

STATES OF JERSEY



Jersey

DRAFT COVID-19 (HEALTH INSURANCE FUND) (JERSEY) REGULATIONS 202-

Lodged au Greffe on 15th April 2020
by the Minister for Social Security

STATES GREFFE

REPORT

FUNDING AND PRIMARY CARE SUPPORT IN RESPONSE TO COVID-19

Purpose

This report sets out the requirement for a transfer of £5,322,000 from the Health Insurance Fund to support the Government's response to Covid-19, and outlines the powers which enable the Minister to effect such a transfer by Regulations.

Background

On 11th March 2020, the World Health Organisation labelled the Coronavirus outbreak a pandemic and urged governments to take 'urgent and aggressive action'.

At that time, the Health and Community Services Department ("HCS") had already initiated discussions with primary care, and were bringing forward innovative proposals for an 'At Risk Optimisation' service to ensure that an early response to Covid-19 could be operationalised before the peak of the pandemic occurs. This response comprised –

- the provision of a free consultation to at-risk and vulnerable Islanders to provide advice and review their prescription medicines;
- the provision of a prescription for a pack of medicines for severely vulnerable people, to support them at the first onset of any symptoms of Coronavirus.

To best make use of the Island's health resources over the period of the pandemic, HCS have also agreed contracts with G.P.s and G.P. surgeries for an initial period of 4 months. HCS will directly employ General Practitioners, which will allow their deployment across a wide range of primary care, community and secondary care areas, in an integrated response alongside existing HCS staff. Surgery staff and premises will also be co-ordinated to both maintain primary care services and support the overall Covid-19 response. This will improve efficiency and resilience in our response to Covid-19, and is an essential factor in ensuring that the Island's health system can flex to meet the coming demand.

This primary and secondary care service integration includes –

- co-ordinating G.P. practices to deliver core services;
- G.P.s embedded within Ambulance Response;
- G.P.s supporting a new Urgent Treatment Centre with assessment and triage;
- a G.P.-supported Covid-19 Response Team for community care, including patient reviews, and unplanned community visits and home visit provision;
- operational control support;
- community death certification team.

During this period, G.P. primary care services will continue to be available. Fixed fees will be charged as follows –

Patient	Consultation Fee
Child aged 0–4	£0
Child aged 5–17	£10
Adult	£20
Home Visit	£40

There will be no patient charges for Covid-19-related activities.

During the current “Stay at home” restrictions, G.P.s will be offering consultations using video and telephone calls. Surgery consultations will continue to be available when deemed essential.

Cost of Covid-19 response

Included in proposed transfer

At Risk Health Optimisation service	£0.920 million
G.P. and surgeries contract	£4.402 million

Additional Covid-19-related costs to be met by the Health Insurance Fund

The prescription costs associated with the ‘At Risk Health Optimisation’ service are covered by the existing Health Insurance Fund Pharmaceutical Benefit. Costs are estimated at £840,000.

Health Insurance Fund Transfer

The Health Insurance Fund was established under the [Health Insurance \(Jersey\) Law 1967](#) (the “Health Insurance Law”). The Fund receives 2% of social security contributions collected under the [Social Security \(Jersey\) Law 1974](#) (the “Social Security Law”). The table below shows expenditure and income as anticipated in the 2020 Government Plan.

Health Insurance Fund	2020 (£000)	2021 (£000)	2022 (£000)	2023 (£000)
Opening balance	98,300	107,300	116,900	126,100
Return on investments	4,100	4,200	4,500	4,700
Contributions Income	38,100	39,900	40,600	41,600
Benefits and other expenditure	(33,200)	(34,500)	(35,900)	(37,100)
Closing balance	107,300	116,900	126,100	135,300

The value of the Fund has been affected by the economic downturn, but it still retains a significant balance. The most recent valuation is at £83 million.

The Health Insurance Law prescribes how the Fund may be used. The most significant expenditure from the Fund is Pharmaceutical Benefit, by which prescription medicines for insured Islanders are fully funded; and Medical Benefit, which pays a subsidy of £20.28 to reduce the cost of G.P. consultations in primary care.

In 2014, the Health Insurance Law was amended to allow the Minister to enter into contracts with General Practice and with Pharmacies to undertake medical services. Influenza vaccinations, cervical cancer screening, medicine use reviews, and supplies to test blood glucose levels, have been provided to Islanders under these new contract provisions.

