

STATES OF JERSEY

Health, Social Security & Housing Panel Long Term Care of the Elderly

WEDNESDAY, 30th JULY 2008

Panel:

Deputy A. Breckon of St. Saviour (Chairman)
Deputy J.A. Martin of St. Helier
Deputy R.G. Le Hérisssier of St. Saviour
Mr. J. Forder (Adviser)

Witnesses:

Senator P.F. Routier (The Minister for Social Security)
Deputy P.N. Troy of St. Brelade (Assistant Minister – Social Security)
Ms. S. Duhamel (Policy Director – Social Security)

Deputy R.G. Le Hérisssier of St. Saviour:

Thank you very much for attending. You are our last set of witnesses, although we are getting a couple more in late August, but you are the last of the big session, and it is probably good, because it will enable us to, sort of, ask questions that have been bubbling up during the sessions. You all obviously know the Scrutiny caution. Anything you say is being recorded and you are protected by privilege, short of saying anything with malice. For the tape, I will introduce ourselves; Roy Le Hérisssier.

Deputy A. Breckon of St. Saviour (Chairman):

Alan Breckon.

Deputy J.A. Martin of St. Helier:

Judy Martin.

Mr. J. Forder (Adviser):

Julien Forder.

Ms. S. Duhamel:

Sue Duhamel.

Deputy P.N. Troy of St. Brelade:

Deputy Peter Troy.

Senator P.F. Routier (The Minister for Social Security):

Paul Routier, Minister for Social Security.

Mr. C. Ahier:

Charlie Ahier.

Mr. M. Orbell:

Malcolm Orbell.

Deputy R.G. Le Hérissier:

As I said, thank you very much for coming and thank you specifically to Peter for last night where all your promises have been recorded. **[Laughter]** Obviously you have got a vital role to play, your department, in this whole issue. So, can you provide -- we are obviously going to get into the insurance scheme, but at the moment can you provide the brief overview of the support you do provide for people, which I know is a bit complicated, in long term elderly care through the income support system?

Senator P.F. Routier:

What we have considered to do is to carry on what the Parish system has been. We have carried on funding in the way that the Parishes have previously done. We are trying to get into place, and we have been improving upon in recent times, is the assessment and placing of people in the various homes. The big piece of work which we are endeavouring to do is to get some sort of standardisation of charges and costs and to ensure that we are getting value for money. That is how we are progressing at the present time. Is there anything else you want to add to that, Sue?

Ms. S. Duhamel:

No, that is a clear summary. We have basically carried on the Parish system as far as possible but we are doing the work in the background on the placement tool and the standard fee rates and a standard contract.

Senator P.F. Routier:

That is for over-65s. Under-65s are still dealt with by Health and Social Services. They still get involved with that.

Deputy J.A. Martin:

Can I just clear up with Sue, because we are a bit confused, the over-65s; is that the residential care and nursing care that is now privatised out from the hospital, they have bought nursing beds?

Ms. S. Duhamel:

Health is still organising the nursing care beds because they are contracted beds. So they are still doing that for the time being. We have taken the residential care section from Health and the Parish responsibilities over, so anybody new that would come into the system through those routes now comes into Social Security, but it is pretty much the same system as before except we are trying to regularise it, make sure everybody has the same information and gets treated in the same way. But we will be bringing forward some regulations next year on residential care under income support, which is completely different to the long term care funding scheme because whatever you do in long term care funding you are always going to need a residential care in income support for people who will not be able to afford the co-payment under any insurance scheme. So we do that as well. So we are working towards that at the moment.

Deputy P.N. Troy:

In addition, as was mentioned last night, there was an issue about respite care, of course, which again Health deal with that and they purchase the beds for respite care. I think Mike Pollard gave an explanation about what they do about that last night.

Deputy J.A. Martin:

How near - and I do not know if you want to comment yet or if you want to wait to the end and if you need to go into camera - because we have heard already, and I will not mention who it is, we have heard figures that -- have already been told that this person is going to have a set amount in residential care, if they have got no other money from income support. So, at the moment, are you just carrying on completely what the home is charging you are meeting, or if you have got some contracts already with homes on set amounts of money?

Ms. S. Duhamel:

We do not have a contract in place yet. We do have standard rates, that is one of the problems with the old system was they spot-purchased throughout the system and so because of the different authorities doing it, it was all over the place. So we have pretty much set out a reasonable rate for residential care. We have got 2 levels, a straightforward residential care and a high dependency residential care rate, which is what the homes understand that they will get for one of our placements.

Deputy J.A. Martin:

This is not confidential, Sue, the figure? What is the figure?

Ms. S. Duhamel:

I do not know if it is confidential.

Senator P.F. Routier:

I do not know. Each home, I understand, comes to an agreement with our officer in the department.

Deputy J.A. Martin:

No, Sue said there are 2 rates and it has been put to us at the higher end of the rate, it might work at the moment, but there may not be enough beds in the residential higher level for the amount that you are prepared to pay a standard rate at. I mean, you can either say the figure. The figure was there in public by the people who were in here before and other people, so I do not know; if it is out in the community you must be telling people how much they are allowed to have.

