## Australia's aged care sector

**Driving demand for financial advice** 

Demographic changes are driving the demand for aged care services

**85+** age group is projected to grow from 558,000 in 2023 to 849,000 in 2033<sup>1</sup>



The number of Australians with dementia is anticipated to grow

from 409,000 in 2023 to 802,900 by 2053<sup>1</sup>

The need for care often arises without warning with families facing difficult financial decisions at an emotional time

**58%** of people using residential aged care were aged 85 and over in 2022-23<sup>2</sup>



Average published price of accommodation is \$505,000 in

## major cities<sup>3</sup>

The cost of aged care is often complex to understand

What could aged care cost? Home care

**Basic fee** \$\$4,278 p.a. to \$4,774 p.a.<sup>4</sup>

Income tested care fee \$0 p.a. to \$13,670 p.a.<sup>4</sup>



## **Residential care**

**Basic fee** \$23,203 p.a. Means tested care fee \$0 p.a. to \$34,174 p.a.<sup>4</sup>

Maximum accommodation payment \$550,000 (higher if approved by Aged Care Pricing Commissioner)



1 Department of Health and Aged Care - 2022-23 Report on the Operation of the Aged Care Act 1997.

2 GEN Aged Care Data - People using aged care 2022-23.

3 Department of Health and Aged Care - Financial Report on the Australian Aged Care Sector 2021-22.

4 Department of Health and Aged Care - Schedule of fees and charges for residential and home care from 20 September 2024.

## Support your clients with aged care tools, calculators and strategies available at adviseronlineportal.com.au

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