

Care Funding in England Explained

Who Pays, What Counts, What Happens Next

PODPLAN

The Three-Layer Framework

NHS

NHS Continuing Healthcare

Fully funded by the NHS for those with a primary health need. Covers all care costs including accommodation. Free at the point of need.

Local Council

Local Authority Funded Care

Means-tested support from your council for those who do not qualify for NHS CHC. Assets above £23,250 (England) mean you are expected to self-fund.

Private / Self-Funded Care

Self-Funded Care

If assets exceed the council threshold, care costs are paid privately until assets fall below the threshold - at which point council funding may begin.

The NHS Continuing Healthcare trap

- ▶ NHS CHC is **not means-tested** - it is based entirely on health need, not income or assets.
- ▶ Many families pay privately for years without knowing their relative **qualified for full NHS funding**.
- ▶ A CHC assessment must be requested - it is **not offered automatically** by hospitals or care homes.
- ▶ If CHC was wrongly refused, families can request a review and **may be entitled to a refund** of care costs already paid.
- ▶ The assessment uses a **Decision Support Tool** across 12 care domains - a solicitor or specialist advocate can assist with appeals.

The Bottom Line

The NHS does not automatically fund care in later life. Families who understand the distinction between NHS Continuing Healthcare, council-funded care, and self-funding are far better placed to challenge incorrect decisions - and to protect assets that should never have been spent.

The core rule: who pays depends on the nature of the need

Situation	Who pays first	What follows
Primary health need identified	NHS pays in full via Continuing Healthcare (CHC)	No means test. Council and private funding not required.
Health need present but not primary	NHS may contribute via Funded Nursing Care (FNC)	Council or self-funding covers remaining care costs.
Social care need only	Local council after means test	Self-funding required if assets exceed £23,250 in England.
Assets above threshold	Individual self-funds care	Council funding begins when assets fall below £23,250.

Third - Party Top - Ups and the Self - Funding Gap

- ▶ If a council-funded care home place does not meet your preferences, a **third-party top-up** can be paid by a family member or someone else - but not by the resident themselves.
- ▶ Top-up agreements must be formally documented with the council - **verbal agreements are not enforceable**.
- ▶ Private health insurance in later life **rarely covers long-term residential care** - most policies exclude pre-existing conditions and ongoing care costs.
- ▶ The family home **cannot be included in the means test** while a spouse or dependent relative still lives in it.

Why This Causes Confusion

- ▶ Hospitals may discharge patients into self-funded care without informing families that a CHC assessment should have taken place first.
- ▶ NHS Funded Nursing Care (currently **£267.68 per week**) is a separate, smaller contribution - frequently confused with full CHC funding.
- ▶ Deferred Payment Agreements allow councils to lend care costs against a property - meaning the home is not sold immediately, but a charge is placed on it and independent financial advice should be sought first.