

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY S.Y. MÉZEC OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 24th FEBRUARY 2015**

Question

Would the Minister inform members whether the Health Insurance Fund, which currently stands at £80m and had a surplus of contributions over expenditure in 2013, has sufficient reserves to fund any surge in GP consultations on the part of children currently subject to reduced or zero charges from some GP practices and, if so, does she consider that claims that the Department does not have sufficient funds to provide for any such surge are inaccurate?

Answer

The Health Insurance Fund had a balance of £86 million at the end of 2013 but, at the same time, is already in "current-year deficit". This means that the contribution income received into the Fund during 2013 did not cover all of the benefits paid out in 2013. Contributions totalled £28.6 million and benefit expenditure totalled £29.7 million.

The total value of the Fund only increased during 2013 due to a high return on investments and the Island should not be content to depend on variable investment returns to pay for statutory benefit schemes such as Medical Benefit. It is important that we try to match contribution income and benefit expenditure on an annual basis.

The budget for the Health Insurance Fund in 2015 has not made any additional provision in respect of an increase in visits from children. GP practices have always provided some visits for children at either no cost to the parent or at a reduced cost, and the Health Insurance Fund provides a subsidy of £20.28 in respect of each of these visits. We do not anticipate a sustained upturn in the number of medical benefit claims on behalf of this age group but the Department will closely monitor any changes in patient behaviour.

Our continued prudent management of the Fund means it is able to absorb short term fluctuations in expenditure, if they do occur.