

HOW TO PLAN For Successful Ageing



Tools to plan
for wellbeing and
financial security
as you age.

 **Home Instead.**
To us, it's personal

Perpetual


WELCOME TO YOUR GUIDE TO SUCCESSFUL AGEING

Home Instead has partnered with Perpetual to develop this public information guide to assist with planning for wellbeing and financial security as you age. We are dedicated to demystifying the aged care maze, so that seniors can plan how to age successfully. Together we are committed to changing the face of ageing whilst enhancing the lives of seniors and their families.

Ageing well is often a result of good planning. And for this, you need expert advice.

This is where this book comes in. It is a collaboration between Home Instead and Perpetual that brings together our complementary skills and expertise.

- Home Instead is a specialist provider of personal and lifestyle needs for older Australians.
- Perpetual is a provider of holistic financial advice including superannuation, retirement planning, investment management, asset protection, insurance, tax management, estate planning, succession planning and philanthropy.

We hope this book can help you avoid some of the pitfalls that ageing can bring and, instead, stride forward confidently and make this next stage of your life as fun and fulfilling as possible.

MORE ABOUT PERPETUAL

Perpetual, as a financial services company, has been earning the trust of their clients for more than 130 years and pride themselves on long-standing client relationships, some of which span five generations of the same family.

Perpetual provides holistic financial advice through all life stages including the transition to retirement and beyond - giving individuals and families the financial freedom to live life on their own terms.

Perpetual also provides a service called Lifestyle Assist, which helps people maintain independence and peace of mind as they go through life. This personal 'concierge' service is designed for clients who might need help with anything from paying bills to the day-to-day management of their property.



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HOW TO PLAN

For Successful Ageing

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HOW DO YOU WANT TO AGE?

We know that we need to plan for the transition from work to retirement, but what comes after that?

How do we continue to have meaning and purpose in our lives, whilst staying healthy and maintaining a secure retirement income?

This booklet is designed to help seniors to plan for aged care and beyond.

AGEING WELL

To age well, comfortably and have a happy future, it's important to incorporate meaning and purpose into your life goals. Some aspects to consider include knowing what you hope to achieve or enjoy as you grow older and how to spend your time so that you make the most out of your life.

As an older person in Australia, you are faced with many choices, such as where and how to live as you age. One important consideration is what will you do when you need assistance. How will you identify the best home care solution for you and the best care pathway to suit your personal circumstances. Studies show that up to 90% of seniors desire to maintain a quality of life in familiar surroundings, such as their own home. How can you plan to ensure you are able to stay living in your own home as you age?





WHAT IS IMPORTANT TO YOU? FAMILY, RELATIONSHIPS, TRAVEL?

An ideal way to make the most of your retirement is to think about what is most important to you. Is it spending time with family and friends? Or is it building relationships and making them stronger than before? Or is it travelling the world, or exploring and delighting your senses? Or maybe it is all of the above. Take the time out of your day to plan and see what you desire to do most, write your bucket list! Better yet, take the plunge and head out on an adventure...the world is your oyster!

RETIREMENT PLANNING AND TRANSITIONING

The phase of your life after full time work is exciting – perhaps the most exciting of all. Yet it can also be challenging, and many people have some level of difficulty with the transition. This is completely normal. It's a time in your life to try new things, experiment and gradually find the life that suits you.

The big question, of course, is how you fund your new lifestyle without a regular salary? It's important to work out how much money you will need to live the life you want and then budget accordingly.

A good way to start is by looking at your current expenditure, estimating how it will change when you leave work and then calculating how you will fund that – with a buffer for good-time splurges and emergency funds.

While you can do these calculations yourself, for many people, it's easier and gives them greater confidence to work with an experienced financial adviser. An experienced financial adviser will be able to help you budget correctly, so you don't have to keep working longer than you need to and get more time to spend money on the things you enjoy.



Starting with the basics

When you work out how you will fund your retirement, it's important to get the basic building blocks of your new life in place. Here are some of the fundamental elements you should consider as you plan.

Dealing with debt

Before you look at the income you need, it's important to examine any debt you're carrying. For example, if you have any debt incurring high interest rates (like credit card debt) then it may be a good idea to pay this off before you transition to your new life after full-time work.

If you are receiving a lump sum, either through withdrawing your superannuation, selling an asset or other means, then a financial adviser can help you determine whether it is appropriate to use some of this income to pay off your debt.



Your home

At this stage of life, many people have reduced the size of their mortgage considerably, or even paid it off. This is good news for those thinking of stopping work, according to the Grattan Institute, which says that retirees who own their own home spend a much lower proportion of their income on housing, giving them more money to spend on life's luxuries.

So if you are receiving a lump sum, either through superannuation or the sale of other assets, it's worth considering paying off your mortgage or reducing your repayments. However, it is important to consider (or discuss with a financial adviser) how this will affect other income you may receive, particularly if you are eligible for a government pension or other subsidy.

Insurance

As your life will change considerably when you leave work, you should check whether your insurance cover still suits your life situation. For example, if you are scaling back or stopping work, you should consider if you still require income protection cover, or the extent you wish to have Total and Permanent Disability Cover or other insurance, and the policy terms. It's a good time to discuss with your insurance provider, or financial adviser, which types of insurance, and how much cover, suits your new life.

A row of five light-colored wooden blocks, each with a black letter on top, spelling out the word "SUPER". The blocks are arranged on a wooden surface. In the background, other wooden blocks with letters like 'S', 'F', '1', and 'U' are visible but out of focus.

SUPER

ACCESSING YOUR SUPER

You've spent your lifetime building your super balance – you owe it to yourself to choose the best way to access the money when you retire. Superannuation is, quite rightly, often one of the key building blocks for a comfortable retirement.

If you do decide to manage your own financial affairs it's important to keep track of any changes to superannuation legislation. For example, the changes which came into force from 1 July 2017 reduced the amount of concessional (pre-tax) contributions each person could make to \$25,000 per annum. It was also the start of the Transfer Balance Cap, which limits the amount that can be transferred from accumulated superannuation into the tax-free retirement phase to \$1.6 million. This had a significant impact on the retirement plans of many Australians.

