

eldercare news

Recognising and Rewarding excellence - thanks to you!

Many of our care home clients already have the advantages of recommending The Eldercare Funding Programme™ to their prospective residents with all the benefits this brings to their business and the peace of mind it brings to residents and their relatives.



WINNER



Nicky Cave receiving her award from comedian and impressionist, Jon Culshaw (left) and Chairman of Partnership Assurance, Ian Owen.

The programme has received further recognition when its founder and creator, Nicky Cave, accepted the award for the Best Intermediary in Long Term Care at the prestigious Health Insurance Awards at the Grosvenor House Hotel in London's Park Lane in October.

Also in October, The Eldercare Funding Programme's™ work in care fees planning was highly commended in the Cover Magazine's Customer Service Award.

We would like to thank the hundreds of care homes already using The Eldercare Funding Programme™ for your support. You already understand the role the Programme has to play in supporting your business and allowing you to focus on care, whilst at the same time delivering peace of mind, comfort and security to families at a difficult time.

If you would like more information about how The Eldercare Funding Programme™ can help you please contact us on: 01707 368945.

New Risks to Care Home Owners

From October 31st 2006, anyone giving advice to the elderly in relation to paying for elderly care must hold the Chartered Insurance Institute's CF8 qualification.

If a financial adviser does not hold this qualification, they will only be able to present clients with solutions that they are qualified for – which may not offer the best outcome for the client, and which may put the adviser in breach of the Financial Services Authority's Code of Conduct in respect of 'best advice'.

Inappropriate advice may result in future litigation if a resident's funding runs out and it later transpires that they were not given 'best advice' by a suitably qualified adviser. A claim of negligence by omission may also arise if a resident's funding runs out and they were not previously made aware that specialist financial advice was available to them.

Currently, only about 1 per cent of all financial advisers in the UK hold the CF8 qualification and many of these do not specialise in the field of care fees funding.

Eldercare Solutions is supported by a team of CF8 qualified Care Companions who specialise in providing care fees funding solutions. They are all highly experienced and because they only undertake work in relation to 'care fees payment plans', you can be confident that they are aware of all the latest developments and will be giving your clients the very best advice.

Your residents need never run out of money again!

We are frequently asked how a care fees payment plan works – this article explains in very simple terms how they work and the advantages for you, your residents and their families.

Purchasing a 'care fees payment plan' (or 'immediate needs annuity') is a genuine alternative to meeting care costs directly from capital or investments.

These plans have been specifically designed to take into account the age and state of health of an elderly person who requires personal or nursing care. They differ from standard annuities (such as those used to provide pension income) in this respect – the older the individual is, or the more dependent they are on others for their care, the lower the cost.

The care fees payment plan is purchased with a one-off lump sum payment which is non-refundable unless some form of capital protection is included. The income paid out by the insurance company is then paid for the rest of the individual's life, leaving their remaining capital 'ring-fenced' from future care costs. This income is **tax-free**.

This type of plan offers a guaranteed method of meeting the cost of care fees for life. The financial risk of a relative remaining in care for a number of years is borne by the insurance company. This gives certainty and peace of mind to all concerned.

Any money spent on the 'care fees payment plan' will immediately reduce the value of an estate for the purposes of any inheritance tax calculation.

The amount of income paid out each year can remain the same, increase by a fixed percentage or even by the rate of inflation. Importantly, if the resident moves care homes the plan simply moves with them.

Approximately 33,000 self-funded elderly people go into care homes each year. However, according to research, a massive 88 per cent of these people are unaware that there is an alternative to using up their savings to pay long-term care fees? In fact, only 5 per cent of people who sell their homes to fund long-term care fees have any type of plan that would guarantee their care fees would be paid for the rest of their lives (source Laing and Buisson 2004).



The consequences for you if a resident should run out of money are challenging and likely to leave you out of pocket.

However, the good news is it doesn't need to be like this! **Eldercare Solutions** can help you and your clients with their care fees planning and we recommend that you tell all your prospective clients that specialist financial advice is available through our **Eldercare Funding Programme™**.

