STATES OF JERSEY

Health, Social Security and Housing Scrutiny Panel
Health White Paper Review with the Minister for Social Security

FRIDAY, 6th JULY 2011

Panel:
Deputy K.L. Moore of St. Peter (Chairman)
Deputy J.A. Hilton of St. Helier (Vice-Chairman)
Deputy J.G. Reed of St. Ouen

Witnesses:
The Minister for Social Security
Chief Officer
Policy and Strategy Director

Also present:
Dr. M. Gleeson (Panel Adviser)
Ms. K. Boydens (Scrutiny Officer)

[14:30]

Deputy K.L. Moore of St. Peter (Chairman):

Thank you for joining us, this slightly different panel today, to look at the Health White Paper. In the absence of the public I shall not go through my usual chairman's remarks and we will just get on with introducing ourselves. I am Kristina Moore, Chairman of the panel.

Deputy J.G. Reed of St. Ouen:

Deputy James Reed, panel member.

Policy and Strategy Director:

Sue Duhamel, Policy Director, Social Security.

The Minister for Social Security:
Senator Francis Le Gresley, Minister for Social Security.

Chief Officer:
Richard Bell, Chief Officer of Social Security.

Deputy J.A. Hilton of St. Helier (Vice-Chairman):
Deputy Jackie Hilton, Vice-Chairman of this panel.

Dr. M. Gleeson (Panel Adviser)
Michael Gleeson, adviser.

Ms. K. Boydens (Scrutiny Officer)
Kellie Boydens, Scrutiny Officer.

The Deputy of St. Peter:
Thank you. We will start off by setting the scene, if we could, and we would just briefly like you to describe your role and that of the department in preparing the White Paper.

The Minister for Social Security:
The role of the Minister has to been to sit on the Ministerial Oversight Group. I do not know if you have seen the terms of reference for that group, have you?

The Deputy of St. Peter:
No, I do not think we have.

The Minister for Social Security:
We can leave you with the terms of reference. I can pass them over now as long as you do not test me on them. So that covers the role of the Minister. The department's officers, the Chief Officer, has also been a member of the Ministerial Oversight Group and a member of the steering group set up to deal with the White Paper. The Policy Director and another policy principal have

sat on 3 of the business case preparation groups, and that is the sum total really of our role.

The Deputy of St. Peter:

So there is an individual group to look at each business case; that is interesting. We were not aware of that. Thank you. How far are you satisfied that the White Paper's vision is affordable and within the specified timescale?

The Minister for Social Security:

I would have to say I cannot really answer that question because there is no indication in the White Paper of the funding required beyond the medium-term financial plan, which will be debated by the States later this year. The assumption I believe is that the funding in the next ... it is a 10-year plan, essentially, the next medium-term financial plan would have to deal with the issues - when I say "the next" not the current one, the next one - around the new business cases that will be requiring growth and the finances of the States of Jersey at that time will be the deciding factor as to how those things are funded and the continuation obviously of the existing developments.

The Deputy of St. Ouen:

Just picking up on ways that this new healthcare system could be funded. Three areas were identified in the Green Paper and I just wondered as part of your responsibilities on the Ministerial Oversight Group what consideration was given to the utilisation of the 3 areas, which were insurance, there was a social insurance scheme; taxes by increasing general taxation with sales tax of all direct contributions from people, those people paying more for direct services; what consideration was given to those areas when looking at the new improved service that was going to be on offer?

The Minister for Social Security:

In answer to that, I would say that the funding arrangements primarily are the role of the Treasury and Resources Department together with the Minister for Health and Social Services. My only concern would really be the Health Insurance Fund, which comes under our control, as to what extent that fund

can be used in the future for delivering any primary care services. As to the whole package of developments within Health, that is not really an area that I would be involved with.

The Deputy of St. Ouen:

I mean you say there was a Ministerial Oversight Group that was involved in all the development of the Green Paper and White Paper; although you say that discussions and funding is the responsibility of the Minister for Treasury and Resources, which I fully understand, can you confirm whether or not actual discussions took place within that Ministerial Oversight Group on those proposed solutions identified in the Green Paper to fund the new improved service?

The Minister for Social Security:

Bearing in mind that I came to be Minister in November last year, I attended 3 Ministerial Oversight Group meetings and one of those meetings did include on the agenda funding, so it was discussed at that meeting.