Deputy P.N. Troy:

I think some homes provide different levels of care within the home or they have got different facilities.

Deputy J.A. Martin:

How much money are you prepared at a standard rate, high level and low level, to give to a person with no income? Is it confidential or do they know?

Ms. S. Duhamel:

We do not give it to the person at the moment.

Deputy J.A. Martin:

No, you give it to a home.

Ms. S. Duhamel:

Yes.

Senator P.F. Routier:

I do not know those figures at all.

Ms. S. Duhamel:

No, I do not know. Sorry, I would have to take advice from the finance director whether it was confidential or not.

Senator P.F. Routier:

I mean, I know our office does negotiate with each home the rates because they are not paying whatever the home is advertising to the public we are able to negotiate a lower fee, and that is what we have done.

Deputy R.G. Le Hérissier:

Just to cut across slightly; Sue, if you have got the figures but you want to give them confidentially we can go in camera.

Deputy P.N. Troy:

We have not got them with us.

Deputy R.G. Le Hérissier:

You have not got them with you? Okay.

Deputy J.A. Martin:

Sue knows the figures, I think, 2 rates. It is not rocket science. I am saying if Sue wants to do it at the end in camera that is fine, it is confidential, that is fine.

Ms. S. Duhamel:

Yes, that would be easier probably.

Deputy J.A. Martin:

Thank you. That is lovely. We will just have 2 minutes at the end, that is fine.

Senator P.F. Routier:

Perhaps just to follow on, people who were in care already under the Parish system, we just continue to keep them there and continue to pay the going rate. It is only new people who come into the system we place and arrange the funding, so the existing people are still funded.

Deputy A. Breckon:

Something that was mentioned to us, and it has been mentioned earlier - it is probably more for you - was that the care placement tool and placement needs, I mean, that is factored into an individual care plan is it, and then you look at funding against that? Is that how it is working?

Ms. S. Duhamel:

Yes, the Health and Social Services developed the placement tool last year and that was validated -- that has gone through a very extensive validation process and we were involved towards the end of that process, which is great because we appreciated that involvement. The care tool -- have you seen it?

Deputy A. Breckon:

No.

Deputy J.A. Martin:

No.

Deputy A. Breckon:

But the funding follows the assessment, does it?

Ms. S. Duhamel:

Basically it has got -- you score a number of points, I think, up to 5 points is domiciliary care and then you have got low level residential care, high dependency residential care and then nursing care. So, the tool is completed by a social worker and the tool is basically a record of doing various different medical assessments. There is obviously an enormous different variety of medical assessments in this field and different professionals were never going to agree on which ones were the best ones so the placement tool does not do that, it just says you must have done the appropriate assessments for that particular person and it is a record of that, and it then does a simple kind of analysis of the results of those assessments to identify the care needs of that person. So far as Social Security is concerned we accept the completed placement tool as being the justification for the requirement for low dependency or high dependency residential care. If you score less than 6 points then they go into Family Nursing area and we would use our income support tool to assess the needs. If they are in nursing care then it goes across to Mair Hutt's area with the placement of people into nursing beds.

Deputy A. Breckon:

Health would fund the nursing beds?

Ms. S. Duhamel:

Health funds the nursing beds, yes.

Deputy A. Breckon:

Is there any option you have got in there for a co-funding where, if you like, the board and lodge would be met from income support and then the nursing bed would be funded from Health?

Ms. S. Duhamel:

Yes, the accommodation charge that Health raise would be met through income support if the person could not afford it.

Deputy A. Breckon:

So they would fund it and you would give them the money back, would you? Is that how it works?

Ms. S. Duhamel:

Health charges the accommodation charges as they used to charge the Parish. Basically it is no different to the old Parish system.

Senator P.F. Routier:

£420 a week.

Ms. S. Duhamel:

Yes.

Deputy R.G. Le Hérissier:

Given your important role now in residential care, Sue, Peter and Paul, is there any possibility you are going to, sort of, enter more actively into the market and start deciding what proportion of care should be X and what proportion should be Y and so forth, because you must be picking up a lot of intelligence, a lot of knowledge about what is happening out there. Are you going to enter more actively into that market or are you simply a purchaser of what services are available out there?

Senator P.F. Routier:

I think with New Directions coming on line obviously they are going to be, sort of, helping us to formulate what provision is required with regards to the quality of care and the style of care, and the numbers. You are aware that the Social Survey is

happening right now, which has got questions in there, with regard to long term care. I do not know if you have had sight of it?

Deputy R.G. Le Hérisier:

No.

Senator P.F. Routier:

The sort of questions ... I have got it here somewhere.

Deputy R.G. Le Hérisier:

It is being run by the Statistics Unit?

Senator P.F. Routier:

The Statistics Unit, yes. I mean the results are due to come back in January. The questions being asked are with an ageing population there will be more individuals in Jersey needing long term care in the future. But there are lots and lots of questions --

Deputy R.G. Le Hérisier:

As long as we know there is an attempt that they are analysing what people see as their needs.

