

## Long Term Care – Means Test Capital Limits Increases and Other Changes April 07

### Capital Limits

The capital limits for means testing for local authority support in care homes are to be increased with effect from 10<sup>th</sup> April 2007.

The proposed lower capital limit is raised from £12,750 to **£13,000** and the higher capital limit is raised from £21,000 to **£21,500**.

Individuals with capital of below £13,000 will have to contribute their income towards the care home fees, less **£20.45** retained for personal expenses (previously £19.60).

Individuals with capital of between £13,000 and £21,500 will also have to contribute a further amount of £1 per week for each £250 of capital between these two figures.

Individuals with capital above £21,500 will have to meet the full cost of their care. Capital includes the value of your former home unless it's occupied by your partner, a relative who is aged over 60 years or incapacitated, a child under 16 years who you maintain or a separated partner who is a lone parent.

**Wales** £17,250 / £22,000. **Northern Ireland** £13,000 / £21,500. **Scotland** £12,500 / £20,750.

### NHS Nursing Care Contribution

The NHS contribution towards nursing care costs in nursing homes is payable in three bands. These are to be increased with effect from 1<sup>st</sup> April 2007: lower band no change £40, middle band from £83 to £87 and higher band from £133 to £139.

Where an individual's care needs are primarily health care needs it may be possible that their care home costs could be fully funded by the NHS under their continuing care eligibility criteria. They should seek careful assessment of their needs comparing the results with their health authority's published continuing care eligibility criteria.

**Scotland** – Again pegged at 2001 rates paying for personal care up to £145 plus nursing care £65 with loss of Attendance Allowance. **Wales** - flat rate nursing care contribution up from £111 to £114.90. **Northern Ireland** - flat rate no change remaining at £100 per week.

### Attendance Allowance

If individuals are self-funding their care they can claim attendance allowance. This is a non-means tested, non-taxable DWP benefit paid weekly at the lower rate of £43.15 (previously £41.65) if they need care by

day or night and the higher rate of £64.50 (previously £62.25) if they need care by day and night. **Worth up to £3,354 per annum.**

Philip Spiers, Director of NHFA says “Many older people who are forced to sell their homes to pay for care fail to obtain all they are entitled to from the state towards their costs. This often includes the 12 week property disregard funding from local authorities for the first 12 weeks of care and attendance allowance thereafter. These two together can add up to in excess of £6,000.

Whilst increases in state assistance are welcome they nowhere near cover the fee increases imposed by care homes at the same time. It’s essential older people seek advice when paying for care not only to ensure they maximise benefits but also to understand the specialist care funding products available like ‘Immediate Need Care Fee Payment Plans’ which can effectively cap the cost of care”

**NHFA Care Fee Advisory Services** are available to all regardless of means and can be accessed through a freephone Care Advice Line 0800 99 88 33, web site [www.nhfa.co.uk](http://www.nhfa.co.uk)

*ends*

**Notes for Editors:**

Older people selling their properties to pay for care can meet the costs without using up the whole proceeds:

**Case studies available on request**

NHFA Care Fees Advice provide free Long Term Care Guides and an extensive range of ‘Infosheets’.

NHFA Care Fees Advice aims 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.