The provisions of the Health Insurance Law tightly control the ways in which the Fund can be used, ensuring that it is ring-fenced for primary care activity. However, in the current rising crisis, this inflexibility means it cannot adequately support Primary Care to undertake the range of roles needed to respond to the Covid-19 pandemic. The proposed transfer ensures that HCS can direct the activity of primary care practitioners and ensure a co-ordinated and effective response to Covid-19.

Enabling legislation

The [Covid-19 \(Enabling Provisions\) \(Jersey\) Law 2020](#) allows the Minister for Social Security to bring forward an amendment to the [Health Insurance Fund \(Miscellaneous Provisions\) \(Jersey\) Law 2011](#) by Regulations, which will enable this transfer to support the costs of Covid-19-related primary care services to be completed with the minimum of delay.

Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 2011

The States Assembly has previously approved transfers from the Health Insurance Fund to support primary care service delivery and the development of the health care system. These draft Regulations provide for a single further transfer from the Fund.

Financial and manpower implications

There are no manpower implications.

The transfer of £5.322 million will be made into the Consolidated Fund. Given the urgent need for these services, the Minister for Treasury and Resources has provided the Health and Community Services Department with interim funding to cover the costs of the 'At Risk Health Optimisation' service and the G.P. and surgeries contract. The Health Insurance Fund transfer will replace these amounts, allowing funding to be made available for other emergency Covid-19-related support.

EXPLANATORY NOTE

These Regulations if made will amend the Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 2011 (the “principal Law”) to allow £5,322,000 to be transferred from the Health Insurance Fund to the Consolidated Fund.

Regulation 1 provides that these Regulations amend the principal Law.

Regulation 2 replaces the principal Law’s long title so that it reflects the amendments made by these Regulations.

Regulation 3 inserts a *new Article 2B* into the principal Law. *New Article 2B* provides for a transfer of £5,322,000 from the Health Insurance Fund to the Consolidated Fund to replace amounts that have been used to fund primary care services in response to the outbreak of Covid-19. For the purposes of the Public Finances (Jersey) Law 2019, the transfer into the Consolidated Fund is to be treated as if it were excess income referred to in Article 21(1)(b) of that Law. This means that the Minister for Treasury and Resources may direct that the amount be allocated to a head of expenditure set out in the government plan and the amount may be withdrawn from the Consolidated Fund and spent.

Regulation 4 provides for citation and commencement. These Regulations will come into force on the day after they are made.



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Made [date to be inserted]
Coming into force [date to be inserted]

THE STATES make these Regulations under Article 2 of the Covid-19 (Enabling Provisions) (Jersey) Law 2020¹ –

1 Amendment of Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 2011

- (1) These Regulations amend the Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 2011².
- (2) In these Regulations, a reference to an Article is a reference to that Article in the Health Insurance Fund (Miscellaneous Provisions) (Jersey) Law 2011.

2 Long title amended

For the long title there is substituted –

“A **LAW** to enable withdrawal of money from the Health Insurance Fund.”.

3 New Article 2B inserted

After Article 2A there is inserted –

“2B Withdrawal of money from Health Insurance Fund in response to Covid-19

- (1) £5,322,000 is withdrawn from the Health Insurance Fund and credited to the Consolidated Fund for the purpose of replacing amounts paid to fund primary care services in response to the outbreak of Covid-19 (as defined in Article 1 of the Covid-19 (Enabling Provisions) (Jersey) Law 2020³).
- (2) For the purposes of the Public Finances (Jersey) Law 2019⁴, the amount credited to the Consolidated Fund is to be treated as if it were excess income referred to in Article 21(1)(b) of that Law.

- (3) To the extent that this Article is inconsistent with Article 21(1) of the Health Insurance (Jersey) Law 1967⁵ or any provision of the Public Finances (Jersey) Law 2019, this Article prevails.”

4 Citation and commencement

These Regulations may be cited as the Covid-19 (Health Insurance Fund) (Jersey) Regulations 202- and come into force on the day after they are made.

ENDNOTES

Table of Endnote References

<i>1</i>	<i>L.2/2020</i>
<i>2</i>	<i>chapter 26.510</i>
<i>3</i>	<i>L.2/2020</i>
<i>4</i>	<i>L.10/2019</i>
<i>5</i>	<i>chapter 26.500</i>