Disabled Living Foundation, 380-384 Harrow Road, London W9 2HU (081 289 611)
 Disablement Information and Advice Lines (DIAL) UK, DIAL House, 117 High Street, Clay Cross, Derbyshire S45 9D2 (local addresses supplied)
 English Heritage, Fortress House, 23 Savile Row, London W1Y 1AB.
 Handicapped Piscatorial Association, 29 Ironlatch Avenue, St Leonards on Sea, East Sussex TN38 9JE (0424 427931)
 Joseph Rowntree Memorial Trust, PO Box 50, York YO1 1UY
 National Trust, 36 Queen Anne's Gate, London SW1H 9AS.

Play Matters—the National Toy Libraries Association, 68 Churchway, London NW1 1CT (071 387 9592)
 Queen Elizabeth II Silver Jubilee Activities Centre, Upper Hamble Country Park, Pylands Lane, Burlesden, Hampshire
 Rehabilitation Engineering Movement Advisory Panels (REMAP) and Royal Association for Disability and Rehabilitation (RADAR), 25 Mortimer Street, London W1N 8AB (071 637 5400)
 Royal National Institute for the Blind (RNIB), 224 Great Portland Street, London W1N 6AA (071 388 1266)
 Society for Horticultural Therapy, Goults Ground, Vallis Way, Frome, Somerset BA11 3DW (0373 64782)

Understanding Benefits

Benefits for people in hospital, nursing homes, and residential care homes

Simon Ennals

Contributory benefits

Retirement pension
 Widow's benefit
 Unemployment benefit
 Sickness benefit
 Invalidity benefit
 Maternity allowance

Non-contributory benefits

Child benefit
 One parent benefit
 Attendance allowance
 Invalid care allowance
 Mobility allowance
 Severe disablement allowance
 Industrial injury benefit
 Statutory sick pay and maternity pay

Means tested benefits

Income support
 Housing benefit
 Community charge benefit
 Family credit
 Social fund

As doctors are often concerned in arranging for patients to enter hospital or some form of residential care, either short term or permanently, they need to develop an understanding of how the benefit system provides for this. Going into hospital or residential care can be stressful, and reassurance about the financial aspects can make a great deal of difference to the patient.

Many of the community care aspects of the National Health Service and Community Care Act 1990 concern the funding of residential care. Although the lead role in arranging, and paying for, residential placements will shift to local authority social services departments, the implementation of the changes has been delayed until April 1993. The present arrangement, whereby responsibility is split between the Department of Social Security and the local authority, will continue at least until 1993, and for some patients it will continue for some time after that.

This article explains the benefit rules relating to three main categories of care: local authority residential homes, private residential care and nursing homes, and hospitals.

Local authority residential accommodation

Local authorities provide residential accommodation for elderly or physically handicapped patients under

part III of the National Assistance Act 1948 (in Scotland the Social Work (Scotland) Act 1968). Accommodation for mentally handicapped people or those with or recovering from a mental illness is usually provided under the NHS Act 1977. A patient who is in local authority accommodation provided under the 1948 act, or under the 1977 act if board is provided, either temporarily or permanently has a qualifying level for income support (applicable amount) of £46.90 a week. This is made up of £37.50 for the accommodation and £9.40 for personal expenses. This means that a single person would qualify for income support only if any other income that he or she has is not more than £46.90 a week. Local authorities usually charge fees linked to these income support rates. When the patient is one of a couple and the partner remains at home the income support level will be £46.90 plus the rate for a single person.

Housing benefit cannot be claimed on local authority residential home charges, but for people only temporarily in the home any housing benefit for the rent on their normal home can continue for up to a year's absence. The same applies for people receiving a contribution towards their mortgage as part of their income support. This can continue for up to 52 weeks of a temporary stay in local authority care. Most National Insurance benefits (such as retirement pensions or invalidity benefit) are not affected by a

Independent living fund

Another source of help for severely disabled people—other than social security benefits—is the independent living fund. As its name implies the fund makes payments to enable disabled people to live independently in their own homes. It was set up and financed by the government to go some way towards plugging the gap left when supplementary benefit, which included a range of weekly payments for the needs of the disabled, was replaced by income support in 1988. It operates as an independent trust fund and is administered by trustees, who have considerable discretion over how to allocate its budget. The budget has recently been doubled from £32m for 1990-1 to £62m for 1991-2.