Senator P.F. Routier:

It goes on to talk about funding as well. I mean, there are various options obviously. I will just read out perhaps just for the record. They are being asked if they would prefer being looked after by a relative or friends in your existing home or a carer coming into your existing home, or being looked after by a relative or friend in sheltered accommodation, or fourthly, a carer looking after you in a sheltered accommodation. Then, fifthly, living in residential or a nursing home; and sort of asking what are you most likely to choose of those in the future. Then it goes on to talk about should the money for long term care needs on the Island come from, and it gives various options. The first one being the States of Jersey through an insurance scheme or taxes. Secondly, the people themselves through insurance schemes, savings or sale of property. Thirdly, do not know. Another question: should making sure people pay for long term care needs on the Island be (1) compulsory; (2)

optional; and (3) do not know. Another question: should the money for financing long term care on the Island be paid for by (a) adults including pensioners; (b) only adults working age; and (c) do not know. Then it goes on with other questions as well. So the Social Survey will give us that information to help us develop what we hope to come forward with during next year. That is going to be an important piece of information for us.

Deputy P.N. Troy:

But a lot of work Health have done already, they seem to be moving towards trying to take the future, getting more people to be careful at home. It seems to be the route that Health would like to take, and I am sure many people would enjoy being at home with all their relatives and friends and so on around them.

Ms. S. Duhamel:

The role of the department is for funding, not to provide services, so that is definitely what we are trying to do. Both through income support and through a possible insurance scheme we would be looking to give people the money to make choices to do things themselves. Parts of the work that we get involved with is working with Health and also with Family Nursing, with the Care Federation. We are involved in the Carer Strategy, so we are involved in a lot of things that are kind of a facilitation level, but it would not be our role as a department to provide services directly or to even try and get services provided. It would be for the Health Department to do that and we would facilitate the funding in that. We need to kind of make sure that we are good administrators, we are not clinical people. We leave the clinical people to do the clinical stuff. We are not planners or doctors. We are pen pushers, but pen pushing does have a very useful purpose in this area as well.

Deputy R.G. Le Hérisier:

I was not for a moment, and I did see the quizzical look in your eyes, I was not for a moment suggesting you should be the direct providers of service. But take the point Peter has just made about the push towards community service. Obviously the way you arrange financing will be very important in deciding whether people do stay in the community.

Ms. S. Duhamel:

That is absolutely right, and we will facilitate the funding in the most modern way possible and the best way possible, and in a way which enables us to change as needs change, because you look back at old legislation you quite often see how you are stuck, and the health insurance is a good example, we were stuck with things because at the time it was done it was done in a completely different era and people looked up to doctors and that was all you had. We now look at the health insurance and think: “Oh, it is awful. We cannot do this, we cannot do that.” But that was a long time ago, we have learnt from that, and with Income Support we have written a very, very general primary law which you can then write a whole pile of regulations underneath, and that is what we need to do with the funding scheme as well. Very general primary law where you run your regulations underneath which will change with the changing demand and changing needs.

Deputy P.N. Troy:

The Guernsey scheme has been championed or held up as something wonderful, but it does not give the opportunity for people to choose whether to stay in the community, the Guernsey system to access it you go into a residential home. So, we can design something even better than that.

Senator P.F. Routier:

Interestingly, the International Social Security Conference I went to talked about long term care and the various models around the world. For instance, Germany have been sort of pushing out this sort of thing for a long, long time. I mean, they themselves are sort of recognising, did they go down the right route? They have got so many people in long term care. It is not necessarily the right model to push people into homes because it is not the best for them, but it has enabled them to do the sort of things that they want to do with their lives.

Deputy R.G. Le Hérisier:

You are quite right, Paul, and it struck me from what Sue was saying; one possibility is that people would almost be given vouchers. You would ensure there was an active market out there. I am not saying you should create that market, which is what you might have inferred. But you would ensure there was an active market so real choices

could be made and people would buy -- within clinical guidance they would buy service, be it from a community -- hopefully a community provider where that was appropriate.

Senator P.F. Routier:

When the Guernsey system came in, obviously I used to speak to the Guernsey President at the time quite a lot, and he used to tell me that initially there were all sorts of people saying: "I have paid my contributions I must go in, I want to have my place." "I am sorry you do not meet the clinical needs." You have to go through the gateway to ensure that you do have an actual need, and although things have passed and people are used to paying that money now, but initially the initial reaction for a lot of people, especially pensioners, was quite negative because they did not feel they wanted to pay. To a degree he had a tough time out on the street. When he used to go to the supermarket with his wife he used to get really nobbled quite badly by having to pay these -- the pensioners having to pay contributions then. I know it has settled in now, but it is not just ... again, people are not going to want to pay more tax or social security. This is something we have got to work up to.

Deputy R.G. Le Hérisier:

If you do not accept or you do not adopt the insurance premium and you keep an income support scheme, will it be based on graduated payments, because the feeling that people get from the "we will take your house system" ...

