
SHAPING FUTURES

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BRISBANE 18-20 NOVEMBER 2015



FINANCIAL PLANNING
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Louise Biti

Ageing Gracefully

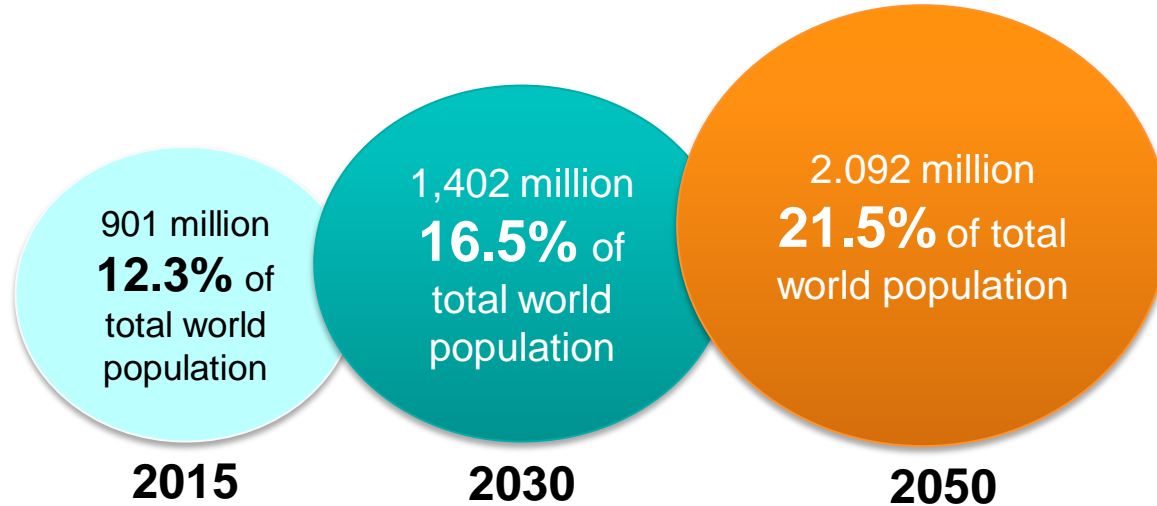


Part 1 – the business opportunity



Ageing is a global issue

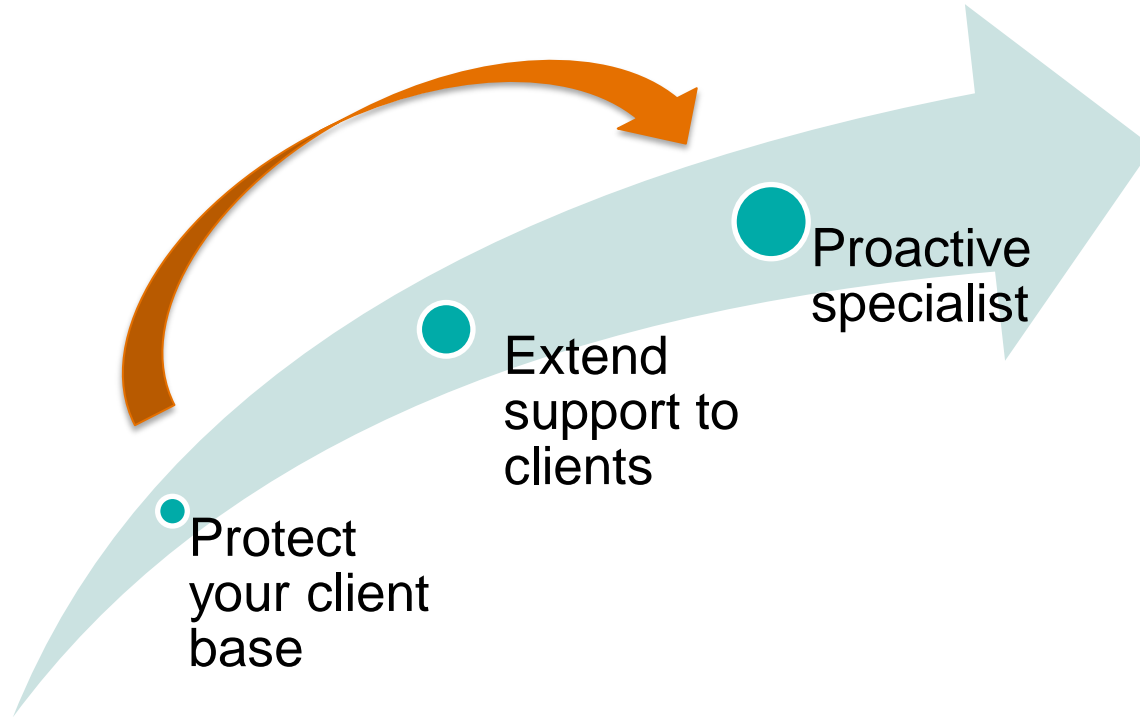
- Population age 60+
- Approx 20% of retirement years expect to be care years



