

**STATEMENT TO BE MADE BY THE PRESIDENT OF THE EMPLOYMENT AND SOCIAL  
SECURITY COMMITTEE ON 4th OCTOBER 2005**

During last week's debate on GST I mentioned that there could be another avenue to afford protection to Jersey residents from the financial effects of GST being applied to general practitioner services and prescription medicines. I did not expand on this during the debate but the existing Health Insurance scheme would be able to mitigate the effects to all patients through benefits under that scheme. Quite simply, as the Committee does each year, a review of the level of medical benefit refunds for consultations by general practitioners and prescription charges levied at pharmacies will be undertaken by the Social Security Minister. At the time of the introduction of GST this will of course be taken into account together with any other fee increase by increasing the medical benefit refund or maintaining the prescription charge at the level prior to GST, the extra cost could be absorbed by the Health Insurance Fund rather than the patient. This would be an untargeted mechanism which would cover all residents using Health Insurance services. With annual Health Insurance expenditure currently running at £20 million approximately, a 3% increase would draw a maximum of an additional £600,000 from the Fund. The most recent actuarial review indicates that the fund should be in a position to cover that amount at that time.