Senator P.F. Routier:

That is a thing we are not going to do, you might imply that we might do --

Deputy R.G. Le Hérisier:

I am just hypothesising,, Paul.

Senator P.F. Routier:

The door is open. We are really asking people from the Social Survey and we will be taking a lot of comfort from what they say to us in the Social Survey about if people -- because the Social Survey, as you know, goes to not just the pensioners, not to people who are just heading up to long term care and thinking: "Oh my God, what is

happening?” so it goes out to the whole community. It is the whole community that have got to think about: “Do I want to contribute to this.” This is the information we need because they are the ones who are going to have to pay for it.

Deputy A. Breckon:

What is the timing of that? When will you get the feedback? About the middle of next year?

Senator P.F. Routier:

No, it is due in January.

Ms. S. Duhamel:

Or the end of this year.

Deputy A. Breckon:

Excellent.

Senator P.F. Routier:

I checked this morning with the Stats Unit and we should have that information.

Deputy A. Breckon:

Can I just ask you a question of how many people are being funded? How many have you picked up from the Parishes, from the change over in the system and how many people are on income support which -- if there is a difference or are you merging together? I am not sure what sort of numbers we are talking about. Any idea?

Ms. S. Duhamel:

Unfortunately the lady who has that information is on holiday this week and I have just come back from holiday so I am slightly disorganised. But I am very happy to give you those numbers.

Deputy A. Breckon:

Yes, it is just so we can get some idea. The other thing, Sue, would you have any indication from those figures how many of those people might have problems with dementia. Would that be anywhere in any of the information you have got?

Ms. S. Duhamel:

There are data protection issues and we do not hold medical information unless it is necessary for our benefit and we would not necessarily know that. So we would not have that information directly.

Deputy A. Breckon:

Where does that come on your assessment scale?

Ms. S. Duhamel:

That is what I am saying, is that we take the clinical judgment from Health and Social Services. As long as a social worker or a district nurse has signed the assessment tool we will take that as the clinical -- that is the clinical assessment. We do not want to know, I mean, you must be careful about the data you hold these days, we do not need to know whether somebody has dementia or some other reason for needing care. We just need to know somebody has certified that they need care and we then agree to fund it.

Deputy A. Breckon:

The question that flows from that then; how do you maybe challenge some provider of the level of service that we are giving if you have not got some sort of clinical assessment in there of somebody's needs? How do you do that?

Ms. S. Duhamel:

That is done through the registration of care homes process. It would not be our role to do it.

Deputy A. Breckon:

What I am saying is; you are saying we will give you some money, and they say we will provide you with service. If you do not know what the client needs how do you put a price on it?

Ms. S. Duhamel:

At the moment we have got 2 levels of need, a higher and a low level. So somebody with dementia would come through as a high level. The social worker is the person or the district nurse is the person who negotiates which home would be appropriate for that particular client. We then fund that home. We do not get involved with clinical judgments at all. It is important that we do not do that.

Deputy A. Breckon:

If that became nursing then it is out of your jurisdiction, is it?

Ms. S. Duhamel:

The person then would have -- the placement tool has a review part in it as well. So, the person will get a review and if -- and quite often the home themselves will say: "I cannot cope with this person." The home has an obligation under its registration not to be caring for people that it cannot and it is not registered for. So somebody very quickly will identify somebody that needs more care and that will just pass through the system and if they need nursing care it is passed on to the nursing care, the health services side of it.

Deputy A. Breckon:

That is a lower level? If somebody is at home and needs support you can then use the income support system with an assessment to give them some money to stay at home, because something that was said to us is perhaps where there may be some tension at the moment is where Attendance Allowances were paid. If that has been taken away then that is not enabling some people to stay in the community if they are going to lose some of these allowances.

Ms. S. Duhamel:

The highest level of personal care components of income support is somewhat higher than the old Attendance Allowance benefit was. So, there is a slightly different ... the test for Attendance Allowance and tests for personal care level 3 are not the same test at all and therefore there will be some people who get both, some people who get one and not the other and vice versa. Not directly to current tests. But the new test is

based on a need for personal care and so it fits nicely with -- increasing your personal care at home or in a residential setting. That is what income support does. Income support supports people who do not have sufficient income to meet their own needs. The new scheme, if and when it is brought in, will then kind of address, the kind of areas around how you deal with people in the community.

Mr. J. Forder:

So if you are below, I think you said the level was one to 5, and then residential and nursing, so if you are levels one to 5 are there rates associated with those one to 5 -- personal care rates associated with those levels at which that would kind of replace the old Attendance Allowance?

Ms. S. Duhamel:

That is right, yes. Levels one to 5 you would go through the income support assessment route which is done through our department because that is a test based on the D.W.P. (Department for Work and Pensions) Incapacity benefit test. So there is self-report, a G.P. (general practitioner) report, and then it is assessed by an administrator with a medical review if you need it. That gives you a level 3, then there are 3 lower levels of support that -- a means tested support for that, which covers your income support. I can give you the income support stuff if you like.

Mr. J. Forder:

In fact if you have a paper which gives all the details certainly I would be interested to read it.

