



## Editorial

### Let’s talk about changes to aged care

It’s time to start talking about growing old.

A very large proportion of us will enter retirement over the next 10 to 15 years.

This ageing of the population is a cause for celebration. A longer life is something we’ve all worked towards for years.

But, both as a nation and individually, we will enjoy our ageing more if we plan for it.

Planning in advance, rather than having to scurry around as the result of an emergency, such as a serious fall, ensures help and support will be there when they are needed.

That is why the Australian Government is urging all Australians to get abreast of the changes it is bringing in to meet these needs.

Having conversations about aged care can be difficult.

But the sooner people start talking about it and planning ahead, the better the outcome will be both for older people and their families.

The latest phase of changes to aged care began on 1 July this year.

Older people will have greater choice and control over their own futures, with a bigger range of services available to help them stay independent in their own homes and communities, if that is what they want.

The changes involve new financing arrangements and greater transparency in the costs of aged care.

The Government will continue to meet the majority of costs for both home and residential aged care but, where people can afford to, they will be asked to contribute to the costs.

These changes will not affect people already receiving care prior to 1 July 2014. They will continue under their current arrangements.

If entering a residential aged care facility after 1 July, consumers will pay a basic daily fee for their care (set at 85 per cent of the pension), and may also be asked to pay a further means-tested care fee if they can afford to.

For their accommodation, consumers will have the choice to pay through a lump sum; a daily payment or a combination of both. These measures will help create flexibility for consumers while also ensuring those who can afford to contribute do so.

If taking up a home care package after 1 July 2014, consumers will pay a basic daily fee, and may also be asked to pay an income-tested care fee.

An important affordability safeguard has been introduced as part of these changed financing arrangements. There will be annual and lifetime caps on the new income tested care fees in home care and means tested care fees in residential care. The yearly caps for fees in home care are \$5,000 for a part pensioner and \$10,000 for a self-funded retiree. The yearly cap on means-tested care fees in residential care is set at \$25,000.

There is also a lifetime cap of \$60,000 for an individual which covers both home and residential care. So, once a person has paid \$60,000 in means tested fees in total, they will not be asked to pay any more means tested care fees in either home or residential care for the rest of their life.

Because everyone's circumstances and preferences are unique, the most important thing older people and their families can do is to acquaint themselves with the choices available to them in good time, so they know what they want and can plan for it.

The best way to do this is to contact **My Aged Care**, by calling **1800 200 422** where you can speak to a real person to get the information you need. You can also visit **[www.myagedcare.gov.au](http://www.myagedcare.gov.au)** to find information about your options in the one place.