Don't ignore the elephant



Choose your business position



Client protection

- If you don't provide advice someone else will

Your business model	
Your aim	<ul style="list-style-type: none">• Create client awareness so you can direct support and protect your client base
Scope your advice	<ul style="list-style-type: none">• Limit to information & refer to your network
Actions & tools you need	<ul style="list-style-type: none">• Basic knowledge of fees & processes• Client information materials / brochures etc• Establish networks to refer out



Extend your advice

- Extending support through client's whole lifecycle

Your business model	
Your aim	<ul style="list-style-type: none">• Increase value to clients and build relationships with next generation
Scope your advice	<ul style="list-style-type: none">• Provide advice on care options & finances
Actions & tools you need	<ul style="list-style-type: none">• Upskill knowledge for strategy development and soft skills• Client communication and information materials• Outsource support tools/services for efficiency and accuracy of advice delivery



Proactive specialist

- Become the expert and grow your business

Your business model

Your aim	<ul style="list-style-type: none">• Proactively attract new business and project manage the full process for clients
Scope your advice	<ul style="list-style-type: none">• Full service offering
Actions & tools you need	<ul style="list-style-type: none">• High level knowledge and soft skills – with recognition as an expert on broad range• Insource services to keep you on top & create efficiencies• Build networks for leads & referrals (in)



Creating your value proposition

Step 1: Position your value-add

Why you can help?



Step 2: Develop service offer

What will you do?



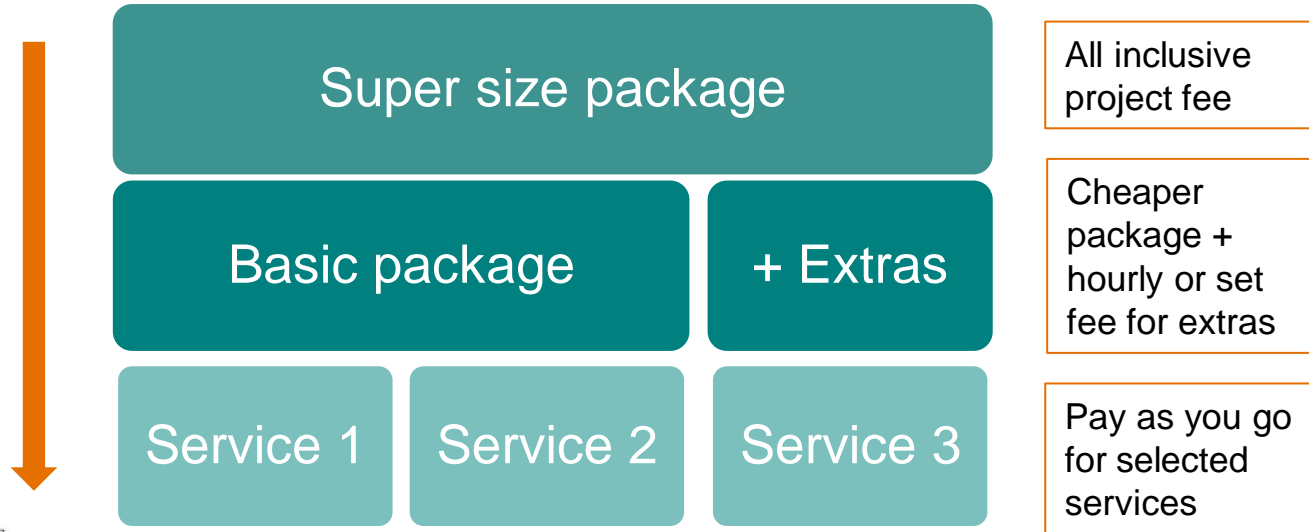
Step 3: Set the pricing

How much will it cost?



