

22.10.04

**6 Deputy G.P. Southern of the Minister for Social Security regarding reduction in the health Insurance Fund (OQ.99/20222)**

Will the Minister advise whether a substantial reduction in the Health Insurance Fund is anticipated over the next 4 years and, if so, why; and further advise what, if any, proposals she has for the funding of primary care after this fund is exhausted?

**Deputy E. Millar (The Minister for Social Security):**

I thank the Deputy for his question. We expect the Health Insurance Fund balance to decrease slightly from £86 million at the end of this year to £80 million at the end of 2026. An up-to-date financial forecast is included in the Government Plan for 2023 to 2026, which is lodged today, and it takes into account the expected income from contributions and the expenses of the fund, including the amounts previously agreed by the States Assembly to pay for the Jersey Care Model or elements of the Jersey Care Model. The Minister for Health and Social Services is conducting a major review of healthcare costs and funding, which will include primary care costs and the Health Insurance Fund.

**2.6.1 Deputy G.P. Southern:**

Here we have another appearance by the sticky word “review”, which I believe does not have any points of reference. Can the Minister admit that while the fund, the H.I.F. (Health Insurance Fund), may end up at £80 million by the end of 2026, it started life as £97 million last year?

**Deputy E. Millar:**

I believe the Minister for Health and Social Services review was set out in the Government Plan for 2022 and I believe it definitely does have some considerable ... that there are rules and criteria around that and that work has been done over this year and next year as previously agreed by the States Assembly. The fund’s closing position at the end of 2021 was £99.7 million. This was £7.2 million higher than expected due to higher contributions and income achieved than anticipated. The main drive of the improved outlook is due to projected increase in social security contributions, which is in turn driven by the increase in average earnings projected in the economic assumptions. I have to confess, I have forgotten the last part of the Deputy’s question so I may have to ask him to repeat it, please?

[10:30]

**Deputy G.P. Southern:**

I think the Minister has answered the question.

**The Bailiff:**

I thought your question was simply, please confirm that it was a certain amount of money and I think you have given that confirmation, Minister. I am not sure there is another part that you have yet to answer.

**2.6.2 Deputy S.Y. Mézec:**

In terms of funding of primary care and how that comes from the Health Insurance Fund, could the Minister confirm that in looking at any proposed changes to how we fund primary care, that she will rule out attempts to do what a previous Government attempted to do, which was to supplement

funding for healthcare through regressive taxation, which disproportionately targets those on lower incomes while giving those highest incomes unjustified breaks?

**Deputy E. Millar:**

I personally am not closely involved with the review that is being conducted under the Minister for Health and Social Services and I cannot comment at this stage how it will look to fund healthcare in future.

**2.6.3 Deputy S.Y. Mézec:**

The supplementary therefore is: is it therefore still on the table that to fund primary care moving forward that it is possible that regressive measures may well be considered and proposed by this Government?

**Deputy E. Millar:**

As I say, the outcome of the review will be looking at funding of primary care. There may be many options of doing that and until the review is complete I cannot comment.

**2.6.4 Deputy A. Howell of St. John, St. Lawrence and Trinity:**

Could the Minister confirm that she will look into increasing the rebate to our G.P.s and our pharmacists from the H.I.F.?

**Deputy E. Millar:**

Discussions are ongoing with both the primary care body and the pharmacists and doctors. Doctors have received considerable funding from the Health Insurance Fund over the last couple of years, other than by the rebate, and it is under discussion with them. Our focus in discussing primary care is looking at patient needs, how patient access and patient services are provided, and that is a matter that is under ongoing discussion now.

**Deputy A. Howell:**

I would like to refute what the Minister for Social Security ...

**The Bailiff:**

I am sorry, you cannot do that. You can ask a question but you cannot make a speech.

**2.6.5 Deputy A. Howell:**

Will the Minister accept that actually the funding for G.P.s has not risen from the H.I.F. for 10 years and for pharmacists, for their dispensing fee, not for 8 years? I think we really need to address this and would she agree to do this?

**The Bailiff:**

I will allow that question; it is perilously verging being outside the parameters of the original question, Deputy, but if the Minister could answer.

**Deputy E. Millar:**

I struggle to see this is a different question but, as I say, the primary care body has received more funding, I do not have the numbers in front of me right now but the primary care body has received other funding than rebate over the last several years and it is a matter that is under review in conjunction with the role of primary care funding with the Minister for Health and Social Services,

and we are considering that. There are ongoing discussions with the primary care body and the pharmacists at the moment and I can really say no more.

**2.6.6 Deputy G.P. Southern:**

The question is: does the Minister agree that £22 million is about to be absorbed by a digitisation programme in the delivery of healthcare and that the sum she mentioned, which is left in the fund in 2026 consists of a mere 2 years' cover?

**Deputy E. Millar:**

I am not entirely sure how the £22 million is broken down. The States Assembly has approved, I see from my figures, the sum of £21 million transfer to the Jersey Care Model and for the digital care strategy. Those monies will be spent as and when the costs are incurred. They are not simply being handed over now, they will be released as money is spent. The £80 million is about 2 years of spend at the end of 2026, that is true, however it ignores the fact that we are continuing to receive some £36 to £37 million into the fund on an annual basis thereafter. So the fund, if we did nothing, there are 2 years of spend but there is nothing to suggest at the moment that the fund will be exhausted, nor that we are going to stop taking contributions going into the fund.