

# NHFA News Release

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## **Following recent Health Service and Local Government Ombudsman's special reports where older people were found to be wrongly paying for care the NHFA has seen a remarkable increase in the number of callers to its help line.**

Since January this year the NHFA has received over 14,000 requests for advice and information and the care advice line operatives have provided advice, information and/or advocacy to over 7,500 callers. Much of the problem is caused because of the failure by local and health authorities to understand their own charging procedures and responsibilities. It's time the public were informed about exactly who pays what! The most commonly asked questions are:

### **Who qualifies for State Assistance?**

If you have capital in excess of £19,500 you will not be entitled to any help and would normally have to pay all the fees yourself. If you have capital of below £12,000 you will be entitled to maximum support from your local authority, normally contributing all your income less £17.50 retained for personal expenses. If you have capital of between £12,000 and £19,500 you will also have to pay a tariff income from capital of £1 for each £250 between these two figures.

Capital includes the value of your former home. This is disregarded if it is occupied by your partner, a relative who is aged over 60 years or incapacitated or by a child under 16 years who you are liable to maintain.

### **Can I give my home away to my children to avoid the care costs?**

No. The authorities can go back as far as they wish when considering whether a property has been given away to avoid care costs and if they do will treat you as if you still owned that property.

### **Will the Social Services pay my fees whilst I am selling the property?**

Yes if your other capital is below £19,500 there is provision for the local authority to help you for the first twelve weeks of **permanent** care. You will have to contribute all your income less the amount retained for personal expenses. The balance that social services lay out on your behalf after the first 12 weeks will form a charge against the property and be recovered from the sale proceeds.

### **Do I have to sell my property?**

No, the Social Services can lend you money towards your care and continue the charge against your property. However, they would normally only pay up to their set maximum amount which may not be enough to pay for your chosen care. This route could well be to your disadvantage when other factors are taken into account for example eligibility to means tested benefits – independent advice should be sought.

### **My partner needs care. How does this effect me?**

The social services only have the right to means test the person requiring the care. They will take into account any capital they own and all their income. However, property occupied by a partner is disregarded and fifty percent of any private pension must be returned to the partner at home. The local authority can ask a married partner to contribute towards his or her spouses care costs if they feel they can afford it. This is a liable relative's contribution for which there are no fixed rules for calculating.

### **Couples with joint savings**

In assessing entitlement to financial assistance, the Local Authority will take into account joint savings with a spouse or partner and, until those joint savings fall to double the means test limit, no financial help is available. Those who are paying for their care from joint savings with a partner at home, should split their accounts into separate single accounts immediately to benefit from state assistance as early as possible.

### **What if we both need care?**

Again, it is important to remember that members of a couple must be financially assessed separately and each paying only according to their individual resources.

### **If the State is paying do I have a choice of care home?**

Yes you do. You can choose a local authority home, a private home or one owned by a charity. It does not have to be in the same county as your local authority so if you wish to move to be near friends or relatives you can do so. There are conditions. The home you choose must be suitable for your assessed needs, must comply with any terms and conditions set by the authority and, must not cost any more than the local authority would usually pay for someone with your assessed needs.

### **What if the home does cost more than the local authority are prepared to pay for?**

The local authority will allow a top-up from a third party who is able and willing to do so over the long term. You are not allowed to top up the fees yourself from your remaining £19,500.

### **Are there any benefits I can claim that are not means tested.**

Yes, **Attendance Allowance** is a non-means tested, non-taxable allowance paid at the lower rate of £38.30 for those needing care by day or night and, at a higher rate of £57.20 for those needing care by day and night. However, it is not payable if the local authority is paying towards your care.

### **NHS Nursing Contribution**

If you are living in a care home which provides you with nursing care, subject to assessment of how much registered nursing time you need, you may be entitled to a contribution towards these costs from the NHS paid direct to the care home. Presently there are three bands. The low need for nursing care pays £40 per week, moderate need £75 per week and high dependency £120 per week. This applies whether your stay is temporary or permanent. If your needs are primarily health care needs you may be entitled to full funding from your local health authority under their continuing care eligibility criteria.

*The above applies to England only. Wales and Northern Ireland pay a flat amount of £100 per week for those assessed as needing nursing care. Scotland pays up to £145 per week for personal care plus £65 per week for nursing care with effect from July 2002.*

### **Are there any circumstances where the State will meet my full care costs even if I have capital over £19,500?**

You may be entitled to funding for your care costs from the NHS if your care needs are primarily health care needs and you fit their continuing care eligibility criteria . Each local health authority or PCT must publish its eligibility criteria for continuing care.

If someone has been admitted to hospital for treatment and / or assessment under section 3 of the Mental Health Act 1983 then they should be entitled to free aftercare under section 117 of the same act and this can include residential care.

### **What happens if after I have moved into a care home independently I run out of money?**

Once your capital reduces to the means test limit you can seek assistance from the local authority. However, you may find you have chosen a care home which costs more than the local authority is prepared to pay. For example, if the home you chose independently costs £400 per week you may find the local authority will only pay £340 per week. Families can find themselves in the precarious situation of having taken responsibility for care home contracts for full fees and unable to fulfill the commitment. The problem you have is then either to find a source of top-up, ask the home to reduce their fees or move to cheaper accommodation which could be detrimental to health and well being.

### **What can I do to avoid this situation?**

It is important to seek specialist advice when moving into a care home because there are financial products specifically designed to meet care costs thus avoiding this situation. If on examination of your finances it is likely that you will run out of money you should discuss this matter with the social services department to make sure they will step into help. You should also discuss the matter with the care home owner to obtain the reassurance that you can remain in your chosen accommodation at social services funding rates.

freephone Care Advice Line **0800 99 88 33**, web site, **www.nhfa.co.uk**

Further information can be obtained from NHFA, St Leonards House, Mill Street, Eynsham, Oxford, OX29 4JX.  
Telephone 01865 733000 Email enquiries@nhfa.co.uk

*Ends*

### **Notes for Editors:**

Taking the worry out of paying for care - The Nursing Home Fees Agency (NHFA) independent of all care providers, financial institutions and authorities provides free advice and information on obtaining and paying for long term care. NHFA advice is available to all regardless of means and encompasses the many financial and legal issues older people and their families should consider when the need for care arises.

Combines specialist financial advice with the complexities of our care system including local authority assessment and charging procedures, health authority responsibilities, DWP welfare benefits and legal matters i.e. enduring power of attorney.

The aim of the NHFA is to enable older people meet the cost of chosen care for life whilst also preserving their original capital and with that their independence, dignity and right of choice.