

3. Questions to Ministers Without Notice - The Minister for Social Security

3.1 Deputy J.A. Martin:

Would the Minister now admit that basing the medical component on the average doctor's visits for the Island population at 4 visits a year was completely wrong, as his department, for all those on H.I.E. (Health Insurance Exception) at the moment, are giving families £2.66 per week for their medical component but asking them to save £3.92? For a family of 4, this is £260 a year more than they are getting in and if it is 12 times, we are talking nearly £500. So, will the Minister now admit he got this one wrong?

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

I will certainly not admit that I have got that wrong at all. The average person goes to the doctor 4 times a year. People who need to go to the doctor more than that will be assessed by their medical practitioner, their G.P. (General Practitioner), and there is a mechanism for them to seamlessly go to their doctor and to receive the medical service that they require. The medical accounts, which are being established for each person, will be put in place at appropriate levels according to each person's financial circumstances. The H.I.E. people who are transferring, who are currently of H.I.E, do transfer over to the new system with more than 4. They transfer to 8 because that is per year or depending on their personal needs, it could be 12 or it could even be more. It really depends on the person's medical needs and that is a negotiation which is had between the G.P., who does advise the patient themselves.

3.1.1 Deputy J.A. Martin:

Sorry, Sir, I really must have a supplementary. I am here with an email from one of his officers dated this morning and they are telling me that, without any extra medical costs, a person is being given £2.66 a week but asked to save £3.92 in their medical account. Eight visits a year, family of 4, £260 more out than they are getting in. Is he denying this, sir?

Senator P.F. Routier:

I have not had sight of the email so I cannot really comment on it.

3.2 Deputy G.P. Southern:

Again, continuing on income support which is going to sort of cause lots of trouble throughout the coming year, is the Minister aware that a person on attendance allowance, cared for by her husband on carer's allowance, is due to lose £108 per week, £432 per month, from her benefit which is protected for a year at £202 per week? It will go down to £94 a week. Is this the intention behind income support that someone on attendance allowance, severely ill, should lose this amount of money?

Senator P.F. Routier:

I think the whole House is very aware of what income support does. If someone has their own financial resources which are now taken into consideration, those sort of circumstances which the Deputy outlined, it is possible that someone who has those sort of financial circumstances and those needs will be affected in that way. It really does depend on their own income which is coming into their house and the House has approved the introduction of income support in the full knowledge there will be redistribution of the funds to those people who are in financial need.

3.2.1 Deputy G.P. Southern:

Supplementary, Sir. The Minister should be made aware that the carer in this case earns £500 a month, the maximum a carer can earn. If he were to leave work and say that I will stop working all together and care fulltime, he would, in fact, only lose £100. He would end up with income support topped up to £400. If he were to work more to try and make up for whatever reduction he is going to suffer, he will not gain anything because every pound he earns will be taken off his income support. In fact, what the Minister has created is a disincentive for this man to work or

to work fulltime, and to hand this person and his wife over to a fulltime carer which would cost the State far, far more. Does he realise that the income support system he has set up produces these end results?

Senator P.F. Routier:

The income support system is there to support people and that is what it will do. The mechanism for caring for people has to be appropriate to the needs of each individual and that is what has been put in place. The circumstances of individuals obviously is very difficult to respond to immediately over the floor of the House and I think that the circumstances as talked about, that if somebody tried to help themselves, they would not see any benefit at all, the income system although we had the big debate about incentives and all the rest of it, which at the time I -- the Deputy is shaking his head, but what we had was a discussion about the effectiveness of incentives. The Deputy has just said just now that a pound would be taken away for every pound he earns. Well, that is not the case. I mean, we know that there is a small incentive and I said during the debate I would like that incentive to be greater, but the funds that we have available to us do not enable that.

3.3 Senator S. Syvret:

I was wondering whether the Minister, Senator Routier, could explain his amazing conversion. This is a man who has rabidly opposed such things as G.S.T. exemptions on food because this was not a targeted benefit and it would benefit those as well who did not need it, yet he is scrapping prescription charges which will also be of benefit to those who do not need it. Could he also inform the Assembly, did he discuss this in detail with the team working on the New Directions health strategy, because his decision is an incompetent decision, because any surpluses within the health insurance fund are far, far more importantly directed at the development of the expansion and the scale of primary care than some kind of stable remuneration system for G.P.s?

