

### **3.10 Deputy S. Pitman of the Minister for Health and Social Services regarding the demise of the Reciprocal Health Agreement with the United Kingdom:**

Would the Minister inform Members when he was first informed that the Reciprocal Health Agreement with the U.K. was ended and what discussions if any have taken place with the department, himself and U.K. authorities in trying to prevent this from happening?

#### **Senator J.L. Perchard (The Minister for Health and Social Services):**

Can I thank the Member for this question? It gives me an opportunity to provide some clarity to the situation. Formal notification of the U.K.'s intention to withdraw from the Reciprocal Health Agreement with Jersey was provided in a letter from the Right Honourable Dawn Primarolo M.P., Minister of State, to Senator Walker, Jersey's Chief Minister, on 28th May 2008. While the 3 months' notice period was mentioned in this letter, it was requested that officers from our respective governments would work together to agree appropriate arrangements. The Chief Minister, the previous Health Minister - Senator Shenton - and I have attempted on many occasions to meet personally with Ms. Primarolo but each time we were rebuffed; her justification being that the Agreement was going to end and officers need to arrange the details. Finally, after my repeated attempts to discuss directly with Ms. Primarolo and her senior officials, her letter to me on 27th February 2009 stated that Her Majesty's Government has not considered it necessary to have a Ministerial level meeting on this matter. The current and previous Chief Minister and the previous Minister for Health and Social Services and I, and officers, have written on numerous occasions to all levels in the Department of Health and U.K. Government, including Lord Bach, in an attempt to protect the interests of Islanders travelling to the U.K. and to stop the U.K.'s termination of the Agreement. Regrettably, the U.K.'s policy decision to withdraw from the agreement was, as I have just said, formally notified to me in the letter of 27th February 2009 where Ms. Primarolo states: "With this in mind the U.K. is content for the Agreement to terminate on 31st March 2009."

#### **3.10.1 Deputy S. Pitman:**

Can I ask the Minister what does he believe as to the reasons why the U.K. authorities have come to this decision?

#### **Senator J.L. Perchard:**

It would be wrong of me to speculate publicly as to why the U.K. authorities have come to this decision. It is their right within the terms of agreement to terminate the Agreement with 3 months' notice. We do know the National Health Service is under extreme financial pressure.

#### **3.10.2 Deputy D.J. De Sousa:**

Can the Minister please inform the House what, if any, discussion his department has had with insurance providers to provide cover for Jersey residents when they go to the U.K. because no insurance providers of holiday insurance as far as I am aware do cover people in the U.K. on holiday?

#### **Senator J.L. Perchard:**

Officers from my department have been in communication with officers from Guernsey and the Isle of Man to discuss the matters of insurance providers and we

have been for many months. Although neither the department nor I would endorse any particular insurance product, we have been keen to work with insurance providers to make sure that Jersey residents will be able to access appropriate medical cover should they fall ill while visiting the U.K. I am aware of insurance products likely to come on to the market this month that will provide cover for emergency medical treatment, repatriation back to the Island and repatriation of mortal remains.

**Deputy D.J. De Sousa:**

Will that be in action before this ceases?

**Senator J.L. Perchard:**

Yes. Obviously insurance providers could not advertise until the formal announcement from the Department of Health had been made. Communication with the insurance brokers is continuing. As I say I do not want to specifically suggest any one but a typical daily premium will be £2 per person per day to travel to the U.K. and possibly £60 per year if you wanted a whole year insurance cover if you are a frequent traveller. So these products will be advertised shortly and the insurance companies are fully aware as to what provision they need to provide to Jersey people.

**3.10.3 Deputy K.C. Lewis:**

While I appreciate the Minister's efforts with his negotiations with the U.K., does the Minister consider the door is firmly closed or are negotiations still ongoing? As I am aware the Jersey/U.K. accident and emergency facilities will still be available, is the Minister concerned with his colleagues that this could have an adverse effect on tourism?

**Senator J.L. Perchard:**

I would consider the decision had been made by the U.K. Department of Health and the Reciprocal Health Agreement as we know it will terminate on 31st March this year. With regards to our own Health and Social Services accident and emergency, we will be endeavouring to recover moneys from those that are not entitled to free healthcare. The consequences on tourism, I cannot predict but this is not untypical. For travelling to anywhere else other than the U.K., Jersey people of course do need health insurance.

**3.10.4 The Deputy of Grouville:**

I think Deputy De Sousa asked my question. I would just like the Minister to reiterate that the collective health insurance scheme will be in place before the end of the month.

**Senator J.L. Perchard:**

There is not a collective health insurance scheme. I am sorry I do not understand the Deputy's question. It will be the responsibility of the individual to ensure that they are insured if they travel to the U.K. Have I misunderstood the Deputy's question? I am sorry.

**3.10.5 The Deputy of Grouville:**

Okay, maybe I should ask another. Would it not be cheaper for Jersey residents if the Minister were to progress a collective health insurance scheme for all Islanders?

**Senator J.L. Perchard:**

I have no idea as to the cost of a collective health insurance scheme but that would be embarking away from a normal policy. We do not have a collective health insurance scheme for people travelling to other countries. Why would we do that to the U.K.? I am confused.

**3.10.6 The Deputy of Trinity:**

I am sure the Minister will agree that it can be very confusing for some Islanders with this news. Has the Minister or officers thought of issuing a leaflet of frequently asked questions which I am sure will go a long way to help Islanders?

