

Australia's aged care sector driving demand for financial advice



DEMOGRAPHIC CHANGES ARE DRIVING THE DEMAND FOR AGED CARE SERVICES

IN THE LAST 20 YEARS THE
85+ POPULATION HAS INCREASED **2.4x**¹



59%



OF THOSE AGED 85+ REPORT A NEED FOR HEALTH CARE ASSISTANCE²

THE NEED FOR CARE OFTEN ARISES WITHOUT WARNING WITH FAMILIES FACING DIFFICULT FINANCIAL DECISIONS AT AN EMOTIONAL TIME

51% OF AGED CARE RESIDENTS OWN* THEIR PRIMARY RESIDENCE³



87% OF AGED CARE RESIDENTS RELY ON SOCIAL SECURITY³



Assets

Income

* includes those that hold a mortgage

WITH THE COST OF AGED CARE OFTEN COMPLEX TO UNDERSTAND

WHAT COULD AGED CARE COST?

BASIC FEE⁴
 \$3,712 p.a.
 (17.5% of Age Pension)

INCOME TESTED CARE FEE⁴
 \$0-10,627 p.a.
 (where resident has means)



HOME CARE

BASIC FEE⁴
 \$18,038 p.a.
 (85% of Age Pension)

MEANS TESTED CARE FEE⁴
 \$0-\$26,567 p.a.

AVERAGE ACCOMMODATION PAYMENTS⁵
 \$380,000
 (but can exceed \$1million)



RESIDENTIAL CARE[#]

Extra-service fees may also be payable

1. Australian Bureau of Statistics – Australian Demographic Statistics June 2016
 2. Australian Institute of Health and Welfare – Australia's Welfare 2015
 3. Australian Institute of Health and Welfare – Residential Aged Care and Home Care 2013-14
 4. Department of Health – Schedule of Fees and Charges for Residential and Home Care from 20 September 2017
 5. Aged Care Financing Authority – Fifth Report on the Funding and Financing of the Aged Care Sector



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