What are your options?

- 1. Lump sum payment.** Generally, lump sum withdrawals are received tax free if you're aged 60 or above and you use the funds to pay off your house, or other debts, saving you money over the long term. On the downside, it reduces the funds available to support your future income stream. If you use the lump sum to invest outside super, it may attract higher levels of tax.
- 2. Securing a retirement income stream.** This involves transferring all or part of your super to a retirement phase income stream, such as an account-based pension, from which you receive income payments at regular intervals. There can be compelling tax benefits to this approach because investment earnings on assets used solely to support these income streams are tax free. Also, for most people aged 60 or above, the income payments received are also free of tax.
- 3. A little bit of both.** You also have the option of withdrawing a portion of your money as a lump sum and transferring your remaining super balance to a retirement phase income stream. This approach may allow you to clear debts or take that European holiday when you retire, keeping the rest of your super in a tax effective environment for the long term, while withdrawing a regular income.

FUNDING YOUR NEW LIFE

Now that you have the basics in place, it's time to have a more in-depth look at how you're going to generate the income you need to live the life you want. A simple way to think about this is by splitting your needs into two parts:

- 1. Regular income** – the money you need for regular living expenses, like housing, food and health care costs.
- 2. Discretionary income** – money to spend on the good things in life, or to cover unexpected expenses.

Here are some of the ways people fund this phase of their life.

Account-based pensions

Once eligible, you can transfer all or part of your super to an account-based pension and receive regular income payments. As this is within the superannuation system, income and payments are generally tax free. However, it's important to understand that your income is not guaranteed – if your investments don't perform you may receive less than you planned for.

Annuities

You can buy an annuity which then gives you a set income for a defined period, or for the rest of your life, depending on the product you choose. If you use your super to buy an annuity, income payments receive the same tax treatment as an account-based pension. Another advantage is reliability – you receive a guaranteed payment regardless of market performance or interest rate changes. On the downside, you don't have the flexibility to withdraw more if you need extra cash.

Pension and other government assistance

If you haven't already done so, you should check whether you are eligible for a full or part pension from the Australian Government – this is looked after by the Australian Government's Department for Human Services (Centrelink) and the Department of Veterans' Affairs (DVA).

There are also other concessions available which you may be eligible for, for example most people over 60 who aren't working full time will be eligible for the Seniors Card which offers travel concessions as well as discounts for a range of other goods and services. Eligibility and rules differ from state to state so you should check out the rules which apply where you live.



Discretionary income - money for fun and to cover the unexpected

When you have looked after life's essential expenses with a retirement (or semi-retirement) income stream. What about extra money to treat yourself to the finer things in life?

The secret to discretionary income is quick access to cash. The financial term for this is liquidity – cash is the most liquid asset while investments like real estate are considered illiquid, as it is very hard to sell just one room of a house. Selling an illiquid asset like an investment property also takes time and if you rush the process you may not receive a fair price.

Term deposits

With a term deposit, your money is invested for a fixed period and you receive an agreed rate of interest for the term of your investment. It's a popular way to earn money for life's pleasures – and emergencies – because the cash you receive is easy to access, it's liquid. Another benefit is the safety of a term deposit because your original investment is returned at the end of the term. The negative aspects are that you are locked in for a specific term (years usually) and if interest rates go up during that time you will not realise the benefit. You can usually access your money before the full term, but you will still have to wait around 30-days and generally pay a break fee and lose part of the interest you were accruing.

Dividend investing

When you buy shares in a company you are entitled to a share in the company's profits or earnings. Companies pay a dividend to shareholders as a way of sharing profits – usually twice a year. You can use these cash dividends as pocket money while holding the shares so your underlying investment is also likely to grow. The potential for better returns through share investing comes with additional risk. It is important to reduce risk by diversifying your investments – across industries and also to global markets. This makes it less risky as if one particular investment performs badly your other investments are likely to reduce, or offset, any losses.

Work

Many people choose not to stop working entirely. They enjoy their work and it gives them purpose, a sense of identity, colleagues and friends (a community) and keeps them mentally active. You may choose to wind down slowly, keep working indefinitely, or flex your work up and down depending on your needs.

*Download the Perpetual eBook **'Sails for your second wind: A guide to living a rich life from 50 to 100'** for more information, perpetual.com.au/sails*



HELP FROM AN EXPERT

It's always a good idea to involve your family or those you are closest to in major life decisions – an experienced financial adviser will be able to help facilitate this.

A good financial adviser will take the time to understand what you want to do with this phase of your life and use your answers to determine how much money you will need at different stages of this phase of your life. For example, initially your major expense may be overseas travel but later in life it could be health care. These considerations will form the backbone of a financial plan that is tailored to your individual circumstances.

Here are some of the questions your financial adviser may ask in your initial meeting:

- What do you want out of life?
- Do you feel confident about your financial future?
- If the worst happens, will the people who matter most to you be looked after?

Telling the people that matter

Once you have a rough plan together for this exciting stage in your life, it's time to share it. A plan isn't worth much if you're the only one that knows about it.

It's very important that you tell the people that are closest to you what you're planning and how you're feeling. You may think that you've made it clear to them what your plans are, but you are likely to be surprised by the things that they don't know.

Once you have open and honest conversations with your loved ones, not only will they provide emotional support, but they're also likely to help with ideas and insights as you continue your transition to the next stage of your life.

It's also important that you share important documentation – wills, estate plans, insurance, house deeds etc – with someone you trust, such as a family member, lawyer or trusted friend. You should share copies and let them know where the original documents are kept.





SHOULD I STAY OR SHOULD I GO?

