

# Funding Care Immediate Care Plans

If a person's capital and savings and/or income push them outside the means test thresholds they will generally be responsible for the funding of their own care fees until such time as their money falls below the appropriate threshold.

However, with careful planning it may be possible to structure their finances in such a way that care fees can be paid indefinitely, without worry about the future or what might happen if the money runs out.

Most families wish to ensure that their relative can stay in the chosen care home for the rest of their lives as well as safeguarding as much of the existing capital as possible.

## Immediate Care Plans

There are dedicated tax efficient financial policies available. These are called Immediate Care Plans (also known as ICPs, Immediate Annuities or Care Fees Payment Plans), and are specially designed to cover all or part of the cost of a person's care fees, and, whilst they are not a universal panacea, they can, in the right circumstances, provide an ideal solution.

Once established, the plan will pay an agreed tax-free amount at regular intervals, directly to the care provider, for the rest of that person's life.

Benefits can increase over the years to help keep pace with care fee increases.

A lump sum is required to purchase such a plan and this is calculated individually on age and health.

This type of policy should always be considered as part of the solution and included as an integral part of the overall financial plan for the elderly person concerned, especially as it can help to cap the cost of care and protect the elderly person from outliving their capital.

As mentioned they will not be right for everyone, but they should always be considered alongside all the other options for paying for care.

An Immediate Care Plan provides peace of mind and enables the person in care to have financial independence, dignity and choice of where they receive care.

Capital protection can also be included, to cover situations where the elderly person dies shortly after purchasing the plan. It is essential that advice is sought from qualified long term care advisers when looking at the funding of any care fees.

Your most local Symponia member will be able to assist you, visit [www.symponia.co.uk](http://www.symponia.co.uk) to locate your nearest one.

It is vitally important that fully medically underwritten quotes are always obtained from all the organisations offering this type of policy.