The Deputy of St. Ouen:

With regards to the Health Insurance Fund, are you planning any changes to the Health Insurance Fund in order to address the funding pressures faced by the Health Department and to help deliver the proposals contained in the White Paper?

The Minister for Social Security:

The simple answer to that question is that I do not think today I can discuss the contents of the medium-term financial plan because it has not been released and therefore I cannot really answer your question.

The Deputy of St. Ouen:

I am not asking you to answer it specifically, maybe I will rephrase the question. Have any discussions taken place to utilise the Health Insurance Fund to help fund the development in Health and Social Services as described in the White Paper?

The Minister for Social Security:

Yes, but only on the fringes because really we are looking at primary care only and the White Paper is a lot more than ... there is plenty about secondary care and care in the community.

The Deputy of St. Peter:

But there is a change programme regarding primary care also.

The Minister for Social Security:

That is already going on following various changes we have made to the Health Insurance Law and the need for greater regulation of G.P.s (general practitioners), quality improvement framework has been put into place, central server. We are involved with some of those aspects because they are being funded out of the Health Insurance Fund following States Approval.

The Deputy of St. Peter:

Has any consideration been given to the wealth of the Health Insurance Fund as it stands today and how that might be better deployed to the benefit of providing health services?

The Minister for Social Security:

Not in relation to the Health White Paper. The investment of that of course is carried out through the common investment fund and there is an investment strategy for the Health Insurance Fund and obviously we get Government Actuary Department reviews every 3 years. So that is really where we are with that one.

Policy and Strategy Director:

The things that the Health Insurance Fund funds now, those costs would increase quite rapidly over the next few years anyway, so there will be increased pressure on the existing demands from within the Health Insurance Fund so the service that currently exists would have been drawn down from within the foreseeable future.

The Deputy of St. Peter:

Could you expand on what you mean by expanding pressures?

Policy and Strategy Director:

Older people who need to visit the G.P. more often and, in particular, they are much more likely to need a large number of prescription drugs to maintain their good health and that is what modern medicine is all about. Modern medicine uses drugs much more than it used to. People have been in a healthy state for a much longer period and it obviously costs us money. So we pick up the full cost of drugs in the Health Insurance Fund.

The Deputy of St. Peter:

Thank you. You briefly expanded on your role with regard to primary healthcare but you also are going to fund long-term care, which plays a sort of tandem role within the White Paper because of the expanding need for long-term care and its function. How do you see that working?

The Minister for Social Security:

The 2 pieces of work really are independent of each other but in the rollout of the White Paper, if it is approved by the States, will involve more care in the community, step up and step down services I think are some of the words they used as well. Therefore when the long-term care benefit is in place and people will be able to contract, if you like, to purchase services so that they can remain in their own home for longer, then we would be in a position, subject to those services being scrutinised and regulated, be able to provide the benefit to pay for some of those services that people would have in their own home. So that is where there is a distinct overlap in ... commissioning of services would probably be done by Health and Social Services as similarly regulation, whereas we would be paying a benefit to the person who purchases those services, shall we say.

The Deputy of St. Peter:

We have just met with the Minister for Treasury and Resources and his team and in our discussions there they described the effect of long-term care, your funding, as being a saving against the cost that Health currently incur in providing long-term care to those who already receive it. Would that make sense to you? Is that your understanding?

The Minister for Social Security:

The bill would be controlled because at the moment there is no money in the long-term care benefit fund, per se. The idea would be that about £30 million would be put in each year because we currently pay out about £17 million and Health pay for their own homes, if you like, and nursing care. The idea is that money would go into the fund each year but only increase by inflation or average earnings index, or whatever, so it would be more or less capped whereas at the moment they would have to provide services within the homes that they currently operate and there would not be so much of a control on the funding of that because the numbers may need to expand or whatever. The services might need to expand. So long-term care benefit would be paying for a lot of those services for people.

The Deputy of St. Peter:

Do you see that Health can really deploy those funds in other directions?

Policy and Strategy Director:

Yes. I think it is back to what I said about the Health Insurance Fund. It is the growth in the number of old people and the growth in the cost. That is what the long-term care benefit fund would be picking up. Not the existing funding that Health are doing. So in other words we would be helping them with the growth and increase in cost, not the current costs.