We are confident that we will be able to help many of your residents achieve **guaranteed care fees funding** with our 'care fees payment plans' for the rest of their lives, which will give you confidence that your fee income is protected, help your occupancy rates and give long-term peace of mind to your residents. This is made possible because the responsibility for maintaining the ongoing payment of care fees is transferred from the individual to the insurance company who provides the 'care fees payment plan'. This in turn protects you from the risk of non-payment.

We can supply you with brochures and other items of literature on request, so please let us know what you need.

Client Feedback here are just some of the things our clients say about us:

"We are both extremely grateful for all your help and guidance in achieving this difficult decision... You have striven to present your 'product' in a caring, patient way, with great empathy."

"I just had to put pen to paper and thank you so very much for all the help and such friendly advice that you have given to me. I really appreciate your effort and support and you have such a relaxed, friendly manner about you, which I know must have helped not only myself, but many other people too. You have a great gift in making people feel very comforted. Lovely!"

"I have been particularly impressed with the clear documents you have provided for us. The clearly formatted, easily understood and common sense approach and the total lack of jargon in every letter and document we have received is remarkably refreshing."

Case Study

Mr Pryce got in touch with one of our Care Companions a few months after his 92 year-old mother had moved into a care home. She had suffered a stroke, which left her unable to cope in her own home any longer.

He was already becoming concerned at the alarming rate at which his mother's capital was being eroded, despite it having been placed in a high interest savings account.

At the time we first spoke with the family we were able to establish the following facts:

- Mrs Pryce's savings (predominantly the proceeds of her property sale) totalled £160,000
- She had a total net annual income of £9,858 but the care home fees, including a small personal spending allowance, were £570 per week – almost £30,000 per year
- On paper, this left Mrs Pryce with an annual shortfall (the gap between her income and the fees) of £19,863

After fully assessing the situation and researching the various options available, we were able to put some alternative funding solutions to the Pryce family.

As a result, they decided to purchase a 'care fees payment plan' at a cost of £62,296. Whilst non-refundable, unless some form of capital-protection is included, the plan **guaranteed** to pay £19,863 every year for the rest of Mrs Pryce's life. The family were buying peace of mind and security. Mrs Pryce's money would never run out and they would always be able to meet her care costs.

The family also chose to take advice from us regarding a secure investment for the remaining capital of just over £97,700. They had decided not to include any indexation on the care fees payment plan, electing instead to cover future fee increases from investment returns.

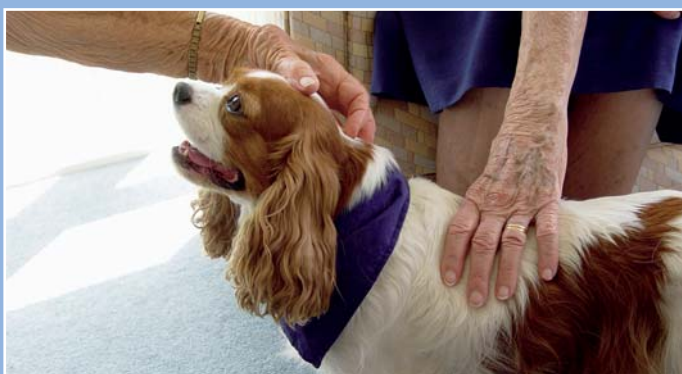
Mrs Pryce and her situation are real, but her name has been changed for use in this case study, which is for illustrative purposes only. All individual needs and circumstances are fully discussed before any recommendation is made.

Pets As Therapy visiting P.A.T. Dogs And P.A.T. Cats



Pets As Therapy has approximately 3,000 dogs and 100 cats visiting throughout the UK. Over 10,000 people every single week receive life enhancing benefits from the service provided by Pets As Therapy. Each dog or cat is owned by

our registered Volunteers who make regular visits into various establishments such as Hospitals and Hospices, Residential and Nursing Homes, Day Care Centres, working with Phobic Patients, working with Stroke Patients and those patients who are clinically depressed, in Mainstream and Special Needs Schools. We even have P.A.T. dogs/cats visiting in Prisons.



Initially, before any animal is accepted as a Pets As Therapy visitor, each dog or cat has to undergo an assessment which is carried out by one of our nationwide team of assessors. This gives us the information we need to ascertain if the dog or cat has the necessary temperament to make a good visiting animal. It is more important for a dog or cat to have the correct nature to become a Pets As Therapy animal, than it is to have pedigree or ancestry. Good temperament is essential. We have a national network of area co-ordinators who play a major role in taking the new volunteer 'under their wing' and being the essential help to get them introduced to visiting.