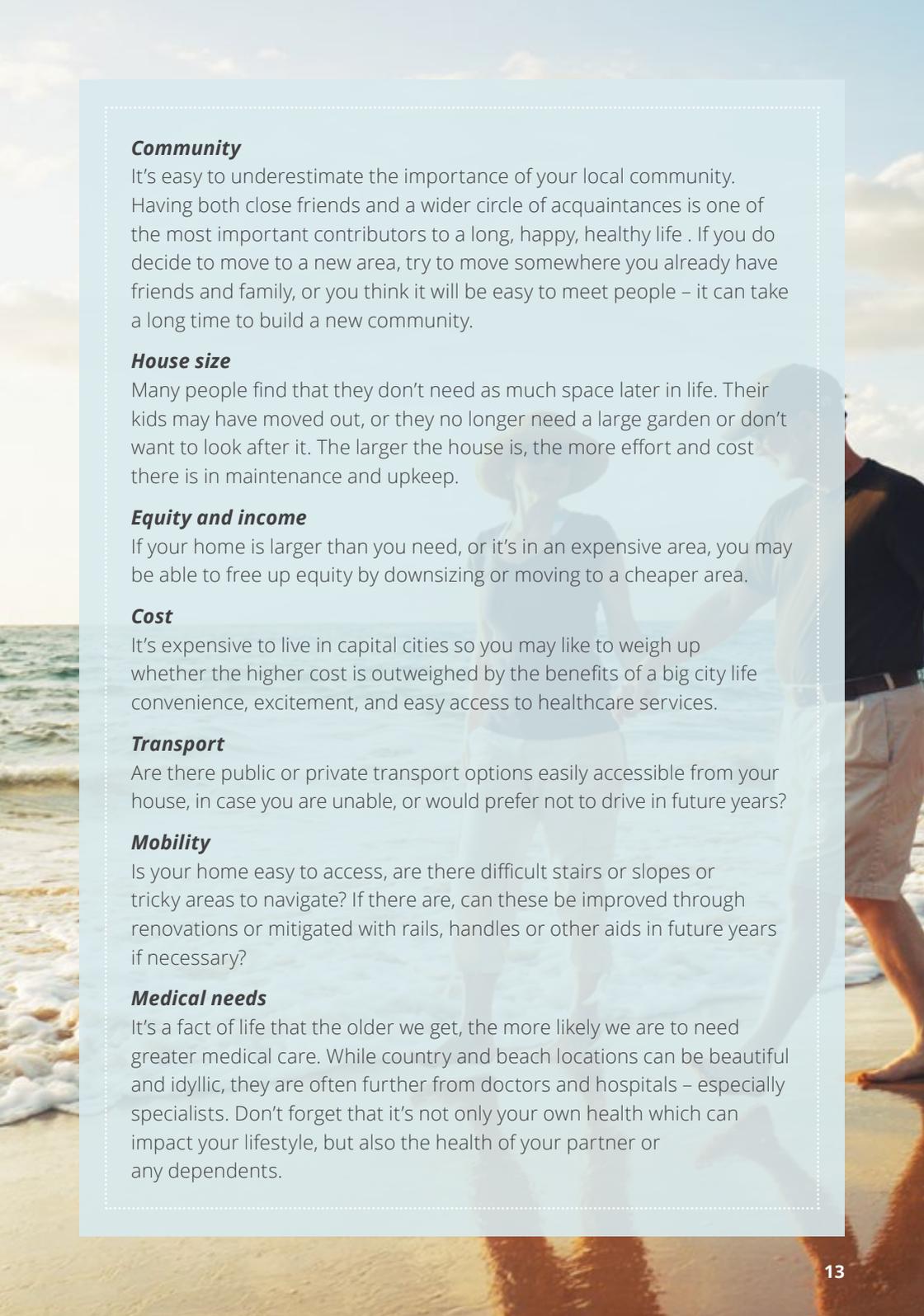
For many people, when they start to reduce their working hours, or leave their jobs entirely, they start to think about moving house too. You may have a long-cherished dream for a sea or tree change, or a plan to move overseas. This is one of the exciting things about this phase of your life; all these things are possible. Once you are free from the constraints of being close to your work, your horizons expand.

Any move needs to be carefully considered however, especially if you are also moving to a new area. If you do move, there is inevitably cost and effort associated with this.

Moving home

Often people form a very strong attachment to their family home after living there for many years. Every part of home can remind you of good times and loved ones. While this is appealing and there are a lot of advantages to staying in your home, you should consider whether it's going to be right for you for the next 20-30 years.

There are both lifestyle and financial implications when you move home. Here are some things to consider, which you may like discuss with an experienced financial adviser.



Community

It's easy to underestimate the importance of your local community. Having both close friends and a wider circle of acquaintances is one of the most important contributors to a long, happy, healthy life. If you do decide to move to a new area, try to move somewhere you already have friends and family, or you think it will be easy to meet people – it can take a long time to build a new community.

House size

Many people find that they don't need as much space later in life. Their kids may have moved out, or they no longer need a large garden or don't want to look after it. The larger the house is, the more effort and cost there is in maintenance and upkeep.

Equity and income

If your home is larger than you need, or it's in an expensive area, you may be able to free up equity by downsizing or moving to a cheaper area.

Cost

It's expensive to live in capital cities so you may like to weigh up whether the higher cost is outweighed by the benefits of a big city life convenience, excitement, and easy access to healthcare services.

Transport

Are there public or private transport options easily accessible from your house, in case you are unable, or would prefer not to drive in future years?

Mobility

Is your home easy to access, are there difficult stairs or slopes or tricky areas to navigate? If there are, can these be improved through renovations or mitigated with rails, handles or other aids in future years if necessary?

Medical needs

It's a fact of life that the older we get, the more likely we are to need greater medical care. While country and beach locations can be beautiful and idyllic, they are often further from doctors and hospitals – especially specialists. Don't forget that it's not only your own health which can impact your lifestyle, but also the health of your partner or any dependents.



HEALTHY BODY AND MIND EXERCISE, NUTRITION, WELLBEING

Exercise, nutrition and the mind simultaneously play an important role in your overall health and wellbeing. Here are a range of activities and exercises you can implement to ensure optimum health.

Everything we do at Home Instead is driven by our universal mission to enhance the lives of ageing adults and their families.

