**Qualifying for Subsidised Residential Care – News from the Cottage**

This information we are sharing with you is available on line by Ministry of Health, Long-term Residential Care for Older People – What you need to know (Revised 2019)

Following on from our previous email explaining about residential care and how we can receive this care via a subsidy or privately, we will touch on the next subject or steps in the process to apply for subsidised care.

**Your Needs Assessment and Service Coordination (NASC).** This assessment can be organised by Sandra, the Manager at the Cottage, your GP or other health provider.

Needs assessment is strongly recommended, but is a ‘***must have***’ only if:

* You wish to apply for the Residential Care Subsidy
* You want to live in the Cottage or other rest home that provides DHB - contracted care services
* You are receiving subsidised rest home care and require any higher level of care such as dementia or hospital level care.

A needs assessor will look at:

* Your health needs (which may include specialist geriatric assessment)
* Your support needs to see if you need residential care
* Whether you need ongoing, long-term residential care
* The level of care you need – rest home, specialist dementia, long-term hospital or specialist psycho-geriatric care.

The needs assessor can also help with information about appropriate facilities in your area. If you are hospitalised due to illness or injury, that hospital may arrange a needs assessment for you.

If you wish to live in a rest home and pay for your care yourself you can. You would need to arrange your entry with the home provider directly. At the Cottage self funded costs are the same amount as subsidised care. However, in other rest homes there would be no restriction on the amount of fees you could be asked to pay for your care by that rest home if you have been needs assessed as requiring aged residential care.

**The financial means assessment – asset and income testing**

Once it is shown that you need long-term residential care, you can apply for a financial means assessment. Needs Assessment and Service Coordinator (NASC) will give you the forms you need to complete for your financial means assessment.

Your financial means assessment will determine whether you qualify for government funding through the Residential Care Subsidy. Specialised Processing Services, Work and Income, completes the financial means assessment for you based on the information that you give them.

To qualify for the Residential Care Subsidy you need to have assets equal to below those asset thresholds described in the previous article and listed again at the end of this article.

It is important to send in your financial means assessment application promptly, even if you can’t supply all information or papers required by Work and Income at this stage. This is important, as eligibility for the Residential Care Subsidy can only be backdated for up to 90 days before the date of the financial means assessment application.

**Please note:** By law you must pay the fees for your care until it is confirmed that you are eligible for the Residential Care Subsidy. This means that if you delay sending in your forms you will have to pay for any care costs not covered by the subsidy. The residential care facility will reimburse you any extra you may have paid that is subsequently covered by the subsidy.

**Who can get the Residential Care Subsidy**

To be eligible for government funding through the Residential Care Subsidy you need to:

* Be aged 65 or older, or aged 50-64 and single with no dependent children
* Have a needs assessment that shows you need ongoing, long-term residential care in a rest home or hospital indefinitely
* Have a financial means assessment that shows that your assets are equal to or below the applicable asset threshold and how much of your income will go towards your care costs
* Receive contracted care services provided by a long-term residential care facility that is certified – under the Health and Disability Services (Safety) Act 2001 – and that a has contract with a DHB

**Information for those aged 50-64 who need residential care**

1. If you are aged 50-64 years and single with no dependent children, the Residential Care Subsidy is not asset tested. You will have only your income assessed to see what you can contribute to your care costs.
2. People aged 50-64 who have a partner and/or a dependent child and require residential care are not asset or income tested and do not have to contribute to their care costs until they turn 65 when they must apply for a financial means assessment.

**Asset Thresholds** (from our previous article

If you're 65 or older, your and your partner's (if you have one) total assets must be $230,495 or less. If you have a partner who's not in long-term residential care, you can choose whether the total value of your combined assets is either:

* $126,224 or less, if you don't want to include the value of your house and car, or
* $230,495 or less, if you do want to include the value of your house and car.

Your house isn't counted as an asset if it's the main place where your partner, or dependent child, lives.

By way of explanation:

* A partner [or spouse] is assessed for full time care.
* The other partner [or spouse] remains in the family home and uses the family car.
* Any funds in excess of $126,224 will be applied to the Rest Home fees.
* The balance of $126,244 can be held for personal use/savings

A single [perhaps widowed] person.

* Is assessed as needing full time care.
* Assets including the family home and care are protected to the extent of $230,495
* In the event of these assets being more than $230,495 the difference will be applied to Rest Home fees in the format that is assessed by WINZ