The purpose of the fund is to provide assistance with the costs of paying for personal care and housework needed by severely disabled people to enable them to live in their own home. The current conditions that have to be met are that

- Patients are aged over 16

- They are receiving attendance allowance at the higher rate (that is, £37.55 a week for both day and night attendance) or constant attendance allowance under the industrial injuries scheme at at least the same rate

- They are unable to pay for all the care they need

- They are living alone, or with another person who is unable to provide all the necessary care, or they are hoping to move out of residential care or hospital if adequate care at home can be arranged.

This usually means that patients should be receiving income support, but others may also be eligible if their income, although above income support level, is not high enough to pay for the care they need. People will generally not receive any help if they have savings over £8000.

Further details and application forms can be obtained from The Independent Living Fund, PO Box 183, Nottingham NG8 3RD, tel 0602 290423.

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*Written in association with the
 Child Poverty Action Group*

This is the last of 10 articles

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JOHN RAE

Patients must notify the Department of Social Security or housing benefit section when they enter hospital

temporary or permanent admission to local authority care, but attendance allowance may be withdrawn (see article 5).

The attendance allowance stops after 28 days in residential accommodation, which can be made up of shorter periods in care that are separated by less than 28 days. This is particularly important when periods of respite care are arranged as loss of the attendance allowance can lead to considerable difficulties for the patient and for any carer, who would also lose any invalid care allowance being paid. Whenever possible, when linked periods in care add up to 28 days a clear 29 days should be spent at home to break the link before another admission to the home is arranged.

Residential care and nursing homes

Homes that are private or run by voluntary organisations or charities are treated differently from local authority homes. Income support may be paid to patients for temporary or permanent stays at higher rates than ordinary income support. This will change for new residents after April 1993. Both types of homes have to be registered with the local authority, except those run by the Abbeyfield Society and small residential care homes providing care for less than four people and meeting certain staffing standards. A patient's applicable amount will be made up of three elements: the home fee, up to a maximum figure laid down for different types of home; an allowance for personal expenses of £10.55 a week; and, for temporary stays, any allowance towards the patient's mortgage interest already included in income support. This amount is then set against whatever income the patient already has, including any attendance allowance, and the difference is paid as income support.

Clearly the most important aspect of this is the maximum levels allowable for different types of homes. The table shows the main categories. A considerable problem arises if the home charges more than the Department of Social Security rates. This is common and leads to considerable hardship for some patients and, in particular, for their families, who often have to make up the shortfall. Some local authorities are prepared to top up residential home fees, but the regulations allow this only for patients under pensionable age or elderly people who have been receiving such top up payments since before they reached pension age.

When the patient is in the home only temporarily, leaving a partner still at home, the income support level will be made up of the appropriate level of home fee listed above, the £10.55 personal expenses allowance, and the ordinary single person's rate of income support in respect of the partner at home. If the patient is in the care home for only a few days but still has to pay the full week's charge, the whole fee will be included in the benefit calculation.

From April 1993 this system of income support payments will stop for new residents of private and voluntary care or nursing homes. From then on it will be up to the local authority social services department to decide who needs residential care and to arrange to pay for it. Patients will then receive the same income support entitlement as people living in their own homes and will have to claim housing benefit to pay part of the care home fee. All except £10.55 a week of the patient's benefit will be payable to the local authority, who will be responsible for paying the care home fee in full. Though this will get over the problem of income support payments not covering the full fees, local authorities will have limited budgets and may not be able to place as many patients as are referred to them. This could leave some people with no state support for their care home fees; at least under the present system income support would be available.

Admission to hospital

Admission to hospital, even for fairly short stays, can affect how much benefit a patient or his or her family is entitled to. It is important for patients to notify the Department of Social Security or the housing benefit section of the council whenever they, or any of their family, go into hospital, to avoid any possibility of an overpayment.

HOSPITAL FARES

Hospital fares may be refunded to patients who are receiving income support or family credit or who qualify on grounds of low income (see article 3). The hospital will refund the fares on proof of qualifying. Visitors receiving income support may be able to get a community care grant from the social fund to pay the fares in certain circumstances.

NATIONAL INSURANCE

National Insurance benefits are affected if the claimant or a dependant is in hospital for various periods of time.

Up to four weeks—There is normally no change unless the patient has been in hospital in the past 28 days, in which case the total period in hospital may be treated as more than four weeks.

After four weeks attendance allowance and industrial injuries constant attendance allowance are stopped.

