



Fair Deal Scheme

What is the Fair Deal Scheme?

The Fair Deal Scheme replaces the old subvention scheme which provided financial assistance for people in long term nursing home care. The basic principle behind the scheme is that the patient makes a contribution towards the cost of care and the State will pay the balance.

How do I avail of the Scheme?

There are 3 steps in the Scheme. All applications are made through the local Nursing Home Support Office and there are standard forms available.

Step 1 - Care Needs Assessment

- You apply for a Care needs assessment, which will identify whether or not you need long term nursing home care.
- The assessment is carried out by a healthcare professional such as a nurse appointed by the HSE.
- A report is prepared following this assessment and submitted to the HSE and a decision will be made. Once a decision is made the applicant will be notified in writing within 10 working days and a copy of the report and reasons for the decision will be given to the applicant.

Step 2 – Financial Assessment

- The second stage of the application is a Financial Assessment. At this stage your contribution towards the cost of your care will be determined and the level of financial assistance or State Support that you will receive.
- The Financial Assessment looks at all your income and assets to determine what your contribution will be. Income and assets include earnings, pension, social welfare, rental income, property (including property outside the State), stocks and shares. The Financial Assessment will also take into account any income or assets that you have disposed of in the 5 years leading up to the application.
- The assessment will not take into account the income of other relatives e.g. children.

- Having looked at income and assets your contribution is worked out and this is the equivalent of 80% of assessable income and 5% of the value of any assets. The first €36,000 of your assets is exempt.
- If your assets include land and property the 5% contribution based on those assets can be deferred and collected from your estate – this is the Nursing Home Loan element of the Scheme.
- If you are still in long term nursing home care after 3 years, your principal residence will no longer be taken into account in the Financial Assessment. The cap can be extended to farms and businesses in certain circumstances.

Step 3 - Nursing Home Loan

This is an optional step and is the new element of the Scheme. It is essentially a loan from the State and the formal name that the HSE have put on it is “Ancillary State Support”.

- Where a person’s assets include land and property, the 5% contribution based on those lands and property can be deferred i.e. the State pays an amount equivalent to the 5% contribution and will collect the amount that they have paid out of a person’s estate after their death.
- The primary purpose of this element of the Scheme is to ensure that people do not have to sell assets during their lifetime to meet the cost of nursing home care.
- In order to avail of the Nursing Home Loan you must provide written consent to the HSE to register a “Charging Order” against your asset. This is like a mortgage.
- It is often the case that people who need long term nursing care have diminished mental capacity so they could not consent to the Charging order. In this situation a Care Representative can be appointed.
- The Care Representative is appointed by the Court so they can act for the person in respect of the Nursing Home Scheme and, particularly, the Nursing Home Loan. Legislation details the people in order of priority who can apply to become a Care Representative.
- Two medical reports are required for the purposes of the application.
- The Nursing Home Loan is repayable on a person’s death or if they sell or transfer the property. It is possible that the Nursing Home Loan may be deferred if a spouse or partner resides there and has lived there with the past three years.

For More Information

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