

Financial Support and Advice for Families Impacted by Dementia

What if I can no longer work?

Early planning and advice is recommended to help families weather the economic impact of forced early retirement due to a medical condition/disability.

This is a summary of options but does not replace independent legal/financial advice.

Option 1: Income Protection

- If you have an income Protection policy, check the policy, contact your policy provider and seek independent legal/financial advice to review of your policy procedures for accessing this income.
- A financial adviser may be able to advise the best pathways for directing/investing any policy payout funds to reduce tax liability
- Request application forms and find out what supporting medical reports the policy provider may require from your diagnosing specialist before submitting your application.

Option 2: Total Permanent Disability Insurance/Superannuation

- You may have a separate TPD insurance or have this as part of your superannuation policy. Always check your superannuation policy to see if you have TPD cover. Seek independent legal/financial advice to review procedures for accessing this benefit.
- A financial adviser may be able to suggest the best pathways for directing/investing any policy payout in order to reduce tax liability.
- Request application forms and find out what supporting medical reports the policy provider may require from your diagnosing specialist before submitting your application.

Option 3: Early Access to Superannuation

- If you have neither income protection nor Total Permanent Disability Insurance, you may be eligible to seek early access to your Superannuation.
- Contact your superannuation provider for advice on procedures to access these funds. Request application forms and find out what supporting medical reports the policy provider may require from your diagnosing specialist before submitting your application.
- Seek financial advice about your best options in relation to investing these funds to maximise access to Centrelink support and minimise tax liability

Option 4: Centrelink

You will now only be eligible for aged, disability or carers pensions once you have expended income protection and accessible superannuation funds. These pensions/payments are subject to an income and assets assessment.

The only exception is the carers allowance, a small payment to caregivers which is not subject to income and asset assessment. (Eligibility criteria do apply.)

For advice on accessing aged pension, disability pension or carers pension/allowances
<http://www.centrelink.gov.au/internet/internet.nsf/home/index.htm>

Centrelink also have free Financial Information Services:
<https://www.humanservices.gov.au/customer/services/financial-information-service>

Other sources of financial advice:

For information in relation to accessing commonwealth care service funding packages

My Aged Care (people with dementia related disability aged over 65)

<http://www.myagedcare.gov.au/costs/finances-and-financial-advice>
<http://www.myagedcare.gov.au/costs/help-home-costs-explained>
<http://www.myagedcare.gov.au/costs/aged-care-homes-costs-explained>

National Disability Insurance Scheme (people with dementia related disability aged under 65)

<https://www.ndis.gov.au/people-disability/what-help-can-i-get.html#funded>

Specialist Financial Advisers

You can also pay for a private consultation with a specialist in aged care/disability financial planning. This will provide individualised advice regarding assets assessment for aged/disability services/pensions, early superannuation access and appropriate investment options to minimise taxation/pension impacts.

<https://www.agedcareguide.com.au/products-and-services/financial-advisors/find>

Good legal and financial advice is particularly important in the following scenarios:

- Where there are multiple assets and self-managed funds
- Where business enterprises or investments need to be either wound up or altered
- When the person needs to access community or residential care and there are concerns over income/asset assessment
- Where there are blended families and potential conflicts of interest over estates, wills etc.
- Where the person with dementia lacks capacity to participate in managing their work or financial /legal affairs

Further related information can be found about decision making capacity, advocacy, enduring power of attorney and guardianship via your local Office of the Public Advocate/Guardianship