Deputy J.A. Martin:

So the Attendance Allowance for the elderly, has that been -- because the Attendance Allowance for the children has been pushed back to 2010 but for the elderly they would now just fill in a personal care level form when transition of Attendance Allowance ends in January?

Ms. S. Duhamel:

No, the transition for the Attendance Allowance is 2010 for everybody.

Deputy J.A. Martin:

It is the elderly as well? There were some concerns; I thought that is what was right. That is fine. Then they can fill in the personal care level?

Ms. S. Duhamel:

They do not have to ... anybody that was on Attendance Allowance before income support started has been automatically given personal care level 3 without having to fill the form in. We did not want to assess lots of people all over again, so they will stay there. A lot of elderly people their condition is not going to get better so I mean there is little point in giving them a medical review. A younger person you might give a review. So they will just sit there on personal care level 3 anyway, the top level.

Deputy R.G. Le Hérisssier:

Back to the insurance scheme; you talked -- thanks, Sue, sorry to cut across. You talked, Paul, of waiting for the Social Survey but presumably from the accumulated experience of your department and based upon your political judgment you will have come to a decision, maybe a tentative one, not a firm one, as to whether an insurance scheme is a possibility.

Senator P.F. Routier:

It is a possibility certainly, but what we need to do is to find out the real evidence about whether it is a goer really with the community. I think with all these things which are mounting up, for instance there is a supplementation issue. I mean you are great fan of us trying to deal with something -- to do something with supplementation. For that to happen, for us to deal with supplementation, it might require increases in contributions. So, there is that. We have got the actuary review being carried out, we will have that review carried out for pensions soon. We will have that result with us and what that is going to say to us, I do not know, it might say that we might need to increase contributions to cover pensions for the future. So we have got to balance all these things up to see -- I mean, if you think about all those things and put them all together you could be ending up with 5, 6 per cent increase in Social Security but, I mean, that is not -- we have got to balance all that and think: "Is that the right thing to do?" So, I am not saying: "Yes, we are going to go ahead with the insurance scheme

today.” All I need to know is from the Social Survey if that is what the community are favouring, because that is what it is asking in the Social Survey, then buoyed up with that information whoever is the Minister next year will then have to make a decision about whether to proceed with that. I mean, of course, you were in a meeting with me the other day about New Directions, about the policy formulation about long term care. That needs to be decided on. You sat there with me and agreed that that should wait until next year now. We need to have that information.

Deputy P.N. Troy:

Also, can I say that if you do go through the concept of just that it is raising social security contributions would cover the whole issue you are limiting that to working persons, and whether or not you had any portion of it going to the employer would be another issue or whether you just leave it down to the employee side of the contribution scheme, and then of course there are other options. You could say: “Well, G.S.T. (Goods and Services Tax) is a more broader tax. You could consider raising G.S.T. by a certain --”, the look that was coming at me, but you could consider that as a more broader way of raising funds and ...

Senator P.F. Routier:

But these are all tough decisions. These are all real important decisions to be made and I cannot come down one side or other at the present time until I have got the information.

Deputy A. Breckon:

What I was going to say was, and it has been raised a number of times is the thing about selling your home, and especially, I mean, evidence has been given to us of cases where you get a couple, one who would remain in the home and one who needs a level of care and the family home is set against the care they get; and this has happened. It causes stress and tension and whatever else, and with the Parish system we had different interpretations of that. Could you tell me where we are with that now? How does that fit in with people who might leave, they might be asset rich and cash poor, how does the family home fit in now with, say, income support?

Ms. S. Duhamel:

Income support does take the value of the home into account in the shape of a bond, which means that nobody is required to sell their house or give us their house, but that the cost of the care is retrieved after the death of the person and their partner, or the person in the care, if that is the situation, because it is a means tested system and you do have to be fair to the taxpayer as well as to the people who claim the system. That is one of the great advantages being put forward by the insurance system, which is that you would know -- you would not worry about other assets people had. The 2 things are quite separate and we are not going to ... to ignore the value of houses under income support you get into all sorts of trouble about what do you do if you have got money in the bank and, you know, it gets very complicated. So we take a charge against the house but it is done in a way such that it is of no ... people are not required to sell their houses, if they want to pass their houses on then all that is required is the son or the daughter would pay the money back at the end of the day.

Deputy A. Breckon:

There is a legal document that does that? You have got a standard document?

Ms. S. Duhamel:

Yes.

Deputy P.N. Troy:

Many people who go into care, it is often for a limited amount of time so you would not necessarily see the whole value of the home disappear on the care issue now because I think the average time that someone is in care is 2 or 3 years. So, you will not see the whole value of a Jersey home disappear in that time.

Deputy A. Breckon:

They would have to fully fund the cost of their care from the home? They would only get a loan, in effect?