The benefits of these visits are phenomenal: patients who often have not been motivated for some time cannot resist reaching out and touching the animal. The visit stimulates memories of when they owned animals and gives them something to talk about. Often the patients have no other visitors and the P.A.T. visit is the one thing they can and do look forward to. Patients will often talk to an animal when communication with a human is difficult for them. Some of our volunteers are specifically asked to visit in the evening as this relaxes the patients, in some cases replacing the use of medicines, thereby benefiting both patient and staff.

Founded in 1983, the Charity, which started with a team of just six visiting dogs in the Midlands, has developed into a very successful service to the community. Pets As Therapy does not receive any government funding but relies totally on the generosity of the general public.

For further details of Pets As Therapy please contact the Registration Office, 3 Grange Farm Cottages, Wycombe Road, Saunderton, Princes Risborough, Bucks HP27 9NS or by telephone 0870 977 0003 or email reception@petsastherapy.org or visit our website www.petsastherapy.org



A last word from Nicky...

"I really hope you've enjoyed reading this Newsletter – look out for our next edition later this year."

Nicky Cave

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Nicky and her team are always available to tell you more about the service that Eldercare Solutions provides and how The Eldercare Funding Programme™ works, so please let us know how we can help you.



Eldercare Solutions:
Home of The Eldercare Funding Programme™.

About us

Eldercare Solutions is the home of The Eldercare Funding Programme™, which has been created by Nicky Cave, one of the UK's most highly regarded care fees planning specialists. In 2003, Nicky undertook a research study into the care fees market, which changed her thinking forever and left her passionately committed to raising standards in care fees planning advice.

Nicky's research highlighted inconsistent practices throughout the industry and revealed that many clients were not even given the basic information required to help them make the right decisions. The whole care funding provision process was often product sales driven rather than service and advice oriented.

Nicky set out to change this and to introduce a new care fees planning advisory service that would be recognised throughout the UK for its compassionate, helpful and thorough approach, and its sound advice.

The Eldercare Funding Programme™ has now established an impressive track record for delivering timely, creative solutions and peace of mind to hundreds of clients.

A Legal Perspective

Sue Normanton – Elder Law Specialist

The Mental Capacity Act 2005 – a call to action?

The Mental Capacity Act 2005 comes into effect in April 2007 and changes the legal landscape in which we all work. The extensive legislation affects all those who wish to plan for/currently lack capacity, and all individuals/organisations involved in caring for them: relatives, carers, clinicians, social workers, legal advisers and those who own, manage and work in care homes.

A Code of Practice guides you through the practical implementation of the Act illustrating the five key principles. For example, a diagnosis under the 'dementia' umbrella does not automatically mean that your resident lacks capacity: capacity is to be assessed for each decision, dependent upon that individual, at that specific time. If a resident lacks capacity, all decisions made on their behalf must be made in their 'best interests': you cannot treat a resident as unable to make a decision unless all practicable steps have been taken to help them do so, and failed.

Lasting Powers of Attorney (LPA) replace the existing form of Enduring Powers of Attorney, enabling others to take health and welfare decisions on your resident's behalf. The new legal concept of an Advance Decision, the NHS's End of Life Care Programme and the recent focus upon the Assisted Dying Legislation, will mean that residents could, whilst they have capacity, refuse medical treatment in circumstances where they lack the capacity to communicate that refusal and those appointed to act will all have a voice/role to play in your care of that resident.

If you fall foul of any of the Act's requirements, the criminal offence carries five years in prison and/or a fine. So, what next?

- **Don't panic:** the legislation seeks to embody evidence of best practice and you have until April 2007 to become fully compliant.
- **Train your staff how to:**
 - assess capacity under the Act,
 - determine, resolve and/or avoid disputes concerning 'best interests', and
 - document the decision-making process and the resulting decision to ensure compliance.

If you would like a copy of the 'Best Practice Tool' designed to quantify the existing compliance of your documentation/procedures now and highlight areas for change, or have any questions please contact me at suzanne.normanton@bpcollins.co.uk