Exercise

With 44.7% of adults aged 65 years and over being insufficiently active, this emphasises the importance of encouraging seniors to be active and improve your health from the comfort of your own home. Regular exercise assists with bone density, muscle mass, higher level of functional health and wellbeing, improved cognitive function and more. Even more gentle, consistent exercise such as walking, or swimming can increase your lifespan by about three to five years. A sedentary lifestyle in later years can also increase the risk of developing dementia.

Download the Home Instead, **'Exercise for Seniors'** public education guide for more information, [HomeInstead.com.au/senior-care-resources](https://www.HomeInstead.com.au/senior-care-resources)



Nutrition

According to research, up to 30% of older people living in the community are either malnourished or at risk of malnutrition. This is generally the result of lack of awareness that seniors have different nutritional needs and your eating patterns change with age. Below are some myths when it comes to nutrition as you grow older.

- **Weight loss is healthy** - Dieting or unintentional weight loss should be avoided in our later years. Having a bit of extra padding as you age can provide essential support to your body and brain for years to come.
- **As you get older, you need to eat less** - Your metabolism will slow down and your energy levels will decrease. Food and eating are important components as they protect and fuel you. Keep in mind you may need more food than others, particularly foods which are rich in protein, vitamins and minerals.
- **You need to follow a low-fat diet** - Contrary to popular belief, a low-fat diet isn't always the best for older people. Fat is a crucial source of calories and some seniors may need to consume more to maintain their weight. Ideally, you should consume fats found in foods such as olive oil, nuts, seeds, avocado and oily fish.
- **Only drink water when you're thirsty** - If you're feeling thirsty, that means you are already slightly dehydrated. This is a problem as neither your body nor brain can perform at peak capacity. Dehydration can bring on confusion, hinder kidney function and worsens a range of other conditions.

Download the Home Instead, '**Nutrition for Seniors**' public education guide for more information, [HomeInstead.com.au/senior-care-resources](https://www.homeinstead.com.au/senior-care-resources)



There are a number of fun and easy ways to make sure your body is in the best shape and form possible. This includes keeping active by doing activities such as: bush walking, walking to local shops or parks, taking Zumba classes, or even participating in local community events and activities such as painting classes, yoga/tai chi classes and much more.

Social

As we get older, we find we have a lot more spare time on our hands and may need to be proactive to maintain a vibrant social life. To stay social, we encourage you to have regular interaction and activities with family and friends, use technology to stay connected and get involved with your local community. Keeping socially active (whether through the gym, fitness classes, with friends, etc.) and following your passions are key to keeping your mind and body healthy and active.

Volunteering

Volunteering is an excellent way for you to keep busy. It is also a rewarding experience that allows for a sense of self-worth, an opportunity to give back to the community while also meeting new people of different backgrounds and experiences. Volunteering also helps bridge generation gaps. By volunteering with younger people you can both share stories and life lessons with one another and create a sense of unity.

By giving back to the community, you are also provided with a sense of accomplishment.

Keeping busy on a budget

There are a wide range of things you can do on a budget, being socially active does not need to cost money.

- **Visit family and friends** - Drop the phone and leave your house! By organising catch ups and meeting with family and friends, you will keep occupied and strengthen your relationships. This will enable you to stay happy and connected.
- **Go swimming** - If you want to improve your cardiovascular fitness, flexibility and take the pressure off your joints, then swimming is the perfect exercise for you! It is low in cost and even free in some cases. Check your local beach or public pool.
- **Parks and nature walks** - The park is a great way to enjoy fresh air, do light to moderate exercise and engage with people from your neighbourhood.
- **Play card and board games** - Game on! There are so many different and fun card and board games out there. There are ones that keep your mind sharp such as Scrabble and Jenga or other fun ones to play with family and friends such as Monopoly Deal and Cluedo. They will keep you entertained for hours. Seek out local card clubs.
- **Gardening** - Be green! Stepping out into nature and the outdoors is a wonderful way to stay busy. Gardening is a positive and popular hobby that reduces stress and promotes relaxation; it's also better for the environment too! Many neighbourhoods have garden clubs. Seek out information from your local council garden centre.



KEEPING SAFE

Every year 1 in 3 people aged 65+ and living in their own home will have a fall. This rate increases with age, with the highest proportion of falls occurring in men and women over the age of 85. Falls and other accidents are costly, stressful and can jeopardise your lifestyle at home. They are also preventable with some simple solutions and adjustments to make living at home safer and easier. It's important to plan ahead to make life easier as you age. This can be done efficiently with some simple home safety solutions.

Simple home safety solutions

- **Kitchen** - Replace cupboard and drawer handles with D-shaped handles. They are easier to use, particularly if you have limited strength or suffer from arthritis.
- **Bedroom** - The bed is too low if your knees are above your hips when sitting on the bed. Bed raisers under bed legs can raise the height and make it easier to get in and out of the bed.
- **Bathroom** - Consider installing lever or flick mix tap fittings with soft turn washers in place of standard screw on/off taps - they are easier to grasp and use.
- **Living room** - Use additional lighting solutions such as night lights or battery powered motion-activated lighting. These will enhance safety in your own home.
- **Outdoors** - Each major entry point should have at least one sturdy rail for support. Install grab rails to support you getting in and out of the house.
- **Develop an Advance Care Plan and/or Advance Health Directive** - Planning ahead empowers you to have a say in your end-of-life and ensure you are given appropriate consideration to your choices and wishes are followed.

Signs to consider

Growing older means inevitable changes will occur in many aspects of our lives which may impact on our relationships, finance, health, safety and more. As a result, at some point you may require assistance with daily living activities, and planning for the future is very important.

If you have adult children, it's important to discuss with them your preferences, care options and be supported in making informed decisions. Unfortunately, families often don't have these conversations or plan ahead before ageing issues arise and adult children end up having to make decisions in a crisis or without understanding your wishes.

