Aged Care explained - value of financial advice

Working with your financial adviser

Creating effective solutions for aged care

Making the move into residential aged care can be overwhelming. But you don't have to face it alone.

Seeking the right advice can guide you through each step and help you create effective solutions for your family, that make care affordable and anticipate potential challenges ahead.

This guide outlines the value your adviser brings and the benefits of professional, tailored advice.

Financial Success

Planning your care needs

As your adviser we can:

- Support you and your family every step of the way.
- Explain your age care options and help you navigate the system with confidence.
- Outline the key steps so you know what to expect and how to prepare.
- Be your central contact for clear, personalised advice – especially around how aged care may impact your finances.

A clear plan:

After her mother's fall, Mary needed to arrange aged care urgently. With no experience of the system or its costs, she turned to her adviser. Together, they mapped out immediate next steps to secure a place for her mother, helping Mary feel more in control and less overwhelmed.

Setting your priorities

As your adviser we can:

- Help you identify what's most important to you and guide you toward achieving your goals.

Managing conflicts:

When Norma needed care, the room price quoted exceeded her savings and her children Ann and Tom disagreed on how to pay the refundable accommodation deposit (RAD). Ann wanted to sell the house; Tom didn't. Their adviser facilitated a family meeting, explained how RADs work, and reassured Tom that the money was mostly refundable. With clarity and confidence, they agreed on a plan that met Norma's needs and preserved family harmony.

Reviewing your finances

As your adviser we can:

- Review your financial position and develop strategies that align with your personal goals and objectives.
- Help you understand what's affordable—so your focus can stay on choosing the right care.

Finding solutions:

Joe had worked hard to pay off his home which was also home for his son and family, so when Joe moved into residential care he was reluctant to sell his home. This worried both Joe and his son as they could not see any other option.

Joe's adviser suggested paying a partial RAD and ask the care provider to take the remaining daily accommodation payment (DAP) out of the RAD paid. This cashflow management strategy, along with some additional rent from his son would allow Joe to meet his expenses so he can access quality care while his son stays in the home.

Estimating fees

As your adviser we can:

- Explain the types of fees and how they're calculated, to estimate your potential costs.

Clarity amidst confusion

George found aged care fees to be a confusing mix of variable costs and he couldn't work out what he would be liable to pay. It became overwhelming.

His adviser broke down the costs and did the calculations to show George how his investment decisions could influence what he'd pay. With a clear view of his options, George could now make confident and informed choices.

Identifying options

As your adviser we can:

- Assess the financial impact of keeping or selling your home to fund aged care.
- Compare your options for paying accommodation costs, including the best structure for your situation.
- Explore strategies to maximise your age pension and reduce aged care fees where possible.

Clarity amidst confusion

Faced with a $400,000 refundable accommodation deposit (RAD), Alice assumed she would have to sell her home quickly.

Her estate agent advised that the market had slowed and it may take some time to get a good sale price. Worried that she could not make the move, she consulted a financial adviser who modelled different scenarios, showing she could take her time to sell and still have sufficient income. This gave her peace of mind—and financial breathing room.

RADs can be the solution, not the problem

Amy was shocked by high RADs in her local areas and started the search for lower-cost options. Her children encouraged her to seek advice and the adviser showed her how paying a higher RAD could actually improve her age pension, keeping her finances more stable in the long term.

Sell the right assets:

Sylvia owned an investment property, her home, an account-based pension and a small amount in cash at the bank. She needed to sell assets to fund her aged care. Her adviser helped weigh up the tax, Centrelink and fee impacts of each option—so she could decide which investments to sell and which to retain.

Improving cashflow

As your adviser we can:

- Create strategies that generate steady income to cover daily care fees and other living expenses.
- Factor in your family circumstances and estate planning preferences.

Choose the right investments:

Harold's adviser crunched the numbers – it was clear that selling the house to pay the refundable accommodation deposit (RAD) was his best option. The adviser then helped with recommendations for investing the remaining money to maximise income and preserve his estate. This gave Harold both financial comfort and confidence about his legacy.

Estate planning

As your adviser we can:

- Help you understand how financial decisions affect your estate plan, to avoid unintended consequences.
- Discuss the importance of putting enduring powers of attorney and guardianship in place.

Protecting the estate:

Marg and Art planned to sell their mother's home to cover aged care costs. Their adviser encouraged them to review the will first—discovering their mother intended the house for Marg and other assets for Art. With their mother unable to update the will, the adviser helped find an alternative solution paying her fees without compromising the intent of her will.

All case studies are inspired by real-life situations but are fictional and used for illustrative purposes only.

To explore your aged care options and feel confident in your decisions, contact us today.

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