The Deputy of St. Ouen:

It has been suggested that the 2 per cent contribution to be levied for long-term care in 2014 will be sufficient not only to meet the cost of long-term care but also provide for additional services. Do you subscribe to that view?

The Minister for Social Security:

I have 2 questions for what you just said because you used the rate of 2 per cent. I do not think that rate has ever been used?

The Deputy of St. Peter:

I think you have used that rate in your media interviews on the subject.

The Minister for Social Security:

Okay, fine. Just checking the source. **[Laughter]**

The Deputy of St. Ouen:

We hope we can rely upon it.

The Minister for Social Security:

You would certainly hope we can. That has made me forget the other part of your question.

The Deputy of St. Ouen:

The question is, it has been suggested to us that the 2 per cent contribution that will be levied for long-term care in 2014 will be sufficient not only to meet the cost of long-term care but also provide for additional services. Do you subscribe to that view?

The Minister for Social Security:

I do not know what is meant by additional services. I am a little lost on the question unless any officer can help.

Chief Officer:

Do you want me to clarify then? Modelling or costing the scheme to pay for any additional services.

Deputy J.A. Hilton:

But I thought the long-term care fund included not only a payment towards the cost of residential or nursing home but also the cost of services being provided in the home.

Chief Officer:
Yes, as an alternative to staying in residential care home services. As it is an alternative it is not additional.

Deputy J.A. Hilton:
That is correct, is it not?

The Deputy of St. Ouen:
It is specifically designed around ...

Chief Officer:
Long-term care.

The Deputy of St. Ouen:
... that particular care package?

Chief Officer:
Yes.

The Deputy of St. Ouen:
And no additional ancillary services that might be tentatively linked to it; is that what you are saying?

Chief Officer:
It is designed around the cost of staying in residential care. If we can design packages that keep people out of residential care then provided that those costs - the principles we are applying at the moment in developing the scheme - are no more than it would be to keep them in residential care then it may be the ...

[14:45]

The Deputy of St. Ouen:

So it is an option rather than is currently able.

The Deputy of St. Peter:

It is an interesting comment that you have made there because you said providing the costs are no greater than they would be being in residential care, and I can imagine, this is purely an assumption but likely to be correct, I would assume, that the cost of, say, 24-hour nursing care within the home is going to be far greater than the cost of 24-hour nursing care in a residential home where there are several patients as opposed to one.

Chief Officer:

It is possible. All I can say is that is the way that we are looking at costing the scheme as things stand. There will also be many cases where it will not be more costly or it may not be more costly. It is working to a degree on smaller numbers with our applying income support to supporting people in residential care where we have, I cannot remember the number, a very low number of people who are currently helping but we have managed to design packages for people to stay in home as opposed to going into residential care through income support.

The Deputy of St. Ouen:

Just picking up on one comment that you made just earlier with regards the contribution to long-term care because you questioned 2 per cent. Do you have it in your mind that it could be larger than that?

The Minister for Social Security:

No, I was only questioning it because the report that accompanied the proposition for the law referred to the rate of 1.5 per cent. I certainly have said it may need to go higher but I have never actually said it is going to be 2 per cent.

Dr. M. Gleeson:

You raised the question of G.P. registration; is that something that you are looking into, the question of specific registration with a G.P. per patient?

Chief Officer:

It is not directly related to the White Paper but probably - no probably about it - driven by ongoing negotiations with G.P.s and their need to revalidate and also closely linked to a local version of Q.O.F. (Quality and Outcomes Framework) that will be adopted at far less cost than the U.K. model.

The Deputy of St. Peter:

Could you just tell us what Q.O.F. means?

Chief Officer:

Quality and Outcomes Framework. It has been a matter of 2 debates in the States or it has been in the report of 2 debates in the States. We are going to have within the Health Insurance Law that individuals have to be nominated, they have to choose which of the G.P. practices is their nominated primary carer, if you like. It does not stop them going to another one but that primary nominated G.P. practice will be the owner of their primary care record. So, yes, is the short answer but I do not think we will go to the extent of registration by legislation. It will be nomination.

Policy and Strategy Director:

Yes, there will be a small change to the law because that is how we have done it for the others.

Dr. M. Gleeson:

Following up on the question of general practice, in the developments with care of the elderly would anticipate that general practitioners will start to play an increasing role, are you envisaging that this role will be remunerated on the present basis of fee per item of service or are you hoping to negotiate a different mode of payment for, say, care of children under 5 or people with long-term illnesses?