Download the Home Instead, *'Making Home Safer For Seniors'* public education guide for more information, [HomeInstead.com.au/senior-care-resources](https://www.HomeInstead.com.au/senior-care-resources)

Sometimes there are signs to indicate that home care is needed including:

- Challenges with keeping the house clean and tidy
- Struggling with managing your finances
- Losing interest in preparing and eating meals
- Reluctance to leave the house and becoming socially isolated
- Challenges with maintaining good personal hygiene
- Becoming depressed or losing interest in life
- Losing track of medication



How to start the conversation about future goals and desires

- **Talk it out** - Discuss ideas and observations to help you prepare for the future
- **Respect** - Planning for the future is exciting, however be respectful and courteous to everyone involved as they may have different ideas
- **Maximise independence** - Aim to work towards maximum independence for the entire family and ensure that everyone is living a healthy, happy and independent life. Assistance at home can provide support, companionship and remove worry from your nearest and dearest.
- **Ask for help** - Many issues can be resolved by providing the support you need to maintain your independence. There are a range of services and resources publicly available to you.

What if I have a health event?

If you have a health event, your local GP and specialists can assist in giving you the help you need to recover to be able to take on the world once again. To reduce the risk of health problems, eat well, exercise regularly to keep yourself in shape while also adding a social element to your weekly routine.

Visit your GP regularly for routine check ups but do not wait for these periodic appointments if you notice change or start feeling pain, always be proactive where your health is concerned.

If you are in need for help right away due to an injury or are in immediate danger, call 000 for emergency services.

Hospital visit

If you end up at your local hospital, doctors and nurses will do what they can to get your health back on track and get you home once again. If you require a longer stay, don't hesitate to call family and friends and ask them to bring you fun hobbies or things to keep your mind occupied and to make the most of your time.



LIVING OPTIONS AS YOU AGE

For most people, maintaining their independence is very important. The dramatic improvements in medicine in recent years mean people are living longer and are generally in good health until much later in life. The reality for most people however, is that at some point they will require some kind of assistance.

The good news is that the number of options available to people has increased significantly and there is also a lot more flexibility. Unfortunately, there is also a great deal of complexity involved in finding the right place to live with suitable support, whilst comparing costs. If you're finding it too difficult, there are professional providers available that can help you find the right place, do the paperwork for you and in general make the whole process easier and less stressful (either for you or someone you care for).

Whichever option you choose, it really is a good idea to seek independent advice before you sign anything, as the cost and variety of options available can be complex and confusing.



Here are the main living options and things to consider.

Staying at home, with support

This can be a great option if you want to maintain your independence and love living in your home. As you are familiar with your surroundings, you can stay in touch with your local community and your friends and family know where you are and how to get in contact with you. It's also often the cheapest option, particularly if you own your own home or have a small mortgage. You can choose to fund your in-home care privately (see page 8 of this booklet) via Government assistance or a combination of both.

If you are needing Government assistance to help fund care at home, contact My Aged Care to arrange an assessment. Your individual needs will be assessed and then this will determine the government subsidised care package you are entitled to and the level of support you receive.

The main downside of accessing government funding is that there is a long wait list to access government home care support and you may need to pay privately for home care in the interim.

*For further information refer to pg 27 - **How Do I Navigate My Aged Care?** And download the Home Instead, **'The Home Care Solution'** public education guide HomeInstead.com.au/senior-care-resources*



Must ask questions to help you compare in-home care providers

Service Experience

- ✓ Can I choose exactly when I want CAREGiver services and support?
- ✓ Are services available up to 24hrs a day?
- ✓ Are services available overnight, on weekends and public holidays?
- ✓ Can I have the same CAREGiver consistently?
- ✓ Do I have full flexibility to change what services I receive and when?
- ✓ How much notice do I need to provide to change my services?
- ✓ Is there 24 hour telephone contact service?

Fees & Charges

- ✓ Are there any administration fees?
- ✓ Are there any case management fees?
- ✓ Is there a wait list?
- ✓ Is there a cost involved if I change my services in any way?
- ✓ What is the hourly rate for care services?
- ✓ What exit fees are charged if I wish to leave?



Retirement Village

While many people don't like the idea of moving to a retirement village, a 2018 survey showed that over 50% of village residents were happier with their lives after they moved to a retirement village.

There are many choices available, with varying levels of independence and at different price points. The advantages of living in a retirement village can include:

- ✓ **Facilities.** You have a purpose built apartment often with access to a shared pool, gym, sauna, café or other communal facilities.
- ✓ **Social life.** You'll rarely be lonely if you're looking for company. Many villages take great pride in their communal areas and organise regular events and other social occasions.
- ✓ **Less work.** There is usually a lot less time and effort spent on maintenance and upkeep than in your own home as much of this will be taken care of for you.
- ✓ **Access to medical care.** If you need regular medical care, or think you might in the future, then many retirement villages have this available or can allow you to move to an option with a higher level of care.
- ✓ **Cost.** If you are looking to downsize, moving to a retirement village can be a great way of freeing up cash from your family home to enjoy a holiday or other splurge activities.



The main downsides are around cost, including service fees and limited return on investment when the apartment is sold. Often there is a waiting time for your preferred retirement village which can cause disappointment if an alternative option has to be taken up in the interim. Some people also don't like moving to a place where there is less diversity in age and feel they lose a little bit of independence and control over their lives.

Ownership of a home in a retirement village is usually in the form of a lease or a loan and licence agreement, but there are also rental options available which are similar to renting a property in the private market. City facilities are normally more expensive than country facilities, but prices vary significantly so it pays to shop around and seek independent advice.

Fees normally include:

- ✓ An up front fee which is similar to buying a house
- ✓ Ongoing fees for services and maintenance, similar to strata fees in an apartment complex. These can increase more than you expect, and you often have little control over the increase
- ✓ There can also be exit fees and it can take some time to get your money back (as it does when you sell a house)

Residential Aged Care Home

To be accepted into a residential aged care home you will need to contact My Aged Care for an assessment by the Aged Care Assessment Team*. While there has been negative press about aged care homes, there are many homes that deliver excellence in providing both support and care for seniors. Unfortunately, there is no nationally recognised, transparent way of comparing different aged care homes. Experts recommend contacting, and visiting, different homes, taking a checklist with you so you can compare each.

