

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 11th SEPTEMBER 2012**

Question

Following his statement on 17th April 2012 in response to a question on the use of Household Medical Accounts (HMAs) in the Income Support system that his officers would continue to review and, as necessary, improve the existing support mechanisms within Income Support (IS), including the use of HMAs, will the Minister inform members what progress, if any, he has made in pursuit of such improvements?

Will he further state how many HMAs are currently in existence and how that number compares with previous years, and confirm that HMAs are not closed against the will of clients?

Will he also confirm that where HMAs cover medical expenses beyond 12 GP visits a year, the HMA is made up of additional payments and is not merely the redistribution of other IS components?

Answer

To reiterate my previous response:

The Income Support system includes mechanisms for supporting the costs of GP visits and other medical costs for low income households.

The Minister for Health and Social Services is currently undertaking a major review of health and social care provision. My officers continue to work very closely with HSSD officers on this project which is likely to involve major changes in the way in which primary health care is provided in the community by GPs and other health professionals and how this care is funded.

It is likely that legislative changes to Income Support will be needed in the next few years to support the outcomes of the Health review as it affects the provision and funding of primary care services.

Whilst the Health review is in progress, my officers continue to review and, as necessary, improve the existing support mechanisms within Income Support, including the use of Household Medical Accounts.

The most recent action in this area was included as part of the latest amendments to the Income Support regulations (P.56/2012), agreed on 17th July. These included an increase in the value of the component that assists individuals with the cost of GP visits. Clinical cost components levels 1 and 2 were increased from £3.01 to £3.15 per week and from £6.02 to £6.30 per week respectively. This increase of 3.5% is set against a background of very limited increases in other benefit rates this year and ensures that low income individuals with a chronic medical condition are supported with GP costs.

The following table shows the number of HMAs in use by Income Support households.

Date	Number of claims using an HMA
31/12/2010	1,661
31/12/2011	1,429

At the start of Income Support, the majority of households previously holding HIE status were provided with an HMA, to assist them in the transition to the new system. The number of these households will slowly reduce over time. This will be due to the death of some elderly claimants, as well as younger claimants no longer requiring Income Support. In addition, some households previously with HIE status do not have any ongoing medical needs, and their claims have been reviewed and adjusted to their current status.

If a balance of funds has built up in the HMA (as the household members have not needed as many doctors' visits as anticipated), an HMA may be closed and the remaining balance is then repaid to the claimant. If a claimant in this situation requests that the HMA should remain open, the Department will normally provide for this, in particular, if medical evidence is received to support the continued need for the HMA.

I can confirm that HMA weekly savings can only be made from existing Income Support entitlement, which can include non-clinical cost components where appropriate, as this is the purpose of the HMA scheme. There are no additional payments available on a weekly basis. However, the Special Payments Regulations provide for lump sum payments in respect of a range of expenses, including medical expenses (regulation 3(1)(e)), where the claimant has no other means of meeting this cost. Such lump-sum special payments are used on a regular basis to support claimants who also hold HMAs.

The HMA is an administrative tool to assist claimants who might otherwise find it difficult to budget for the cost of GP visits. If an individual does not wish to use an HMA, there is no requirement for them to do so and they can receive the full value of their Income Support benefit, including any clinical cost components directly.