Develop service packages

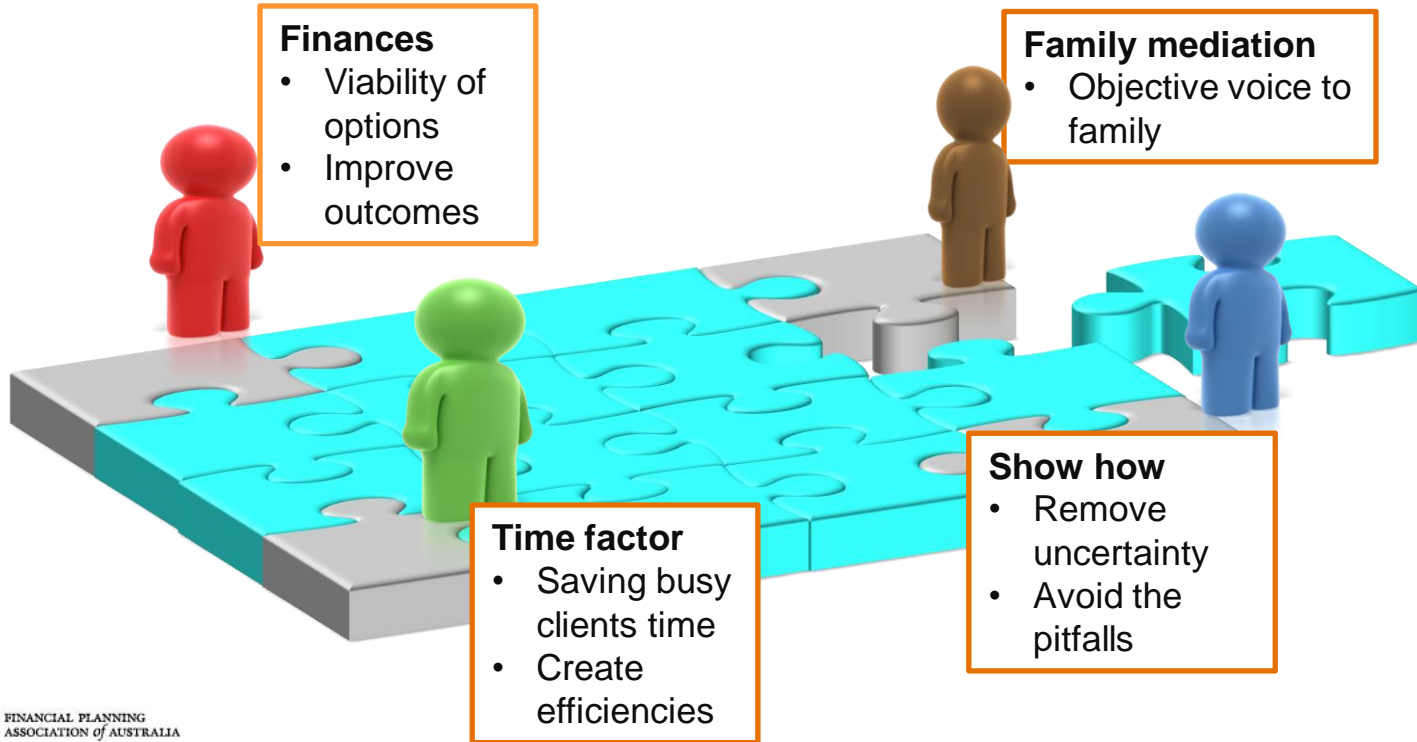
- Consider McDonald's style approach
- Start with highest offer and then move down scale if client does not see full value – may get them to focus on what they are missing, not what it is costing.