The items on your checklist could include:

- ✓ Staff to patient ratios
- ✓ The availability and accessibility of medical professionals
- ✓ Staff training to manage diseases such as dementia or cognitive decline
- ✓ How clean, new and well-maintained the facility is
- ✓ The type of accommodation available and what is included eg. ensuite or shared bathroom
- ✓ Talking to actual residents and their families
- ✓ Additional services provided such as alcohol, outings etc.

*ACAT = Aged Care Assessment Service (ACAS) in Victoria.

Estimating the cost of aged care homes can be difficult as both government funded and private aged care homes require means tests and the paperwork can be complex. The fees you pay will usually consist of:

- ✓ A daily fee for each residential aged care home which is set by the government, called the 'Basic Daily Fee'. Currently it is 85% of the single person rate of the basic age pension.
- ✓ A means-tested fee, which will be added to the daily fee if you are required to pay it. This fee has indexed with annual and lifetime caps.
- ✓ Optional extra fees for a higher standard of food or additional services for example dinner choices, wine with dinner, Foxtel and hairdressing services.
- ✓ An accommodation payment which is also means tested. There are usually three options in the way you pay this:
 - A Refundable Accommodation Deposit (RAD) which is a one-off lump sum that will be returned to you when you leave the facility. While this deposit is counted towards the means-tested fee it is exempt from asset and income tests for Centrelink and DVA income support
 - A Daily Accommodation Payment (DAP) which is an interest rate linked periodic payment, or
 - A combination of both (lower DAP and part RAD).

It's important to look at your particular financial situation before deciding which works best for you and obtain independent advice. For example, your family home is often not included in the means assessment for the first two years after moving into an aged care home. This could mean it's beneficial to rent your home out for a couple of years and use the income to pay the ongoing fees, then sell up at a later date and reduce your overall fees through a lump sum. A financial adviser can help you with these calculations.





HOW DO I NAVIGATE MY AGED CARE?

There are two primary Government funded home care programmes available to Australian residents. Commonwealth Home Support Programme and Home Care Packages Programme.

Commonwealth Home Support Programme (CHSP)

The Commonwealth Home Support Programme (CHSP) is an entry level home help program for older people. Depending on your needs, the support services that you may be eligible for under CHSP include home help, personal care, home maintenance/modification, help with shopping, meal preparation, transport to appointments, shopping and social activities in the community, nursing care, allied health support services or respite care for your family caregiver.

Assessment

To access CHSP requires assessment by the Regional Assessment Service (RAS). To apply for assessment you need to contact My Aged Care (MAC) myagedcare.gov.au

Costs

You do not need an income assessment to access CHSP services and your age pension will not be affected by your contributions to the cost of your services but you are required to pay a contribution to the cost of your care under the CHSP.

Download the Home Instead, 'The Home Care Solution' public education guide for more information, HomeInstead.com.au/senior-care-resources

Home Care Packages Programme

The Home Care Packages Programme offers a package of home care services to support people to remain living independently at home with choice, flexibility and control.

There are four levels of Home Care Packages:

LEVEL 1 - BASIC CARE NEEDS

LEVEL 2 - LOW-LEVEL CARE NEEDS

LEVEL 3 - INTERMEDIATE CARE NEEDS

LEVEL 4 - HIGH-LEVEL CARE NEEDS

The types of services you can access under a Home Care Package include but not limited to assistance with activities of daily living, house cleaning, basic home maintenance, transport to shopping, appointments or social outings as well as personal care, nursing or other allied health services you may require.

Assessment

To obtain a home care package requires assessment by an Aged Care Assessment Team (ACAT)*. They will assess your individual needs and then this will determine the care package you are entitled to and the level of support you receive. You can arrange this by contacting My Aged Care (MAC) myagedcare.gov.au or contacting your local Home Instead office.

Costs

If you are assessed as eligible for a Home Care Package you will receive a letter of approval from My Aged Care that sets out the level of Home Care Package you are approved to receive. The amount of government subsidy you receive increases with each level. The subsidy is paid directly to your Home Care Package provider of choice. It is important to know that you may be required to pay a basic daily care fee and/or an income tested care fee if you are not on a full aged pension.

We recommend you arrange for a formal income assessment by the Department of Human Services after you have been assessed for a home care package to understand what contribution you may be required to make.

There is a waiting period between being approved for a Home Care Package and being assigned a Home Care Package. My Aged Care will place you in a national priority queue for Home Care Packages and will contact you when a package becomes available for you. The time you wait before you are assigned a Home Care Package is based on your individual needs and circumstances as well as the time you have spent waiting for a Home Care Package following assessment.

*ACAT = *Aged Care Assessment Service (ACAS) in Victoria.*



CONFRONTING THE REALITIES OF LIFE AND DEATH

For many, the very thought of discussing their will is daunting because it involves facing their own mortality. For others, putting a plan in place is on their 'to do list', but the pressures of a busy life get in the way.

We owe it to our loved ones to be prepared. If something happens to you, the last thing you would want is to leave your family worrying about money or struggling to deal with the burden of administering your estate.

Have you considered the following:

- Who will manage your assets if you are no longer able to?
- Who will consent to medical treatment for you if you have lost the capacity to make decisions?
- Should you have a will and how do you get one?
- What happens to your superannuation when you die?

A comprehensive estate plan will address these realities, giving you peace of mind.

Estate planning for life – Attorneys and Enduring Guardians

A Power of Attorney is a legal document in which you give another person (the Attorney) the power to deal with your assets and financial/business affairs during your lifetime. An Enduring Power of Attorney (EPOA) will continue to operate even when you lose legal capacity.

If you create an EPOA it can act as an effective safeguard against ill health and mental incapacity as your Attorney can continue to make decisions for you. An EPOA is a position of great responsibility so it is important to select a person or trustee company you trust to act in your best interest. These decisions include:

- Complete authority over your financial affairs
- Buy or sell your assets including your main residence, shares, car etc
- Authorise cash withdrawals from your bank accounts.

An Appointment of Enduring Guardian is a legal document in which you give another person ('the Enduring Guardian') the power to make personal or lifestyle decisions for you when you are not capable of doing this for yourself. You can limit the decisions of your Enduring Guardian, however, they may include:

- Decisions on where you live
- Health care you receive
- Personal services you receive
- Consent to medical and dental treatment.

