STATES OF JERSEY

ANNUAL BUSINESS PLAN 2009 (P.113/2008): SIXTH AMENDMENT

Lodged au Greffe on 2nd September 2008
by Deputy G.P. Southern of St. Helier

STATES GREFFE

ANNUAL BUSINESS PLAN 2009 (P.113/2008): SIXTH AMENDMENT

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1 PAGE 2, PARAGRAPH (a) –

In paragraph (a)(viii) after the words"pages 29 to 30" insert the words –

> "except that after success criterion (iii) in Objective 1 on page 29 there shall be inserted the following success criterion (with the subsequent success criteria renumbered) –
>
> (iv) Income support scheme amended to provide free access to G.P.s for some recipients of income support;"

2 PAGE 3, PARAGRAPH (b) –

After the words 'withdrawn from the consolidated fund in 2009', insert the words –

> ', except that the net revenue expenditure of the Social Security Department shall be increased by £1,700,000 to fund free access to G.P.s for some recipients of income support;

3 PAGE 3, PARAGRAPH (f) –

After the words 'Summary Table F, page 99', insert the words –

> ', except that the net revenue expenditure of the Social Security Department shall be increased in 2010 by £1,740,000, in 2011 by £1,790,000, in 2012 by £1,830,000 and in 2013 by £1,880,000 to fund free access to G.P.s for some recipients of income support

DEPUTY G.P. SOUTHERN OF ST. HELIER

REPORT

Earlier this year, at a time when the economy was booming and tax revenues were increasing above all expectations, members of the States of Jersey, at the request of the Minister for Social Security, did a very strange thing. We removed a hard-won benefit designed to alleviate hardship and address the medical needs of the least well-off in the community; we scrapped HIE which gave free access to G.P. services.

This is a move unprecedented in a modern western democracy, where proper access to medical care is one of the benchmarks of good government. I am not sure how many members were aware that they were taking such a retrograde step. We were told that the old system was poorly targeted and had to be got rid of; however those on the HIE scheme would be required to pay £5 per G.P. visit (now also abandoned) but the bulk of the cost of a G.P. visit for these patients would be met from a Household Medical Account (HMA).

The HMA would be funded from deductions taken at source from the patient's benefit payments. For those requiring more than 4 visits annually, larger amounts would be stopped from their weekly benefit payments. This system leaves the claimant with less to spend on the other necessities of life; it makes them worse off.

Shortly after, we were informed that the Health Insurance Scheme was in such a healthy state that we could afford to remove prescription charges altogether, at a cost of £3 million. One targeted medical benefit is removed whilst another non means-tested, universal scheme is introduced. This is not joined-up thinking. We now have an accurate, highly defined system for the delivery of benefits; it is carefully targeted through 26 pages of a detailed questionnaire. Why can we not take this opportunity to extend access to free G.P. care to this wider but targeted group of IS claimants. It makes more sense than universal free prescriptions. This amendment does just that.

Targeting

The new Income Support scheme is, as I have stated already, highly targeted, but contains over 8,000 households or 19,000 persons. HIE benefited only 4,000 persons. Expanding free access to the whole of the IS households would require significant extra funding. Further focus is required to better deliver to those in most need of G.P. services.

There are 3 groups who would see most benefit from free G.P. access, children and pensioners, both of which have high demand for medical services statistically, and those with high personal, medical care or mobility costs.

The table below shows the number of such households totals 61% of applicants for IS. Furthermore, this can be further reduced by taking out those households who are only eligible for transitional protection under the new scheme and whose benefits will be phased out over the coming years. I have not included those in residential care as details of how IS will be delivered to this group are still in development.

Household type	*% households*	*Number of households*	*% eligible*	*Number of households*
High medical need	9	730	100	730
Lone parents	15	1,250	89	1,110
Couples with children	8	650	77	500
Pensioner	29	2,330	70	1,630
Total				3,970

These 4,000 households probably contain around 9,000 persons, who will most benefit from free access to G.P. services on medical and/or financial need.

Costs

The cost of the 100% subsidy on G.P. visits and prescription costs in Social Security Annual Report and Accounts 2006 was £3.0 million, some 40% of which comes from the General Revenues of the States (page 9). On page 4 of the Accounts this is broken down into 4,023 HIE recipients who made 47,125 visits to their G.P. average 12 over the year.

It is worth noting that HIE recipients attended their GP at 3 times the rate of the rest of the population. Assuming

that under this expanded scheme a similar high rate of attendance is repeated (although it may well be lower), then the cost of the new scheme will be higher by a factor of 2.25.

The Accounts of the Health Insurance Fund on page 36 of the 2006 Social Security Report show a surplus o income over expenditure of £8.5 million.

Expenditure of the HIE scheme contains 3 elements –

HIE medical	£1,125,000	
HIE pharmaceutical	£1,919,000	
States Contribution	£1,218,000	(now £1,363,000 from 2008 ABP)

There are no changes to the pharmaceutical expenditure.

The cost of the new scheme would be £3.06 million from the States (additional £1.7 million) and £2.5 millior (additional £1.41 million) from the Health Insurance Fund.

Financial and manpower costs

The financial costs are outlined above. The manpower costs are difficult to estimate but can be no more than those which were involved in administering the HIE scheme, and given the new computer base involved in Income Support following some initial set-up costs should be within current resources.