

**WRITTEN QUESTION TO THE PRESIDENT OF THE  
EMPLOYMENT AND SOCIAL SECURITY COMMITTEE  
BY DEPUTY G.P. SOUTHERN OF ST. SAVIOUR**

**ANSWER TO BE TABLED ON TUESDAY 19th APRIL 2005**

**Question**

Will the President inform members –

- (a) of the comparative figures of long term incapacity allowance (LTIA) claimants in the 4th quarter of 2004 and the equivalent for the 4th quarter of 2003 (invalidity and disablement benefit claimants) showing the difference in numbers of claimants, the percentages of their awards and the total sums paid out in these periods?
- (b) In response to my question of 15th March 2005, the President suggested that it would be possible to see how many of the 125 claimants of LTIA in the last quarter of 2004 had returned to work when the quarterly returns from employers were processed in April 2005. Will the President confirm that this information will be provided to all members and indicate when this might happen?
- (c) Also in his answer to the aforementioned question, the President spoke of the interaction between LTIA and health insurance exemption (HIE) claimants. Will the President inform members how many of the 125 LTIA claimants for the last quarter of 2004 who were given 100 per cent assessment applied for and were given HIE?
- (d) Will the President inform members of the numbers of LTIA applicants for the 1st quarter of 2005 together with the numbers assessed and at what percentages of incapacity?

**Answer**

- (a) Claimants to invalidity benefit do not have percentage awards so comparisons on this basis are impossible between the two quarters. The old Disablement Benefit is the same as LTIA with percentage awards based on loss of faculty however these awards are not static and move up and down over time. Awards made in D Quarter 2003 have very likely changed and tracking back to make comparisons would involve a disproportionate amount of resource time as each individual assessment would have to be identified and could not be produced in the time allowed. The Department would need to analyse legacy data.

However, the awards made for LTIA assessments for claims/reviews made in D2004 are produced here although some assessments have been made in 2005.

The following tables draw the comparisons requested. They show that overall expenditure in the 2004 quarter was, in fact, greater than the same quarter of the previous year, before the reforms took place –

Quarter	Benefit	New or Reopened Claims	Total Number of Claims Authorised at Quarter End	Amount of Benefit Paid
D2003	Disablement	41	777	£775,600.18
D2003	Invalidity	271	1954	£4,305,713.57
Totals		312	2731	£5,081,313.75
D2004	LTIA	137	935	£1,049,652.65
D2004	Invalidity	134	2094	£4,935,573.80
Totals		271	3129	£5,985,226.45

LTIA awards assessed for claims/reviews in D2004 –

Assessment	<10%	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	>90
Number	6	33	21	17	15	31	15	16	25	35

- (b) It is possible to identify how many of the claimants to LTIA are actually paying contributions and receiving benefit. This will be dependent on contribution returns from employers and the self-employed being returned and processed for the A quarter 2005. Returns from employers were due on 15th April 2005, and the self-employed are due on 15th June 2005. The information should, therefore, be available by the end of June 2005. However, as already advised in answer to a previous written question, the Committee will be undertaking a full evaluation at the end of the first year when more meaningful trends can be established. On a point of clarification, back dated assessment (due to claims being made late) have increased the number of claimants from 125 to 132.
- (c) The answer is that no new claimant to LTIA in 2004 with an assessment of 100% has been given HIE. However, for ease of reference I repeat my answer to the question on 15th March 2005.

*‘There are several non-financial criteria for the award of HIE which can include the circumstances of other members of the household. There is no criterion that states that a person must be 100% incapacitated. However, there is a criterion that a person of working age who is not working can qualify if it is likely that he or she would be unlikely ever to work again due to incapacity. In the past this was authenticated by a letter from the claimant’s general practitioner but the new incapacity pension is based on the same criteria and can be used as a passport to HIE if other criteria are met including the income test. The Committee is also considering if such an automatic provision could be extended to claimants with high rates of LTIA without breaching the cash limit set by the States as the HIE scheme is partially funded from general revenues.’*

- (d) From 1st January to 31st March 2005, 203 claims to LTIA were received for assessment by the Department. The breakdown of these claims reveals 133 assessed, 26 disallowed, 8 suspended and 36 pending awaiting further details. The analysis of percentage loss of faculty is as follows –

Assessment	<10%	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	>90
Number	3	17	20	13	14	10	9	14	14	19