Senator P.F. Routier:

Thank you, Senator, for the opportunity to discuss this matter. Certainly with regard to his understanding of what the health insurance fund is about, every person who has worked in this Island has contributed towards the health insurance fund, and the money from that is distributed to anybody who has contributed to that scheme. The analogy he uses as appropriate for wealthy people to have a benefit of that is very similar to sort of saying that all wealthy people should not benefit from the pension system. Everybody has contributed to the health insurance fund. It is totally different to targeting of other States funded benefits. The insurance fund is contributed to by everybody and everybody is entitled to benefit from it. It is an insurance scheme which is appropriate for them to benefit from. With regard to the consultation with the New Directions team, my department have been working with the New Directions team, obviously quite closely, and when we had early discussions last year, with regard to the possible use of the health insurance fund for New Directions funding, I made it known at that time, and my department made it known at that time, that they were very supportive of that and that is still possible. The amount of money which has been directed to free prescriptions is £2.5 million. At the time when we made the decision to work together with New Directions and using some of the health funds, we had an annual surplus of about £8 million. The decision to scrap prescription charges is made in the knowledge that we now have an annual £10 million surplus. So, we can still help with New Directions and are committed to do that.

3.3.1 Senator S. Syvret:

Sir, supplementary. I understand perfectly the cost, the purpose and the legal status of the health insurance fund. My question really is did the Senator and his department carry out a detailed written cost benefit analysis of this usage of a surplus portion of the monies from the fund when the benefit might well have been far better targeted at the development of primary care services

for the community? Was a detailed written cost benefit analysis of this particular election year gimmick actually undertaken?

Senator P.F. Routier:

We obviously had a detailed paper, which I presented to the Council of Ministers, before I decided to make the decision. With regard to comparing it to the benefits of New Directions, as we know we are still awaiting the final outcome of what the House will decide with regard to New Directions. As I said earlier, the status of the fund is very healthy and we are still in a position to help with the New Directions policies and I really look forward to being able to do that. I have to say I am truly amazed at some of the negative spin which Members are trying to put on to this very welcome -- the amount of reaction I have had from the public has been amazing and it is not a political spin. If I had wanted it to be a political spin, I would have waited until next year. I am absolutely dumbfounded by some of the reaction of Members and some of the negative comments that have been had. This is not a political spin. The public can benefit from an economy which is doing really well and we are getting tremendous reaction, better resources brought into the health fund and we are able to redistribute it to the sick and the elderly.

3.4 Deputy C.F. Labey of Grouville:

I do not see how the Minister can be dumbfounded and I will use another example other than G.S.T. exemptions. I will use the winter fuel allowance as an example. The Minister has, in other debates, used the scattergun approach, those are his words, to giving exemptions and giving allowances so how can he justify the same scattergun approach which he has spoken against to free prescriptions for all?

Senator P.F. Routier:

I think I answered that previously with regard to the purpose of the health insurance fund. It is an insurance scheme which everybody has paid into and, as I said earlier, everybody is entitled to benefit from the health insurance fund. The social security fund generally is an insurance based thing for pensions. I certainly would not be suggesting that we would be means testing the State pension because it is the same principle and I would not encourage that from any Member. I believe it is an appropriate use of the fund.

3.5 Deputy C.J. Scott Warren:

While the provision of free prescription from February next year has certainly allayed a lot of fears for those who are currently on H.I.E., does the Minister appreciate that there is still much anxiety regarding the number of allowed visits to a doctor from the onset of income support which is worrying people who do not necessarily fall in the average number of visits per year?

Senator P.F. Routier:

I hope that anybody who has any concerns with regard to the number of visits that they are allowed to go to the doctor, they do get in touch with the department because there is a seamless mechanism for people to be assessed by their doctors, to receive the appropriate care that they need, and that will be funded through the income support system.