay will vary based on your circumstances. Some fees are the same for all residents, but other fees will change depending on your income and assets. Whether you're on a pension and the type of pension can also impact the amount you are required to pay.

A financial adviser can help identify aged care funding strategies suited to your goals and circumstances.

Agreement

Once you have agreed on the services that will be included or excluded in your package, you

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will need to review, sign and return relevant documentation to your service provider.

It is important to read the agreement carefully and seek legal advice if you need help to understand the details.

Your financial adviser can help by checking the fees and charges noted are correct.

Access services

Once all other steps are completed, services will start being delivered to your home or, if you are eligible for residential aged care, you can move into your chosen room.

For more information on the fees and charges refer to the **“What is home care?”** and **“What are residential aged care fees?”** fact sheets.

How a financial adviser can help

Financial advisers generally help you to access subsidised residential aged care by simplifying the process and identifying funding strategies suited to your circumstances.

Although everyone's personal circumstances differ, there are some broad areas of aged care where financial advisers often assist, including:

- Financial modelling of aged care options such as keeping or selling the family home,
- Maximising social security entitlements,
- Minimising ongoing aged care costs,
- Estate planning outcomes.

A financial adviser can help address the following common aged care questions:

Can I keep the family home or is it better to sell?

The decision to keep or sell the family home can have an impact on social security entitlements and aged care fees. There are advantages and disadvantages to consider.

If the home is kept, a financial adviser can identify strategies to pay the residential aged care accommodation cost and ongoing aged care fees. If it's sold, they can help identify the best way to invest the proceeds to generate income, while maximising social security entitlements and minimising aged care fees.

Will anything be left to my family?

A financial adviser can help you to implement strategies ensuring your assets are left to beneficiaries as intended.

Is aged care affordable?

By comparing various aged care funding strategies and investment options, your financial adviser can help you to implement strategies that will assist in increasing your cash flow to pay ongoing aged care fees and personal expenses.

Is there a difference between home care and residential care?

Both home care and residential care packages are subsidised by the Government.

Home Care services assist eligible elderly Australians to keep living at home.

Residential care services are provided to residents living in approved aged care facilities.

Aged care financial advice is specific and tailored to your circumstances. Depending on the aged care service, a financial adviser can help in the following areas:

• Home care package

- Explain what the basic daily fee and income-tested fees are, and how they are calculated,
- Identify how the funding package you receive for aged care impacts both the hours of care you receive and your cash flow,
- Discuss options to assist in payment of fees and managing cash flow.

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- **Residential aged care package**

- Compare options to pay accommodation costs,
- Identify strategies to pay for ongoing aged care fees,
- Explain how to qualify for government support with accommodation costs,
- Describe how the basic daily fee and means-tested care fee are calculated and the impact these have on your social security entitlements and cash flow.

Additional information

To find out more about the assets and income assessment process, or to obtain copies of relevant forms, call the Services Australia Aged Care line on 1800 227 475 or visit

www.humanservices.gov.au/agedcare

For more information about the aged care process, applicable fees and charges, or to arrange a health assessment, phone My Aged Care on 1800 200 422 or visit www.myagedcare.gov.au

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