**Senator J.L. Perchard:**

This is a very good question. Informing Islanders is what really we need to do and we have started that process. The Jersey Customer Services Centre on 445500 is available to assist Islanders with their queries. The Government website has a question and answer with regards to health insurance and I would recommend it to listeners and Members. Of course insurance brokers have been properly informed as to what cover Jersey people can expect. So they will get advice from insurance brokers. There is also a media campaign that will be embarked upon. But this is a difficult decision and it is no fault of my officers, my department or in fact the States of Jersey that the U.K. has chosen to withdraw from the Reciprocal Health Agreement. While it might be convenient to want to blame somebody as is the culture these days, it is the U.K. Department of Health who have decided to terminate the Reciprocal Health Agreement with Jersey.

**3.10.7 Deputy M. Tadier:**

The Minister said that there was no sense in speculating but does he agree that it is essential to know the reasoning behind the U.K.'s decision if his department is to react in the correct way? Also will he acknowledge the fact that it may be a political sanction ahead of the G-20 Summit and not simply an issue of funding?

**Senator J.L. Perchard:**

I will leave the Deputy to speculate as to why the U.K. have withdrawn from this Reciprocal Health Agreement but it does remind me of a similar experience some years ago when they withdrew the arrangements over further education and the support they gave to our Education, Sport and Culture Committee of the time. There are budgetary restrictions in the U.K. as well as Jersey. These departments are under extreme pressure. I suggest while the Deputy may wish to invent mysterious and suspicious circumstances that would surround this, it is simply a pressure of budget.

**Deputy M. Tadier:**

I am not ...

**The Deputy Bailiff:**

I am sorry, there are a large number of people who want ask questions.

**Deputy M. Tadier:**

I just want to defend myself. I think he is imputing false motives in my questioning, and I would just like to say that I am asking an open question. I do not have any suspicious motives at all. I think it is good for the democratic process that such questions are asked.

**Senator J.L. Perchard:**

I will apologise to the Deputy if I have offended him.

**The Deputy Bailiff:**

I know a number of Members still want to ask questions but I have to strike a balance between this and getting a reasonable number of questions asked so I am going to allow 2 more.

**3.10.8 Deputy A.E. Jeune of St. Brelade:**

Deputy De Sousa, yes, most definitely did ask my question for me and thank you. But the Minister has replied and said that he is aware. Well, he may be aware of what is going on with the insurance companies but the people out in the community are not. On 24th February the Minister did say that he would be having discussions with insurance companies. That was a couple of weeks ago. We only have a couple of weeks to go now before these people are going to be in this situation. What about our elderly most particularly? Most insurance companies cut off at 70. What are we going to do for them?

**The Deputy Bailiff:**

A concise question please, Deputy.

**Deputy A.E. Jeune:**

When will the Minister give us these answers? We do not want to speculate. It has certainly been on the cards for years so why has something not been done by he and his officers earlier?

**Senator J.L. Perchard:**

Just to take the very last point. It has not been on the cards for years. I remind the Deputy that May 2007 was the first formal notification we had of this. My department in the last 3 months has been talking and working with insurance companies across the 3 Islands that will be affected by this. It is now for the insurance companies to advertise their products. They are fully upstream of the situation. It is out of our hands. We will support as much as possible in providing information and I will repeat those phone numbers: 445500, Customer Service, and the Jersey Government, [www.gov.je](http://www.gov.je) website provides much information. Insurance companies will provide information as well. I am not sure what I can do. I can correct the Deputy. We do know that insurance will be provided certainly up to the age of 80 and there will be policies developed, albeit there is no existing policy framework for those above 80 but I suspect the premiums will reflect that. I am as disappointed as the Deputy. This is not of my department's doing. It is not of the States of Jersey's doing. This is the British Government retracting part of the Reciprocal Health Agreement and is no fault of the States of Jersey.

**3.10.9 Deputy J.B. Fox of St. Helier:**

Would the Minister accept like the previous Minister for Education, Sport and Culture that when something is imposed at very short term, as within this particular case, it affects so many of the people of the Island that there is a great deal of anxiety when locals, many of which have rung me up to say that their current policies - annual ones as opposed to week holiday ones - will not cover them any more or have not yet had actuarial advice as to include the U.K. The common theme it seems to me that if you are travelling worldwide, that is fine you are covered. If you are in the U.K. you are not covered unless you have 2 days in-advance accommodation in the event of a

claim. That means if you are travelling through the U.K., shall we say to Gatwick/Heathrow to go out, you are not covered. This is the thing that is concerning. I appreciate the number that you have just given but could we have a named person that people could ring? I know it is difficult but this is very important. There are a lot of people at 75 who have been told that when they are 75 they will not be covered for the U.K. although they can have insurance elsewhere in the world is what I am being told.

**Senator J.L. Perchard:**

Can I reassure the questioner that the products have been developed and will be advertised? It would be extraordinary if a 75 year-old could travel anywhere in the world with health insurance but not the U.K. So it is simply a case of the products being remarketed. I did suggest in answer to my questions, we have been quoted a generic figure of £2 per day for this extra cover.

**3.10.10 Deputy S. Pitman:**

Going back to Deputy Lewis' question; can I ask again could the Minister state that this decision from the U.K. authorities is absolutely finite? Could he also state whether or not there is still room for discussion?

**Senator J.L. Perchard:**

The letter I received on 27th February - just over a week ago - was pretty finite as far as I can make out and I did quote from it that the U.K. Government is content that the Reciprocal Health Agreement with Jersey will terminate on 31st March despite my best endeavours.