Navigating the Aged Care System

Most of us plan to stay healthy and active for as long as possible during retirement. However it is estimated that, at some point, 37% of women and 24% of men who reach 65 will subsequently find themselves needing some form of care or assistance, either in the form of additional support at home or a higher level of residential care.

The Australian Government provides a range of support services to help people stay in their preferred location for as long as possible. These include income support, health and community care programs.

The Government also works closely with religious, not for profit and user funded groups to provide aged care services and places to live for older Australians.

What does aged care mean?

Traditionally, aged care has included the concepts of independent living and dependent or assisted living. Independent living refers to the tendency for older people to downsize their lifestyle as they age into such options as retirement villages or mobile home parks. Assisted living extends to residential aged care in aged care facilities or community care delivered in our homes.

Aged care choices

There are two levels of care delivery:

1. **Community care**, which comprises:
   - Home and Community Care Programs which are individually tailored packages of care services to frail older people in their own homes; and
   - Community Aged Care Packages to assist people with more complex care needs stay in their own homes.

2. **Residential Care** for those who can no longer live independently and need the care provided in an aged care facility.

Home care packages

To assist older people to stay in their own homes, the Government provides a range of allowances, payments and support services.

To access this Government support, you first need approval from an “Aged Care Assessment Team” (ACAT). This team comprises a number of health professionals who can provide a thorough assessment of a person’s needs and advise on suitable care options.

Low level aged care

These have previously been referred to as “Hostels” and are designed for people assessed by ACAT as being no longer able to remain living independently in their home. Fees are charged and there may be an initial lump sum or bond payment required on entry.
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High level aged care
Previously called “Nursing homes” these facilities are for people assessed by ACAT as requiring a high level of nursing care. Fees are charged however generally a lump sum payment is not required.

Retirement Villages
Retirement villages are generally for over 55s who are able to care for themselves physically and financially. A lump sum is normally charged on entry, as well as for weekly services and often when you leave the village. In some villages, you can even receive community care if you need it which reduces the need to transition to an aged care facility.

In some cases, a higher level care facility may be attached to the retirement village however you may not be automatically eligible to move into those facilities if you need to.

Retirement village purchase and service contracts can be complicated so it is important to seek legal advice before committing to anything.

Mobile Home Parks
These are now known as manufactured home parks and are similar in style to a retirement village but come with very different legal and financial arrangements.

Rental Villages
These are another variation on the retirement village where you rent your unit and pay usually no more than 85% of your age pension for the right to live in the unit.

Standards of aged care
The Aged Care Standards and Accreditation Agency regularly monitors residential aged care facilities to ensure they comply with government standards.

All aged care facilities must provide:
- Qualified staff to provide assistance to residents at all times;
- Assistance with daily activities such as showering, dressing and mobility and medications
- Meals
- Accommodation with basic furnishings including linen
- A laundry and cleaning service
- Social activities

Steps to accessing aged care services:

1. Request an ACAT assessment.
   Your doctor can put you in touch with your local team or you can call 1800 052 222.

   ACAT will approve your eligibility for entry into low or high level aged care; give you information about residential aged care and home care services in your area or alternatively approve your eligibility for a package of community care that will help you continue living at home.

2. Find an aged care facility that’s right for you.
   In addition to your ACAT assessor, Commonwealth Respite and Carelink Centres can also provide information about aged care homes in your area.

   You can also find out information about facilities in your area through:
   - The Yellow Pages
   - The “Now That’s Living” guide produced by Aged Care Queensland
   - The Aged Care Home Finder at www.agedcareaustralia.gov.au. This enables you to look for the Australian Government-funded aged care homes that meet your particular needs.
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Funding your aged care

Qualifying for Government income support such as the age pension and ensuring you are receiving the correct level of benefits is a complex process. The age pension is means tested and many people fail to qualify because of the Asset Test. The advice of a qualified financial adviser or accountant can be of assistance in ensuring your financial affairs are set up to receive the maximum Government support available to you.

A benefit of being eligible to receive a full or part pension is that you may pay lower fees for Aged Care.

In some cases, you may need to use some of the equity in your home to fund your aged care. Your legal adviser can explain the options available to you, ensuring your estate is protected.

Needless to say, the financial implications of aged care can be significant and making a wrong or ill advised move can be disastrous for your financial welfare. It is very prudent to obtain not only legal advice but also good financial advice from an adviser skilled and knowledgeable in aged care.

Applying to aged care facilities

It is a good idea to apply to between 4 and 6 aged care facilities and keep in regular contact with the facility to remind them of your interest. Most facilities will contact you once a place becomes available.

You will need to complete an “Application for Respite Care or Permanent Entry to an Aged Care Home” available from your ACAT assessment team; online at www.health.gov.au or from aged care facilities. You can send photocopies of your signed application to each aged care home you wish to apply to.

Getting your affairs in order

Before making any major life changes, it is important to ensure you have your affairs in order. In particular:

1. Ensure you have a Will and that it is up to date, clearly sets out your wishes, has an appropriate executor and takes into account your current financial situation and the relevant tax laws.

2. Set up an Enduring Power of Attorney. By signing an Enduring Power of Attorney you are authorising a trusted person to act on your behalf if you lose the capacity to make your own decisions. The need for an EPA could arise at any time if you suffer poor health, are involved in an accident or you reach an age where you need greater assistance, so it is important to plan ahead.

3. Execute an Advanced Health Directive. An AHD is basically a legal document in which you can give directions about the sort of health care you would like to have, or not have, if you are ever incapable of making your own decisions. It is commonly referred to as a “living will”.

4. If you think it will help, have a conversation with your family about the future and how you might all work together to ensure that you get good advice and everyone is on board your retirement train.
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Complaints

If you need to make a complaint about something at your facility, don’t be afraid to do so. Most aged care facilities welcome suggestions about ways to improve their service to you and others. This will also help them with their accreditation if they record the details of the complaint, how they dealt with it and what changes they made as a result.

Complaints can be made by residents, family members, care providers or other health professionals such as your GP.

To make a complaint:

1. Direct your complaint to the aged care facility in the first instance. Accredited aged care facilities are required to have a complaints process in place. You are most likely to get a good result if you give the facility precise and comprehensive details of the issue.

2. If you are unable to resolve your complaint through the facility’s complaints process you can write to or call the Aged Care Complaints Investigation Scheme on 1800 550 552. Complaint Resolution Officers are experienced in handling problems and are there to resolve problems and disputes. They will:
   - Contact the service provider about the complaint
   - Gather any additional information required
   - Establish an approach to resolving the complaint such as negotiating with the service provider or arranging for a mediator to assist
   - Refer the matter to the Complaints Resolution Committee if agreement on resolving the problem cannot be reached.

The complaints process can be complex so it is often beneficial to seek legal assistance should your complaint need to be escalated.

When to seek legal advice

It is important to seek legal advice whenever you have a significant change to your family situation, living arrangements or health.

Find out more

Visit www.crhlaw.com.au or call us on 07 3236 2900 for further information on:

- Wills
- Estate Administration
- Estate Disputes
- Enduring Powers of Attorney
- Advance Health Directives
- Elder Life Services

We have a range of free tools and guides to assist you to navigate the spectrum of issues faced by Australian seniors and their families.

Note: The information contained in this document does not constitute legal advice. For advice that takes into account your personal situation we recommend you contact us by calling 07 3236 2900.

Liability limited by a scheme approved under professional standards legislation.