



PRESS RELEASE

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SYMPONIA WARNS SOME ELDERLY PEOPLE COULD BE PAYING FOR CARE FEES TWICE OVER, AS PRE-FUNDED CARE POLICIES ARE LOST OR FORGOTTEN

As temperatures plummet and snow sweeps across much of Britain, some families will be galvanised into arranging long term care for elderly relatives who are already struggling to cope with living independently.

However, Symponia, the national professional body for care fees planning advisers, which has around 115 members countrywide, warns that some people may be seeking advice without being in possession of all the facts, leading them to pay far more for rising care costs than they need to, or even paying twice over!

This is because, in the early 90s, several well-known life-offices, including PPP Lifetime Care, Scottish Widows, BUPA, Norwich Union and Partnership Assurance, collectively sold some 44,000 policies to people mainly in their 60s, to meet the cost of care fees in old age.

At the time, these policies could be paid for in either regular premiums or in a single lump-sum. In common with other forms of protection, most policies were bought by relatively young, healthy people for peace of mind, and in the hope that they would never need to claim.

BUT roll forward twenty-plus years later; Symponia believes that potentially thousands of families could be paying for care fees for family members in their 80s or older, unaware that their relative may have made provision for part of their care costs already.

“Statistics* tell us that over 820,000 people are affected by dementia in the UK and that the number is set to rise to over 1,000 000 by 2025. That’s an awful lot of people with memory loss, and some of them may have taken steps to financially manage their later life care needs during happier times, by taking out a pre-funded policy, at the peak of their popularity.

“The problem occurs when nobody other than the policyholder knows about the pre-funded plan. Certainly, anyone suffering from dementia would not remember products bought in good faith over twenty years ago, and if the children of the person in care (or a person with power of attorney) never *knew* about the plan it would not occur to them to investigate further.

“It is sad to think that there are families in Britain, footing the bill for rising care costs for family members who may have already paid either fully or in part for the care they are receiving now.” **Alzheimer’s Research Trust 2010*

So, what should relatives do if they suspect their elderly family member may have taken out such a product?

“We would urge family members (or attorneys) to dig deep into Mum’s filing system. We are on *red alert* ready to track down missing policies, where they exist and as such, we will flag pre-funded policies as part of our client Fact-Find.

“This automatic cross-checking service applies to all families who are seeking advice at the time care is needed. In addition, to help all other families (where care isn’t actually an issue yet), concerned about locating these policies, we have introduced our Care Fees Plan Verification Service. My advice, for either scenario would be to please see a specialist financial adviser and raise the issue as soon as possible.”

For further information, please contact:

Having read this article, if you have any concerns about long term care and would like to speak to a specialist financial adviser then please contact our Associated Professional, Stephen Brough of SRB Wealth Management Limited who is a representative of St. James’s Place Wealth Management plc. which is authorised and regulated by the Financial Services Authority.

About Symponia

Symponia (which is the Greek word for compassion) was created by Jeremy and Janet Davies who has over 30 years’ combined experience in long term care. Founded in January 2005, Symponia is committed to raising standards and increasing training and compliance levels within the long term care advice sector.

- All members are qualified financial advisers or solicitors who are selected by invitation only, after a rigorous selection process designed to make sure that members have the right people skills as well as technical competence.
- Members are subject to a Code of Practice and Conduct, and to a Customer Charter, which lays down strict service standards that the member must meet.
- Members pay an annual fee only (payable monthly). There is no commission split or business related fee.