

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
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ANSWER TO BE TABLED ON TUESDAY 1st JULY 2008

Question

Would the Minister:

- (a) advise whether there has been an increase in the number of prescriptions since patient charges were discontinued and, if so, by how much;

Answer

The number of prescriptions dispensed is subject to major variations from month to month and it would be impossible to draw any inferences on the impact of a change in the system so soon after its introduction. Data has only recently been made available for April, the third month since the removal of prescription charges.

Any analysis of changes due to the removal of prescription charges will need to take account of and eliminate:

- The annual growth in prescribing – This is currently running at 4 -5 % per annum.
- The addition of 440 items to the prescribed list, as a result of setting up a single island formulary.
- Seasonal and monthly fluctuations in prescribing – the number of items prescribed from one month to the next can vary by as much as 10 -15%. For example, between January and April 2007, the number of prescriptions varied as follows

	Number of prescriptions	Change from previous month
January 2007	115,201	
February 2007	99,891	-13%
March 2007	111,138	+11%
April 2007	100,973	-9%

It is not advisable to compare prescribing patterns in summer with winter.

Once data for 6 months is available, the Department will undertake a full assessment.

Question

- (b) state how much the Health Insurance Fund is currently in surplus, and how long it is estimated to remain in surplus now prescriptions are free;

Answer

As with the Social Security Fund, the current contribution level to the Health Insurance Fund has been set at a level designed to accumulate a surplus. The current annual surplus for the Health Insurance Fund for the year ended 31st December 2007 was £10.6 million with net assets standing at £63.4 million in December 2007. As the number of contributors falls and the number of pensioners steadily rises, the Fund is predicted to move into an annual deficit in 2017 at which point the net assets will stand at an estimated £93 million. This is not an actuarial forecast and it is subject to many assumptions, around annual growth in contribution income, prescription and

medical benefit costs.

Using similar assumptions, the Social Security Fund is also predicted to move into annual deficit in 2017.

Question

- (c) advise whether he is intending to remove the ring-fencing of the above fund, in order to enable the inclusion of such matters as dental expenses.

Answer

The use of the Health Insurance Fund is governed by legislation - the Health Insurance (Jersey) Law 1967. The law provides for financial assistance for particular approved services given by approved professionals to people insured under the law. In the legislation four different types of benefit are allowed for:

- Medical benefit for GP services
- Pharmaceutical benefit arising from GP services
- Dental benefit
- Ophthalmic benefit

The dental and ophthalmic benefits have never been brought into practice.

The Department is currently working in partnership with the Health and Social Services Department to revise this legislation to provide a flexible modern primary care service for the Island. Such changes will reflect the principles set by the New Directions strategy which is currently being developed by Health and Social Services.