An example approach



Be clear on your value & expectations



Part 2 – trends in aged care



New products emerging

Products helping clients manage affordability, to access the care they need

- Annuities – reduce assessable assets & income and provide regular income
- Trust/bonds – increasing investment opportunities to improve returns
- Reverse mortgages – emerging opportunities for short or long term funding
- Aged care loans – estate planning advantages & rates may be lower than DAP
- Watch this space !!



Increasing costs

- RADs range from \$100,000 to \$2.5million – averages increasing and currently just under \$400,000
- Seeing a trend for service providers to charge additional “service fees”
- Pressure to pay deposits for waiting list and at least some RAD
- Rent on former home to be assessable income (for fees only) if resident moves into care from 1 January 2016
- Asset test changes from 1 Jan 2017 – many clients lose some/all pension



Broader care choices

- Retirement villages developing and offering more home care choices
- Emergence of over-50s parks and resort style living with care
- Group housing (some dementia specific)
- Live-in care, private home care and home care packages
- Growing support service industry for aged care options and delivery

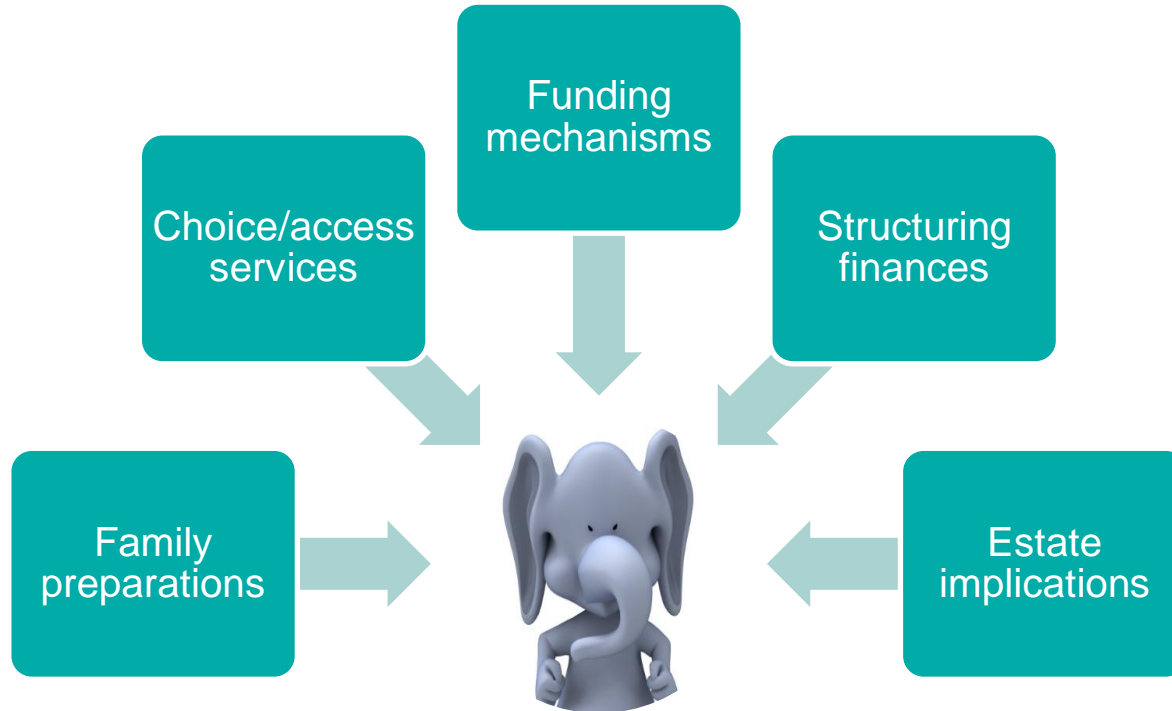


Greater focus on home care

- Centralising access and services
- HACC changed name to CHSP (except WA)
- Consumer directed care – greater choice and flexibility with transparency of costs, but also means cross-subsidisation no longer occurs and admin fees deducted
- Need forward planning to ensure sufficient income generated



All adds up to greater need for advice



How we can help you?



Training



Paraplanning



Business Toolkit™



Advice Generator™

Website:

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