Estate planning for death - wills

A will is a legal document that clearly sets out your wishes for the distribution of your assets after your death. Having a clear, legally valid and up-to-date will is the best way to help ensure that your assets are protected and distributed according to your wishes.

When thinking about your will, it is important to understand which of your assets are covered by your will. As a starting point, your will deals only with assets you hold in your sole name. If you hold assets jointly with another person – for example real estate, bank accounts and shares – those assets may pass to the surviving joint party rather than pass through your will, depending on your arrangements.

It is also important to note that superannuation death benefits and life insurance do not automatically form part of your estate. If you would like these assets to pass through your will, you also need to check how your insurer or superannuation fund will accept nominations to pay your estate.

Family trusts (and assets held by them) do not pass through your will as they do not die with you. Understanding who holds the controlling position of Appointor in the event of death and loss of capacity is important, as control will be held by them.



APPOINTING AN EXECUTOR

In a time of grieving, the burden of administering a loved one's estate can be overwhelming.

The executor of your estate will assume the legal responsibilities and risk associated with its administration. They can verify assets and liabilities, help with calculating tax implications and arrange payments and distribution. They'll also take responsibility for administering any ongoing trusts created in your will.

It's also worth thinking through whether you should appoint a professional executor or trustee company. Professional executors are held to a higher standard than individual executors and have specific professional experience and expertise in dealing with the complex situations which may arise with more complex estates. A professional executor may be useful in the following situations:

- If your estate is large or complex or involves an ongoing testamentary trust
- If there is a chance of a claim against the estate
- If you have a blended family, where impartiality will be particularly important
- Some of the beneficiaries of your estate are vulnerable, for example may be negatively influenced by others, including family members
- If your estate will need to be administered for a long time, as a professional executor never dies and can oversee estates for generations



The estate administration process

Depending on the complexity of the deceased's affairs, being the executor of an estate can be challenging and time-consuming. There are specific legal processes which need to be followed and it may take at least six months, and sometimes years, to administer the estate. Factors such as a legal challenge to the will can also affect the timing.

Here are the main steps in the estate administration process:

- 1. IDENTIFY**
Identify the estate beneficiaries
- 2. VERIFY**
Verify the assets and liabilities of the estate
- 3. CALCULATE**
Calculate taxation implications
- 4. LODGE**
Lodge a probate application to the Court
- 5. COLLECTION**
Collection of assets and payment of liabilities
- 6. PAYMENT**
Payment of legacies and bequests
- 7. DISTRIBUTION**
Distribution of the remainder of the estate

Trust set-up and management

For your wealth or legacy to endure, your assets need to be protected and managed in the best interests of you and your beneficiaries. A trust is a useful way of ensuring that the people and things you care about are protected when you are no longer here – it can be set up to provide for the people you love, to benefit a charitable cause or to protect your business or other assets.

A trust is a legal structure that authorises a trustee to manage your assets for your beneficiaries. It can be established during your lifetime or through your will. It protects your assets, because they are owned by an entity rather than individual beneficiaries, and it is usually a more tax-efficient way of managing or transferring these assets.

Advance health directive

An advance health directive (AHD)—sometimes called a living will—is a formal way to give instructions about your future health care. It comes into effect only if your cognitive health deteriorates and you become unable to make your own decisions.

What an AHD includes

- Outlines what medical treatment or health care you want if you can no longer make decisions for yourself. It can be general such as if you wish to receive all available treatment or specific for example that you wish to decline a certain medical treatment.
- It enables you to appoint an attorney for health and personal matters.
- It includes information that health professionals should know, including health conditions, allergies, and religious, spiritual or cultural beliefs that could affect your care.

Specific instructions

In your AHD, you can give specific instructions about certain medical treatments, such as whether you want to receive life-sustaining measures such as tube feeding or resuscitation to prolong your life.

You can also outline the quality of life that would be acceptable to you. For example, you might ask that life-sustaining measures be withheld or withdrawn if you have:

- A terminal illness with no known cure or chance of recovery
- Severe and irreversible brain damage, and you can't communicate
- A severe illness or injury that you'll probably never recover from.

Who can make an AHD

You can make an advance health directive if you're over 18 and have the capacity to do so.

When to make an AHD

The best time to make an advance health directive is now, before any urgent health condition arises. However, it's particularly important to make one if:

- You're about to be admitted to hospital
- Your medical condition is likely to affect your ability to make decisions
- You have a chronic medical condition that could cause serious complications, such as diabetes, asthma and heart or kidney disease.

How to make an AHD

Before completing the form, carefully reflect on the decisions you have to make. Consider what's important to you and discuss these matters with your family or close friends.

A doctor will need to complete part of the AHD form, so you can ask them to explain your options and any unfamiliar terms. You'll also need a witness who is a justice of the peace or commissioner for declarations, lawyer or notary public.



END OF LIFE

Palliative Care is holistic, supportive care for people with life-limiting illnesses, assisting in the physical, psychological, social, emotional and spiritual aspects of end-of-life care. It's crucial to have conversations about your wishes at the end stage of life long before they are needed:

- **Who** will care for you? Who do you trust to make health decisions on your behalf? Who do you want to be there at your end-of-life?
- **What** support is available to you? What medical treatment and interventions do and don't you want?
- **When** do you want someone to manage your affairs or make decisions on your behalf?
- **Where** do you want to spend your last months or days?
- **How** do you envisage your end of life?
- **Why** are these things important to you?

Once you have talked about dying and sharing your personal preferences with loved ones, it's important to set these plans in place.

- Document your wishes in writing as there might be a time when communication is compromised and no longer possible.
- Make a will - This legal document details how your assets and belongings will be distributed after death.
- Power of Attorney (POA) or Enduring Power of Attorney (EPA) - This appoints someone you trust to manage your financial and/or medical health affairs when you ask them to or if you are deemed unable to make your own decisions.
- Develop an Advance Care Plan and/or Advance Health Directive - Planning ahead empowers you to have a say in your end-of-life and ensure that appropriate consideration is given to your wishes.