The Minister for Social Security:

Yes, the reason we have changed the Health Insurance Law is to allow for contracting for particular health services for G.P.s or other practitioners for that matter. So having a central register of patients it will be much easier to monitor chronic conditions and therefore come to arrangements for G.P.s by a contract rather than individual payments, as you described, the normal medical benefit, to manage that person's condition for a set sum over a set period. All of this of course is in the future. We have not yet got to that stage but that is the point of having a central server with the database initially and then moving on from that we would be starting to look at contracts, and at that stage some of the funding currently paid on a one for one consultation basis would change to contracting.

Dr. M. Gleeson:

How would a contract operate? How would you envisage a contract being formulated?

Chief Officer:

We have got to the stage of thinking that it would be a contract. We have not got to the stage beyond how that contract may be framed. There have been ... is it not even a contract, I think, it is S.L.A.s (service level agreements) between Health and G.P.s. Putting together this quality framework's contract is the first major example of working with G.P.s on a contracted basis so we are treading carefully. We learn from that in how we may extend it further.

Dr. M. Gleeson:

One of the important issues that will arise in these community-based services is visiting. Home visits will be an important part of the management. Will the contract develop for home visiting as well, would you say?

Chief Officer:

I should imagine that we are not crossing it off the list.

Dr. M. Gleeson:
It is very expensive at the present time.

Chief Officer:
But it does not necessarily have to be G.P.s. We are wandering into clinically and care technical areas which none of the 3 of us are qualified in. We would take that advice before we put together what the contract will perform.

Policy and Strategy Director:
The thing that we have done though in the law is that we have widened out the range of healthcare professionals who can be remunerated through the Health Insurance Fund so the old law only allowed remuneration to a G.P. for a consultation. Under the contracts, the contracts will be with G.P. practices but the contract could be for the provision of services provided by other types of healthcare professionals under the guidance of the G.P. So you are widening out your range of people you can use to provide services, so that is obviously a very big area that the Health Paper draws attention to, the use of other types of professionals to provide services to the community. There is a need for that to happen.

Deputy J.A. Hilton:
Just as a point of clarification to see that I have understood correctly, I think Deputy Reed asked you a question about how the Health Insurance Fund might be used to deliver some of the outline business cases contained in this White Paper, which I understand the Council of Ministers have accepted, that Health outline business cases. So you are saying that, for instance, community midwifery services delivered through a G.P. would be financed by the Health Insurance Fund? That would be a …

Chief Officer:
I do not think those decisions have been made. There was potential that they could be. That is not that any decision has been made. I am not trying to play the devil's advocate. I am just saying …

Policy and Strategy Director:

But that is the whole point. We created the legal framework in which that could happen in the future. As I said before, there are existing pressures on parts of the Health Insurance Fund. All these things have to be balanced out and worked out and that is not really our job. That is the job of the Health White Paper to work those bigger picture things out.

Chief Officer:

The changes to the law were made specifically around the Q.I.F. (Quality Improvement Framework) contract but anticipating that that may be where we go into the future, so just making the changes, it committed nobody to anything. It was just to allow for the future. It was not to do these things specifically.

Deputy J.A. Hilton:

Okay, so no decision has been made about the fund being used to finance any …

The Minister for Social Security:

No decisions have been made. The officers are quite right. If we had not brought the changes to the Health Insurance Law, we would have been in a position that every time we wanted to do something new, we would have had to change the law. We now can change things by regulation so it gives us more speed of movement shall we say, if and when we think it is appropriate to request the States to approve something.

Deputy J.A. Hilton:

So you have not had any discussions with the Minister for Health or the Minister for Treasury and Resources over some of the outline business cases being funded by the Health Insurance Fund? So that has not happened yet?

The Minister for Social Security:

I have not, no.

Chief Officer:
No, not to any level of depth have we ever had conversations about what the Health Insurance Fund would cover. I am sure there are conversations that have taken place but not a specific measure to say: "Will the Health Insurance Fund fund this specific instance?"

Deputy J.A. Hilton:
So what would your view be of the fund providing the monies for a community midwifery service, for instance? Do you think that is a perfectly valid use of the money, the fund?