Ms. S. Duhamel:

Yes. They are basically getting an interest free loan from the States for the value of their care fees because if we counted the value of their house they would not qualify for income support and they would be required to pay it all themselves up front which

would require them to sell their house. So we give them a mechanism by way that they do not have to sell their house, they get an interest free loan on the value of it but at the end of day they have a substantial asset in many cases and from the taxpayer's point of view it is not fair that we should disallow that asset but somebody who has got £100,000 in the bank who is unfortunate not to own their house we say you must use your £100,000 up before we pay for you. So we need to be fair across the board to homeowners and non-homeowners.

Mr. J. Forder:

You have done a good job explaining it, but do you assess -- is this the scheme where you assess an income from an asset in the ratio of one to £250, is that what happens?

Ms. S. Duhamel:

We do not use that for residential care, no. We just look at ... the savings limits are used from income support so it is just under £19,000 for a couple and £11,000, I think, for a single person. So those are basically based on 50 per cent above the old Parish rates, so we put the rates by 50 per cent straightaway and that is it. That is all that happens. Then your income is taken -- your whole pension is taken. It is still the Parish system whereby you put all your income in, that goes towards your fees, you get pocket money allowance on a weekly basis.

Mr. J. Forder:

Then any difference is taken from your estate?

Ms. S. Duhamel:

If you own a house, that is right. So if you had £150 pension, your fees were £500 and you owned a house, so we are paying £350 a week towards your care, so that £350, yes, it is added up and that is the cost --

Mr. J. Forder:

You would reclaim that from the estate?

Ms. S. Duhamel:

Yes.

Deputy R.G. Le Hérisier:

What happens, Sue, this is slightly off the point, but a lot of people these days, in fact with Government encouragement, are being told to save for their own pension, so if they have what amounts to a pension pot you still assess that as part of your income testing; is that correct?

Ms. S. Duhamel:

If they are receiving a private pension you take the pensioner's income, you do not take the capital value of the pension fund.

Deputy R.G. Le Hérisier:

You do not take the capital value?

Senator P.F. Routier:

No. There is something you pointed out to me the other day, I was just talking about it generally, there is the option of taking out private insurance for this as well. I mean, we are looking at sort of -- thinking perhaps a State preventative intervention here. I mean there is the option of getting a private pension system to do this for you. If people have a concern about being able to fund long term care --

Deputy R.G. Le Hérisier:

But apparently these schemes have been very, very expensive, Paul, and part of the reason they have been (a) is the cost of that care and (b) is the fact that few people have subscribed to it because young people, in particular, as we all know with pension provision, they do not see the relevance of the issue.

Deputy P.N. Troy:

Also pension performance at the moment has been appalling. It is hardly worth having them.

Deputy R.G. Le Hérisier:

On the insurance scheme we got a slightly different view last night of the view put forward by Paul, when you talked about your work having been done, Peter, as I remember. You were quite optimistic about it.

Deputy P.N. Troy:

No, I said it was --

Senator P.F. Routier:

It was done some time ago.

Deputy R.G. Le Hérissier:

Was it?

Ms. S. Duhamel:

It is being done now.

Senator P.F. Routier:

The new one is being done now for the pension fund. I think Peter might have been talking about last night was the last time the actuarial review was done on the health fund, I think. On the pension fund, sorry, on the main pension fund. We asked him to do a number, just a guesstimate of what it would likely be to cost for long term care and it talked about possibly a figure of about 2 per cent being required. But in the long term going up to about 5 to 6 per cent in years to come, and that was the figures they gave us about 3 or 4 years ago.

Deputy P.N. Troy:

There was a reference to it in RC49 of 2004, where there was a section on long term care, 4.6 onwards.

Deputy R.G. Le Hérissier:

What is the title of RC49?

Deputy P.N. Troy:

Policy review the social insurance system in Jersey: interim report. Then if you go to 4.6 of that report.

Deputy R.G. Le Hérissier:

You mentioned, Paul, and this was mentioned last night by Julien, that you had discussed the German system. Have they put in place steps to try and orient it more to providing for community care?

Senator P.F. Routier:

I honestly do not know. I have had no feedback, I have not followed that up since but I just -- there was sort of ... when I heard it at the conference it sunk in and sort of, it is all very well thinking this is the best thing to make sure we have got provision for everybody that go into a home. They are now saying: "Well, that is probably not the best thing." But I have not followed that up since. It was just something that rang true to me when they said it.

Mr. J. Forder:

Just coming back to this role of Social Security, and I fully accept what you are saying in that you are, in a sense, a third party payer. So, you know, Health does the assessment, then there is a fee set by the home and you will provide support for people on low incomes essentially. There is in a sense a role for you in the setting of prices and I know this is kind of - we touched on this earlier on, Deputy Martin was talking about this - there is still a issue about -- it is obviously good for Social Security to be able to keep prices low and it is good for the homes to gain as much as they can out of Social Security. So, there is a kind of market management role there, a negotiation role there, that someone has to be actively negotiating in order to make sure that the system works. There is no gap between what you are prepared to pay and what homes are prepared to accept. So I just wondered what your views on it were where you sit in that regard as opposed to whatever your Health needs or perhaps a wider States Government. What are your views on it?