Download the Home Instead, **'Dying at Home'** public education guide for more information, [HomeInstead.com.au/senior-care-resources](https://www.HomeInstead.com.au/senior-care-resources)

Funeral Planning

Planning a funeral often happens at a time of great stress. Many people die either at home, or in a hospital or aged care home and if this happens to you, many of the practical and legal necessities will be looked after by the funeral director that is appointed. The main task for your loved ones will be looking after your funeral and they are likely to find it very helpful if you are clear on how you wish it to be conducted.

If your wishes are set out in a will, estate plan or other formal document then your executors are legally obliged to follow them.

Here are some things you may like to consider in your planning:

- Burial or cremation
 - If you are to be buried, are there any treasured possession you would like to be buried with you?
 - If cremated, what you would like to happen to your ashes?
- Type and order of service and where it will be carried out
- Any speakers, music, decorations or other specifics for the service
- Whether you would also like a reception, or a wake
- Anyone you would like invited and their contact details if unlikely to be known to your executors of family
- How you plan to pay for the funeral

Charitable Giving and Philanthropy

If there are causes you feel passionately about, there are ways you can give that are tax effective and offer the satisfaction of knowing your gift will have the highest possible impact. Choosing to structure your giving, either during your lifetime or through your will, allows you to make a lasting difference while also leaving a legacy.

Some people choose to structure their giving through a philanthropic trust rather than making ad hoc donations. While many people think that philanthropic programs are only for billionaires, it's far from the truth. A simple structured giving program, such as an endowment, can be established with \$20,000 and can help you achieve your charitable goals while also realising tax benefits. If you give via certain trust structures, the tax deduction can usually be spread over 5 years. With careful planning, you can grow your donation so that it gives in perpetuity.

Whether you decide to make a one-off donation or structure your giving, you can start by deciding what you care about, how you want to contribute, whether you want to give during your lifetime or through your estate, and how much involvement you would like your family to have. At that point you can engage an expert to help you achieve your charitable goals.

Download Perpetual's **'Foundation Endowments: Create something remarkable'** guide for more information, perpetual.com.au/perpetualfoundation



LAST WISHES + OTHER HELPFUL RESOURCES

Before your time is up, ensuring that your loved ones know how you'd like your final time to be spent is important. Whether it's staying at home surrounded by family and friends, or one last trip to your favourite place, don't underestimate the importance of writing your own ending! Dying with dignity and embracing a good quality of life is one of the most important things we can achieve on this earth before we pass.

If you choose to write a will, ensure that loved ones can find it and are informed of your last wishes so they can fulfil them when the times comes. Once your will and paperwork is sorted, put it all into a master file and keep it in a safe place. It should include will, birth certificates, marriage certificates, passports, driver licences, medications, healthcare information, account usernames and passwords, financial assets, liabilities and trust documents, to name a few. It's also important to hand over the keys to your digital life to family members so they can shut down services you don't want around, such as a Facebook account or Google account.

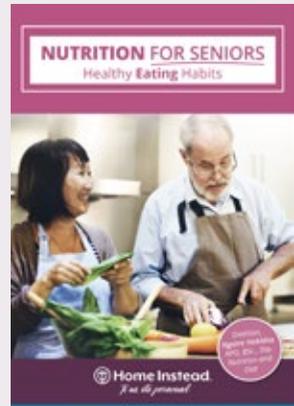
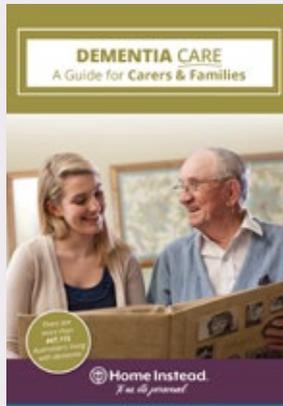
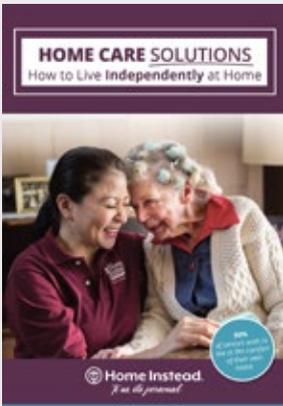
Lastly, suggest how you would like your life to be celebrated. Whether it be through traditional or untraditional means, it is a celebration of you. Though it is upsetting for family and friends alike, the focus of your passing can be shifted to celebrating the joy that you have brought others.

Home Instead Resources

Information, tools, tips and other guides.

As a community care organisation, we are committed to educating and empowering individuals, families, carers and communities with an understanding of the various home care services and support available to them.

Home Instead strives to help you navigate ageing with a variety of senior care resources. From help with understanding the aged care system, negotiating family relationships and difficult conversations to resources on home safety, end-of-life planning and managing conditions such as dementia; helping you find answers is important to us.



Our website is another great resource for senior focused information along with our monthly newsletter and Facebook pages.

Find out more today at; HomeInstead.com.au

I would **recommend** Home Instead services to anyone looking for **personalised, kind, and respectful** care for their loved ones

Maureen



To us, it's personal.

Home Instead is **YOUR** specialist, national provider of high quality in-home care for older people.

We help with a range of personal and lifestyle needs while providing welcome companionship. Our services include assistance with personal care, light household duties, meal preparation, medication reminders, transport to appointments, shopping and social outings. We take personal responsibility for providing the best in-home care and support to meet our clients' needs and are committed to addressing the individual and national challenges of Australia's ageing population. Established in 1994, Home Instead now provides senior care across a network of over 1000 offices around the world.

In Australia, Home Instead's national network of independently owned and operated offices are committed to changing the face of ageing by enhancing the lives of seniors and their families.

We understand that to you, it's about finding trustworthy care for your ageing loved one.

To us, it's personal.

Contact your local Home Instead office for a free no-obligation care consultation where we can discuss your needs and provide you with information, advice, care and support to help you and your family find the right home care solution for you.

 **Home Instead.**
To us, it's personal

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