



Care home funding and Attendance Allowance (February 2008)

Ref IS/13

This information sheet refers to the situation in England. If you live in Scotland, Wales or Northern Ireland you may wish to contact:

Age Concern Scotland, Causewayside House, 160 Causewayside, Edinburgh EH9 1PR, tel: 0845 125 9732 (local call rate), website: www.ageconcernscotland.org.uk;

Age Concern Cymru, Units 13 & 14 Neptune Court, Vanguard Way, Cardiff CF24 5PJ, tel: 029 2043 1555 (national call rate); website: www.accymru.org.uk;

Age Concern Northern Ireland, 3 Lower Crescent, Belfast BT7 1NR, tel: 028 9032 5055 (national call rate) Monday to Friday 10am - 12pm and 2pm – 4pm, website: www.ageconcernni.org.

This paper looks at how the way in which your care is funded affects whether or not you can be paid Attendance Allowance (AA) while living in a care home. In the past, surveys by both Age Concern and the Department for Work and Pensions have found that significant numbers of care homes residents who could have been receiving AA were not doing so.

General information about who qualifies for AA and Disability Living Allowance (care component) can be found in Age Concern's Factsheet 34, *AA and Disability Living Allowance*. The information given about AA in this information sheet also applies to DLA Care.

The term care home is used to mean any home that has to be registered under the Care Standards Act 2000. This includes homes which just provide personal care, and homes which also provide nursing care.

The Disability Benefits and Carers Service (DBCS) is referred to several times in this paper and the address is at the end.

Entering a care home

There are a number of different ways of meeting the fees that are charged by care homes. Nearly a third of all residents pay the fees out of their own income and capital. Some people have their fees fully paid by the NHS (see Age Concern Factsheet 20, NHS continuing healthcare, NHS-funded nursing care and intermediate care). Others get help from the local authority social services department. Local authority funded residents usually have to make some contribution towards the cost of their care and any entitlement to benefits such as Pension Credit may be taken into account in the assessment of that charge.

When you go into a care home you should inform the DBCS about the home you have gone into, and if possible how your care is being funded. If you are not sure how your care is being funded you should say so, and the DBCS will make the necessary enquiries. If you are clear that you are paying for yourself you should let them know. Let the DBCS know if at any time either social services or the NHS starts funding your care in the home.

Funding yourself

If neither the social services nor the NHS has any involvement in funding your care, then you can receive AA in a care home. If social services has arranged your care and made a contract with the home but you are paying the full cost of your personal care and accommodation you should still be able to receive AA.

The NHS-funded nursing care contribution (previously known as Registered Nursing Care Contribution) paid by the NHS to cover the cost of nursing care provided in care homes does not affect your eligibility for AA.

Sometimes residents find that their AA has been stopped because they are in receipt of NHS-funded nursing care; this is incorrect and residents in this position should ask for their benefit to be reinstated and for any arrears to be paid.

If your AA has previously been stopped because you were in hospital or were being funded by social services and you later become self funding again, ask for the benefit to be reinstated as soon as you can. You do not need to make a new claim at this stage. Instead write to the Disability Benefits and Carers Service (the address is given at the end of this paper) and inform it of the change in your situation.

Funding by Social Services or the NHS

AA cannot normally be paid if social services are funding your care in a care home. It will usually stop 28 days after local authority funding starts. Different rules apply if you are being funded on a loan basis but will be repaying the local authority (see below).

Your AA will also usually stop after 28 days if you enter a care home and are fully funded by the NHS, in the same way as if you are a hospital in-patient. In some cases it may be unclear whether the care home you are in counts as if you are in hospital. If so seek further advice; some people who are fully funded by the NHS can receive AA because of how their accommodation is viewed.

If you are being partly funded by the NHS (beyond the NHS-funded nursing care contribution mentioned above) your AA should not be affected providing the local authority is not assisting you with the remainder of the fees.

The 28 day period during which you continue to receive AA after entering a home will be shorter if you have already spent time in hospital or in another home funded by the social services department or the NHS during the previous four weeks. If so, those periods of care will be added together. The dates of admission and discharge do not count when working out the length of the gap between periods of care.