Senator P.F. Routier:

There certainly is a tension which we have got to try and handle. Health regulators can go along and say some improvements need to be made to a service within a home

and that can have a knock-on effect of costs. We recognise that and we have got to -- we struggle with that. We do certainly. But we have a duty to the taxpayers in our current system to make sure we are getting value for money because when there is competition within the market we are able to play one off against each other to a certain extent to make sure we get value for money. I can only say that when we do try and get value for money it is really for the benefit of the taxpayer really. That is what we are trying to achieve. Obviously the carers must be good and regulated, make sure that that is the right level of care.

Mr. J. Forder:

You could, in effect, set the market price for at least the low income segment. You can say: "Well, this is the rate we are prepared to pay, take it or leave it" and that will have a big impact on what care homes can and cannot do and it may mean, for example, that they shed some staff or cut corners in other ways. You are a third party payer, fair enough, but your actions are going to have an impact on the care that people are likely to receive.

Ms. S. Duhamel:

We are working with -- Social Security, Health and Treasury, all sit on a working party, if you like, which meets with the Care Federation and that group is working towards separate fee rates. I mean Health has very strong interests to maintain the private residential care market because there is no public provision. So, we have to try and balance all this.

Deputy R.G. Le Hérisier:

There has been a more narrow issue, but quite an important one for some people, that has arisen about -- I thought Julien might be leading to that. It is this issue of you are in a home and your money runs out. Your people have adjudged the home as receiving, because of this management issue, as only being able to receive a certain sum of money. The home's fees are above this and the home is then faced with a dilemma, they want to keep a person there because generally they are settled and they do not wish to bring disruption to their life but you guys are basically setting a fee that is not what the home wants. How do you deal with that situation?

Ms. S. Duhamel:

At the moment, because we have come into this very recently we have got historical issues of people who have been placed in the previous year, and not under our control, and to a certain extent we are just going to have to accept that situation. There is nothing we can do about it, in the same way that we are still funding the Parish placements from before, wherever they were done and however much they cost. But there has to be an understanding between the care provider and the care funder. In the future, both in income support and long term care insurance where you are paying something below the market rate, the full private rate, there has to be an agreement that everybody understands that if somebody moves into a home as a private funder, for example, the home owner needs to be reassured that that person has sufficient funding to meet a certain length of time. That is really all you can do and if people -- I mean, as Peter said, you know, people will tend to live a certain length of time. Somebody who lives for years and years and years and their money runs out, I mean, that is just the way of the world, so you are going to have to move and agree to fund that. But this is exactly what we are trying to do. We are trying to produce transparency in the market so that we say what we will pay and that care providers know what is available so that they can make rational decisions as to who they take. Also that people are placed appropriately because that is another issue of inappropriate placements, that in the future we expect people to be placed appropriately using the placement tool and definitely not fund people who placed inappropriately. It is a difficult -- it is always very difficult. We have a lady of 101 that we have agreed a ridiculous kind of set-up because nobody is going to move a lady of 101. But that will become less in the future as we understand, of course, more clearly and we lay things out better.

Deputy P.N. Troy:

It also gives some certainty to the homes, I think, if they know that the fees are covered almost indefinitely. It gives them some forward planning themselves and, as a business, their job is to keep their beds full. So, I think there are benefits for the homes as well on the other side of the coin. They would not be playing the game if they did not think so themselves that there was a benefit to them.

Deputy R.G. Le Hérisier:

Just to go back -- I take your point, I mean, there is a sort of maybe scratch my back I will scratch yours kind of approach, which you are maybe suggesting. Just to go over that, it is more individual cases, Sue. So you have a person whose money runs out, they then move to income support, the home says the person was paying this level of money, income support does not pay it. What do you do with those situations at the moment? That particular situation?

Ms. S. Duhamel:

At the moment we have always ... I do not do it myself but, as far as I am aware, we have always managed to negotiate an acceptable fee with the home and the person has stayed in that same home.

Senator P.F. Routier:

It is not an automatic paying the same fee. There is a negotiation that goes on. Keeping in mind that that person must stay there.

Ms. S. Duhamel:

We have had one instance where somebody moved to a much cheaper home because that is where they wanted to be and was much happier.

Deputy R.G. Le Hérisier:

So you were able to use the surplus from that to finance others.

Deputy A. Breckon:

Just something that cropped up earlier today, that was the question of G.P.s visiting somebody who is in residential care, where the component was if you have paid them and then you have a G.P. cost, being a case where somebody had a number of visits in the short period virtually daily, where does the funding for that come from?

Ms. S. Duhamel:

If the person is funded through income support then the H.M.A. (Household Medical Accounts) will deal with that. We have all this ... we are very much in an interim position here on residential care in that we do not have the regulations in place and to a certain extent it is a little bit -- there is some uncertainty at the moment because it is

a very new system. As we have said before, we have tried to maintain the Parish system as far as possible. There was no point in making a big change quickly and then another big change a year later, so we have tried to maintain some continuity as far as possible with the idea that we are building up to another change on the income support side next year and quickly followed by the long term care or whatever would -- what would happen on the insurance side of things. So the G.P.s are being funded through H.M.A.s almost entirely -- when they need to be. There are all sorts of issues about G.P.s and residential care homes, it is very complicated, and that is where the contract comes in. We are trying to introduce a homely remedy policy. There are lots and lots of things to be done and it is not going to do it overnight. You know, the inappropriate use of G.P.s and things, so there is a lot of work still to do there. In the meantime we are funding G.P.s to go into residential care.