The Minister for Social Security:
What I think does not really matter. If it seems that the best way to deliver this is to bring a proposition to the States to request the States to approve that that happens, to do that, I would have to be convinced that it is a good way forward because I would be bringing the proposition but I have no view on it at the moment.

The Deputy of St. Ouen:
Would it be possible, Minister, for you to provide the panel with some background information on the Health Insurance Fund and a bit of a summary of its uses and the reasons why surpluses need to be maintained and managed appropriately because I think that we are still lacking in our understanding of that particular area? It would really be helpful if you could provide us with that information.

The Minister for Social Security:
Yes, the last government review of the Health Insurance Fund unfortunately is December 2007, which we received in November 2011, but it does give you some of the information that you are seeking. The next review is due …

Policy and Strategy Director:
At the end of 2012.

The Deputy of St. Ouen:

But I am not sure, Minister, if that explains why the surpluses are required to be maintained at certain levels.

The Minister for Social Security:

Yes, it does.

The Deputy of St. Ouen:

It does? Okay, thank you.

The Deputy of St. Peter:

Thank you. I think I have got one of those. I remember attending your presentation.

The Deputy of St. Ouen:

Just picking up on what the Ministerial Oversight Group has been discussing with regard to providing the new health service and coming back to we see the contribution that the public currently make to G.P.s to fortify a contribution from your department. It is suggested in the Green Paper that in order to generate more funding, people could pay more to go and see the G.P. It also speaks about charges could be extended beyond primary care. Can you tell us if any discussions have taken place within that ministerial group around those suggestions?

The Minister for Social Security:

Yes but very vague discussions. I would not draw any conclusions from the discussions that have taken place because, as I said to you, since I have been Minister they were part of an agenda but we discussed that item for probably no more than 20 minutes and the rest of the agenda was about checking the White Paper wording and timetable, et cetera. That is my personal involvement because obviously I cannot talk on what happened in the past but not the detail that you are seeking, no.

The Deputy of St. Ouen:

Do you support the view that it would be useful and beneficial to both the public and the States to fully understand the cost implications of the new service and how it is going to be provided before we embark on the delivery of it?

The Minister for Social Security:

As a personal view, yes, it would be useful but I think we are all agreed, and should be agreed, I hope, that we cannot afford not to move forward with improving our health services in the Island, which have been neglected through lack of investment. So how the money is provided is an issue for the first medium-term financial plan which we will know more about when it is released soon. Beyond that it will be for future Ministers, future States, to decide how they fund the next phases. It is being rolled out in 3-year phases so I am told that this phase can be funded. Therefore, future States and future Ministers will be looking at the next 2 phases over the next 6 years.

The Deputy of St. Ouen:

How does that fit with, if you like, the long-term care proposals that the Government says: “Look, there is a defined need here. We want to provide this extra service. Therefore, this is the cost. Now let us make a decision.” How do you align what you just said regarding the new health provision with that model?

[15:00]

The Minister for Social Security:

There are distinct differences because the business cases for the second and third phases of the White Paper have not been developed yet so they have not been costed so nobody really knows the potential cost of some … everybody is hanging on the fact also that we may need a new hospital and refurbishment but that is a capital outlay which will be hopefully more or less a one-off expense. But developing new services in years 4 to 6 and beyond that, those have not been built up yet into business cases. Therefore they have not been costed so I do not know what they would cost. I guess if there

is no money, those next phases will not take place if the time comes but I do not know.

The Deputy of St. Ouen:
Okay, thank you.

The Deputy of St. Peter:
Does that concern you at all or do you feel that is the …

The Minister for Social Security:
I think it is the same for everybody. We all know where we would like to be but can we afford it? We are told we can afford the first phase within the new medium-term financial plan and I am sure we all hope that we will be able to afford the next 2 phases as well.

Dr. M. Gleeson:
One of the recurring themes that comes up in the White Paper is that patients are not attending their G.P.s for minor problems and going to the hospital emergency department because of the costing arrangements. Can you foresee any way you can help on this matter and encourage people not to use the Emergency Department and use the G.P.s instead?

The Minister for Social Security:
We would need to understand the exact reasons why people choose to go to the hospital. You have mentioned cost and obviously that is an element of it but it is also there are other reasons why people will not particularly choose to go to their G.P. than purely cost, I would suggest. Maybe it is a tradition in a particular country that you go to the hospital when you have an illness or you are feeling unwell rather than paying to go to a general practitioner and that tradition may have been carried on to people coming to live in Jersey. I put that forward as a possibility. I have no evidence to prove that. So I am not sure it is purely based on cost that people choose to pop down to the hospital. In other words, what I am saying is it is not necessarily that they cannot afford to go to the G.P. but it is just more convenient and easier to use the hospital.

