

Funding Long Term Residential Care for Under 65s (April 2011)

Funding

For people assessed as requiring long term residential care indefinitely, *Residential Support Subsidy* generally funds under 65s and *Residential Care Subsidy* funds over 65s. A small number of younger people may be eligible for Residential Care Subsidy if they are aged 50 to 64 years, single and have no dependent children.

Residential Care Subsidy

Approval for *Residential Care Subsidy* for a younger person (50-64) must be given through a Needs Assessment and Service Coordination agency (NASC) for older people.

- People aged 50-64 with a partner, and/or dependent children, and needs assessed as requiring residential care indefinitely are not subject to asset and income testing under Part IV of the Social Security Act. They are not eligible for a Residential Care Subsidy but may be fully funded at the discretion of the Ministry of Health.
- People aged 50-64, single and with no dependent children needs assessed as requiring residential care indefinitely can apply for Residential Care Subsidy. They are treated as if their assets are at or below the relevant threshold. They have a means assessment of their income to determine the contribution they must make towards the cost of their care. (Asset testing was fully removed for 50-64 year olds from 1 July 2005, with the introduction of the *Social Security (Long-term Residential Care) Amendment Act 2004*).
- If at age 65 a client still requires residential care indefinitely, they may become subject to income and asset testing. In practical terms, when a fully funded 64 year old resident turns 65, they are liable to be means tested. (Section 150 of the Act). District Health Boards may have different policies on what happens when you turn 65.

For more information on Residential Care Subsidy contact Work and Income Specialised Processing Services 0800 999 727 or visit the website:

<http://www.workandincome.govt.nz/individuals/a-z-benefits/residential-care-subsidy.html>

Residential Support Subsidy

Under 65s requiring long term residential care must be needs assessed by a Ministry of Health contracted agency. *Residential Support Subsidy* is paid for people who have a:

- Physical Disability or
- Intellectual Disability or
- Psychiatric Disability (including Drug and Alcohol Rehabilitation) and
- have been assessed as having their support needs met by a residential care facility contracted to Ministry of Health

There is no asset test for Residential Support Subsidy.

When a client is in residential care, they are required to contribute any main benefit they receive, less the Personal Allowance. There are different allowances for different benefits, see below.

A client may not have to contribute towards the cost of their care if a benefit is not payable. This is at the discretion of the Ministry of Health. Residents may also claim Disability Allowance for disability-related costs such as medical fees and pharmaceuticals while living in residential care.

For more information on the Residential Support Subsidy contact the Work and Income Specialised Processing Services on 0800 999 779 or visit the website:

<http://www.workandincome.govt.nz/individuals/a-z-benefits/residential-support-subsidy.html>

Interim Funding Pool

Under 65s with high care needs due to chronic health conditions who do not meet the criteria for Residential Care Subsidy or Residential Support Subsidy may be eligible for funds from the Interim Funding Pool. Access to funds is through Ministry of Health contracted Needs Assessment and Service Coordination agencies.

See Seniorline website for list of agencies:

www.adhb.govt.nz/SeniorLine/Services/SupportforCarers/CarerSupport.htm

Personal Allowances

All figures quoted are net.

Residential Care Subsidy

- A personal allowance of \$41.64 per week (1 April 2011) and a clothing allowance of \$261.19 a year (1 April 2011) is payable.
- Special Disability Allowance of \$36.88 per week (1 April 2011) may be paid to the partner of a client in long-term residential care.

Residential Support Subsidy

- Clients with psychiatric or intellectual disabilities can receive a personal allowance of \$60.68 per week (1 April 2011)
- Clients with physical or sensory disabilities can receive a personal allowance of \$98.62 per week (1 April 2011)
- Clients in residential care because of physical, intellectual or psychiatric disabilities cannot receive the Annual Clothing Allowance.

Work and Income is responsible for:

- Assessing a person's financial eligibility and/or financial contribution
- re-directing the client's benefit and
- paying Personal Allowance

Eligibility Guide for Residential Subsidies

	Residential Care Subsidy	Residential Support Subsidy
Under 50 years old	Not eligible for Residential Care Subsidy.	May be eligible for Residential Support Subsidy if assessed by a Ministry of Health (MOH) contracted agency (for physical, intellectual or mental health issues). No asset test.
50 - 64 years old, Unmarried, no dependent children	May be eligible for Residential Care Subsidy if assessed by older person's Needs Assessment and Service Coordination agency (NASC). No asset test. May be required to contribute from their income.	May be eligible for Residential Support Subsidy if assessed by MOH contracted agency (for physical, intellectual or mental health issues). No asset test.
50 - 64 years old, Married and / or dependent children	Not eligible for Residential Care Subsidy. If assessed by older person's NASC may be fully funded at the discretion of the MOH. Turning 65 may trigger a reassessment.	May be eligible for Residential Support Subsidy if assessed by MOH contracted agency (for physical, intellectual or mental health issues). No asset test.
Over 65 years old	May be eligible for Residential Care Subsidy if assessed by older person's NASC. Asset testing and income contribution criteria apply.	May be eligible for Residential Support Subsidy if assessed by MOH contracted agency (for physical, intellectual or mental health issues). Do not move automatically to older people's NASC agency on reaching 65. No asset test.