Deputy R.G. Le Hérisier:

Are there further questions from the panel?

Mr. J. Forder:

Just one thing; do you have bands? I mean, you have got these 2 rates for residential nursing, obviously now there is quite a lot of difference in people's needs within those categories, so someone can be in a residential care and have quite severe levels of dementia without being a nursing case. I just wondered if there were any plans to move to having a sub-rate, as it were, within your residential and nursing categories. Is that something -- to tie more closely, in other words, the price that you pay to the actual needs of the person rather than these broad categories?

Ms. S. Duhamel:

This was discussed with this working party, with the Care Federation, and we said to them -- the first question we asked them was: "Do you want bands or do you want levels?" We have got the 2 big bands. We said: "What do you think?" They went away and they said: "We would rather have the 2 big bands." So that is where we are at the moment. It was felt the levels was quite complicated and lots of work trying to work out which -- exactly which level you were in. So the private sector was prepared to take a bit of swings and roundabouts.

Mr. J. Forder:

No, I accept that. Thanks for clarifying that point.

Deputy R.G. Le Hérisier:

We did have, as you know, a fair number of technical questions about things like health insurance schemes but I think given that the Minister has made it clear that you are awaiting the Social Survey to inform your views it probably was not appropriate to move with those highly detailed questions at that point. So, we will have to park those until our successor panel report. But obviously we will give our own views from what we have heard from other witnesses on things like an insurance scheme and then you can feed that into your decision making and decide. But that did -- certainly it took me slightly by surprise because we had all these nicely worked out technical questions, which we will now park. But anyway I would ask you, are there any points you would wish to make that we may not have covered or where you feel we may have got the wrong end of the stick, or whatever?

Senator P.F. Routier:

Really, to me, it is just a matter of timing really. I mean, we need to have the full broad picture for the whole of the community and I know you have identified and we have identified exactly the same issue. We know there are people who would -- there are some people who would like the idea of an insurance scheme. We have got to, as a Government, decide whether it is the right thing to do and whether the whole of the community wants it or whether the young people want to pay the contributions as well as old people want to pay the contributions. Hopefully the social survey will help us find out the answer to that and we might be go forward with that certainly.

Deputy A. Breckon:

If you got a steer from that, Paul, might you be -- go out and do a more in depth consultation with -- maybe even stuff on the streets and get, say, 5,000 people across age groups and gender and things like that and try and be a bit more scientific than that --

Senator P.F. Routier:

I think the Social Survey is pretty scientific. I mean it really is. It does go across all the age groups and across the ... I mean, it is done by the Stats Unit and personally I would rely on that. I mean I do not think there would be any need to go any further than that because it should give us a pretty good steer really.

Deputy J.A. Martin:

Does it say you can keep your home on it?

Senator P.F. Routier:

Yes, it does.

Deputy J.A. Martin:

I mean because Peter made a point, whether it is that valid, he said that there is a lot less people in Jersey, I say 50 per cent of the population where it is 70 per cent in Guernsey own their own home. If you can get 50 per cent on board and people want to be buying their home, these youngsters. Rob Le Brocq made a good point; you have got to go sell it to the kids who are going to start paying it at 16. I mean everyone pays; it might not even be 2 per cent to start. I mean it all comes in and it all becomes relevant. But, as a non -- I mean, I know in my old age I am going to be taken care of. I am going to have to sell but I certainly would not have a problem with it. I do not see those people so much because you are saying -- we were saying out there, there is a lot of feeling about, you know, how far do you push a welfare state. You know me, I would say all the way along, give them more, give them more. But on the other side of the coin people who -- the tension in a small society like this about: "Oh, he has worked, all right, okay, never saved. Had holidays every year and I have never had a holiday and they are taking my one asset away that I have given everything up for." Maybe I am being optimistic. I do not think it is going to be as hard to sell if it is portrayed properly and I think it is something that we have really got to get our teeth into sooner. As long as we know that the work is being done or --

Deputy P.N. Troy:

There is a lot of work that needs to be done, as I said last night, on the legislation side. We need to put it all together so we have got a system.

Deputy J.A. Martin:

We are not convinced on that, Peter. The partnership, we are moving that one again. We can have the legislation done.

Senator P.F. Routier:

It is down in the Business Plan for whoever the Social Security Minister is next year to be getting on with it.

Deputy R.G. Le Hérisier:

I think on that somewhat political line -- Sue, you made your final comments so I would like to thank you very, very much for attending. There was a request from Judy to move into camera so we will now ... the etiquette is we will finish this meeting. We will move into camera so the question can be asked. Thank you very much indeed for attending.

[Hearing proceeded in camera]