Maximum allowance for fees payable to people in private care homes

Category of home	Maximum allowance a week (£)
Residential care homes:	
Elderly	155
Mental disorder	150
Drug or alcohol dependence	150
Physically disabled under 60 or 65	210
Very dependent elderly	170
Addition for homes in Greater London	23
Nursing homes:	
Mental disorder	210
Mental handicapped	225
Drug or alcohol dependence	200
Physically disabled under 60 or 65	245
Elderly physically disabled	210
Terminally ill	260
Addition for homes in Greater London	23

Benefit	Weekly amount (£)	Means tested benefits	Weekly amount (£)
Attendance allowance:		Personal allowances for income support, housing benefit, and community charge benefit:	
Higher rate	41.65	Single person aged 18-24	31.15
Lower rate	27.80	Single person aged 25 or over	39.65
Child benefit:		Lone parent aged 18 or over	39.65
Only or eldest child	8.25	Couple, one or both aged 18 or over	62.25
Subsequent children	7.25	Children aged:	
Industrial disablement pension:		<11	13.35
100% disabled	84.90	11-15	19.75
Constant attendance allowance	up to 68.00	16-17	23.65
Invalid care allowance	31.25	18	31.15
Invalidity benefit	52.00	Premiums for income support, housing benefit, and community charge benefit:	
Maternity allowance	40.60	Family	7.95
Mobility allowance	29.10	Lone parent (housing and community charge benefits)	10.05
One parent benefit	5.60	Lone parent (income support)	4.45
Retirement pension:		Pensioner:	
On own contributions	52.00	Single	13.75
On husband's contributions	31.25	Couple	20.90
Severe disablement allowance	31.25	Pensioner (aged 75-79):	
Sickness benefit	39.60	Single	15.55
Statutory maternity pay (lower rate)	44.50	Couple	23.35
Statutory sick pay:		Pensioner (aged >79):	
Lower rate	43.50	Single	18.45
Standard rate	52.50	Couple	26.20
Unemployment benefit	41.40	Disability:	
Widowed mother's allowance	52.00	Single	16.65
Widow's pension (standard rate)	52.00	Couple	23.90
		Severe disability:	
		Single	31.25
		Couple (both disabled)	62.50
		Disabled child	16.65
		Carer	10.80
		Family credit:	
		Adult	38.30
		Child:	
		<11	9.70
		11-15	16.10
		16-17	20.05
		18	27.95

Invalid care allowance will stop for the carer when the patient's attendance allowance stops.

After six weeks—Most National Insurance benefits are reduced after the patient or the partner has been in hospital for six weeks. These include sickness and invalidity benefits, severe disablement allowance, and retirement and widow's pensions. The benefit will be cut by £18.80 a week for a single claimant and by £9.40 per week for anyone with a partner or children.

After 52 weeks in hospital a patient's benefit will be reduced to £9.40 a week. If the patient has dependants it is reduced by £18.80 a week.

MOBILITY ALLOWANCE

Mobility allowance is not affected by a stay in hospital, provided that the patient can still benefit from "facilities for enhanced locomotion." Invalid care allowance will usually stop after the carer has been in hospital for 12 weeks. If a child goes into hospital any additional benefit paid is unaffected so long as the parents are regularly incurring expenditure for the child—for example, by visiting or buying presents.

INCOME SUPPORT AND HOUSING BENEFIT

Income support, housing benefit, and community charge benefit are affected in a slightly more complicated way by stays in hospital. For patients receiving income support housing benefit will remain unchanged throughout any temporary stay in hospital—that is, for up to 52 weeks, or less if the council considers the absence from home is likely substantially to exceed 52 weeks. Housing benefit for people not receiving income support and income support itself are affected in the following way.

After four weeks—Any severe disability premium is

lost at the same time as the attendance allowance is withdrawn.

After six weeks a single person's income support entitlement goes down to £11.75 per week (plus any allowance for mortgage interest for owner occupiers). This can create real problems for some people because the standing charges for fuel, water, telephone, etc, can take up most, if not all, of the benefit. Income support for couples and lone parents is also reduced at this stage. Housing benefit for people not receiving income support is reduced in a similar way.

After 12 weeks—Income support allowances paid for dependent children are reduced after they have been in hospital for 12 weeks.

After 52 weeks—A single patient will lose any income support for mortgage interest or housing benefit after being absent from home for 52 weeks. The income support entitlement will go down to £9.40 per week. A partner still at home will be treated as a single person or single parent for income support and housing benefit purposes after the patient has been in hospital a year. Once a child has been in hospital 52 weeks no allowance is included for him or her in the housing benefit assessment. This can substantially reduce the housing benefit entitlement, especially with older children.

It is unfortunate that periods in hospital can lead to large reductions in benefit entitlement, which for some people can cause real hardship. The Department of Social Security or local authority benefit section must be kept fully informed at all stages to minimise delays and possible overpayments. Detailed information can be provided for patients by using the Lisson Grove computer program referred to in previous articles or by using the Child Poverty Action Group benefit handbooks.