Example

You were in hospital for 10 days (not including the day you went in and out of hospital), and you then went home. After two weeks you found that you could not manage and social services agreed that you needed care in a care home, and a week later you moved in to a home. As this was not more than four weeks from the time you left hospital, your AA will stop after 18 days (it may be slightly later depending on which day of the week your benefit is paid).

Ask for your AA to be restarted if social services or the NHS cease to fund your care at any point.

'Interim' funding by social services

If you need interim or temporary funding from social services but will be repaying the local authority at a later date, you may be able to receive AA during this period. The most common situation of this kind is where a resident owns a property and is trying to sell it or has entered into a deferred payment agreement with the local authority under which the property will be sold at some future time. Another situation where interim funding may be required is where someone is waiting for a Deputy to be appointed by the Court of Protection because they can no longer manage their finances.

Since October 2003 residents who meet the other qualifying conditions for each benefit can claim both AA and Pension Credit for periods of interim funding provided that the local authority will, in due course, be repaid in full. The amount of Pension Credit that you are entitled to may include an additional amount for severe disability if AA is in payment and you are living alone. A care home resident is usually regarded as living alone for this purpose. The rules are similar for Income Support (for people under 60) and DLA care component.

NB: The value of a property may be taken into account for Pension Credit purposes unless attempts are being made to sell it. This may affect eligibility for that benefit where a deferred payment agreement is entered into without any steps being taken to market the property. However there is no upper capital limit for Pension Credit so residents whose property has a low value may still be able to claim Pension Credit.

Guidance to social security staff states that AA should be paid until the point is reached at which there is a real risk that your capital is inadequate to make a full repayment. Internal guidance suggests that it should be checked after two years.

If you have gone into a care home and know you will be paying the local authority back in full and your AA has been stopped, ask for it to be reinstated and for any arrears to be paid. If you have any problems you might wish to seek local Welfare Rights advice. The guidance issued to social security staff on this subject may be useful. Ask the Customer Service section at your Disability Benefit and Carers Service for a copy.

Periods away from the care home

As explained above, you may satisfy the disability conditions for AA but not receive it because of the way your care is funded. However, you can still make an application and establish underlying entitlement to AA. It is useful to do this if you think there is a possibility of returning home in the future or if you may spend time away from the care home.

If you leave the care home, even for a short period you can contact the DBCS and ask for your AA to be paid without having to make a claim and wait for it to be decided. If you apply for AA whilst being funded in a care home, then the first time you leave for a few days will mean that you will get paid for four weeks after your return to the home. The day you leave and the day you return to the care home both count as days at home. (AA is not payable if you leave the care home for a stay in hospital).

Example

Mrs Angelou is funded by the local authority, but goes to stay with her daughter for Christmas. Even though while in the home she does not get AA she applied for it a few months after moving in. This year she is going on 22 December and returning on 28 December. She will receive AA for a week and then following her return to the home will continue to receive it for a further four weeks. If she goes to stay with her daughter again she will receive it for the number of days she is away from the home.

The DBCS needs to be told about any moves in or out of a care home, to avoid any overpayments or underpayments of benefit.

Further information

This paper gives you the current position regarding payment of AA in care homes. These rules have changed over recent years. If you have a query relating to the payment of AA in care homes in the past, or if your situation does not seem to be covered by this paper, you may need to take further advice from a benefits specialist.

The address of the Disability Benefits and Carers Service is Warbreck House, Warbreck Hill, Blackpool, Lancs FY2 0YE. Tel: 08457 123456; website: www.dwp.gov.uk .

If you would like to receive this information

- in large print or
- all the other Age Concern Factsheets and Information Sheets referred to throughout this document (maximum five copies per request available free of charge)

phone 0800 00 99 66 (free call) or write to Age Concern FREEPOST (SWB 30375), Ashburton, Devon TQ13 7ZZ. They are also available on our website.

Find out more about Age Concern England online at www.ageconcern.org.uk

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