



Calculating Individual's Co-payment for the Nursing Home Support Scheme - Fair Deal

1. The scheme provides a uniform system of financial support for individuals in public and private nursing home beds and ensures that long-term nursing home care is affordable for all.
2. The scheme will be operated by the HSE, and co-funded by the individual and the HSE.
3. An individual's co-payment is calculated based on a **person's ability to pay**:
 - a. The person's contribution is based on **80% of assessable income** i.e. pension, SFP payment, rental income etc; and
 - b. **7.5% of the value of assets per annum**, including the principal private residence & farm (5% of assets if the application was made prior to the 25th July 2013)
4. A number of additional factors determine the actual level of co-payment:
 - a. The **first €36,000 of any assets owned by the individual is disregarded**, or €72,000 for a couple.
 - b. The 7.5% charge on assets per annum will be implemented as follows:
 - i. 7.5% annual charge will be payable at the time of receiving care on all 'cash equivalent' assets, such as savings or investments.
 - ii. **7.5% annual charge on principal residence is capped at 22.5%** (i.e. payable at 7.5% per year for the first three years in care only).
 - iii. **The charge on principal residence can be deferred during a person's lifetime i.e. it will be payable from their estate.**
 - c. In the case of couples, each individual's assessed income and assets will be considered as half of the couple's combined income and assets.
5. The **farm or farm business is taken into account in the financial assessment of assets** and a charge of 7.5% per annum is applied.
6. In certain circumstances a **3-year limit or cap of 22.5%** similar to that applied to principal residence, is applied to the farm or farm business.
7. The **3-year limit is applied** to the farm or farm business under the following circumstances:
 - a. Where the person has suffered a **sudden illness or disability**, which causes them to require long-term residential care.
 - b. Where the person or their partner was **actively engaged in the daily management** of the farm up until the time of the sudden illness or disability.
 - c. Where a **family successor certifies that he or she will continue the management** of the farm or relevant business.
8. **All assets transferred for 5 years or more are excluded from the assessment of means.**
9. Since an individual's co-payment liability varies depending on the individual's financial circumstances IFA recommends that farmers get professional advice from their accountant when applying for the Fair Deal scheme.