What can we do about it? Obviously, we provide the medical benefit, which has just been increased to contribute a co-payment towards the cost of a consultation. One of the business cases refers to the fact that under 5's might get free G.P. consultations. Obviously, we would be interested to know how that will develop and who will fund that, how will it be funded, and basically we have been thinking for some time now that for people with chronic conditions, in particular, whether we could come to some sort of season ticket arrangement with G.P.s for funding care for that particular person for a set period. So there are areas like that that we could assist.

The Deputy of St. Peter:
How do you think the White Paper and its implementation will impact on the work programmes within your department?

The Minister for Social Security:
I am quite concerned. Because we keep appearing before you, I think we realise we have got a heavy workload because we seem to cross over on to other areas of other Ministers' and departments' work. We are very mindful that while we are involved with the delivery of the Health White Paper, it will involve extra work for officers but we may need to ask for additional resources and I am sure your panel will back us up on that.

The Deputy of St. Peter:
You are indeed a very hardworking department.

The Deputy of St. Ouen:
I think it might be the case that you are going to have to learn to say no.

The Deputy of St. Peter:
It is quite unusual to see the sort of cross-pollination of services, for want of a better phrase I guess, H.I.F. (Health Insurance Fund) with your role sitting alongside Health and Social Services. Do you envisage that there is a better way of reorganising that relationship? The Chief Officer has already alluded to the fact that the 3 of you are not professional healthcare professionals and I

presume you must have to buy in expertise and knowledge to help tackle some of the more complex issues?

The Minister for Social Security:
Taking, for example, the controlled prescribed list that we are responsible for, we get advice and we pay for that advice from a prescribing adviser. So we have professional advice, which is something we have been dealing with for a long time. It is nothing new. If we were to get involved in more contractual sort of work we would obviously have to have professional advisers to assist us. We know our limitations in that respect.

Chief Officer:
What happens in the future, of course, is uncertain. However, the primary care team that is being put together at Health and from the Health Insurance Fund will be there, among other reasons, to provide the Minister with assistance as well should we get into those more technical areas as a department. So that additional unit will provide the department with advice as it will Health as well.

The Minister for Social Security:
Yes and the primary care governance team will be funded through the H.I.F. so we have that connection.

The Deputy of St. Peter:
You will sit on another group or overseeing body, I presume, to connect the 2 or how does that work, if you have another slot in your diary?

Chief Officer:
There is talk in the White Paper, of course, more than talk, that there is a primary care cost cutting business case which we will work on on a more operational and policy basis. We meet regularly as a department with our colleagues at Health and Social Services and yes, in terms of developing the governance and quality framework contract, we do that collectively. We have

a machinery, if you like, that we do that together across the department so no doubt there will be more of those.

The Deputy of St. Peter:

What about the vision of the White Paper? Do you have any concerns about the vision and the content of its implementation from your perspective?

The Minister for Social Security:

I do not have any concerns about the vision. I think it is so long overdue but my concern is we are starting much too late on modernising our secondary and primary care services. That would be my main concern. This should have been got on with years ago and we can do nothing else but it is obviously in the Strategic Plan as a priority and we cannot not now move forward. We have waited a long time for this White Paper and I am not criticising in any way the current Minister but previous Ministers or Presidents have worked on policies which never came to fruition. So at least we are moving forward.

The Deputy of St. Ouen:

What do you see is the overall risk to implementing the vision?

The Minister for Social Security:

Money, it has to be money, because all these new services will cost money.

The Deputy of St. Ouen:

When you say “money”, is it simply the actual raising of it or the effects that raising the additional money will have on the Island?

The Minister for Social Security:

Both. If taxation does not generate sufficient surpluses, if you like, that can allow growth in the Health budget to accommodate the White Paper, then the effect of that would be either you stop the new developments and say: “We cannot afford them” or you increase taxes in some shape or form.

The Deputy of St. Ouen:

Can I ask, and this will be the last question I promise you, are the delays in the introduction to long-term care due to the fact that you would be required to consider pressures placed by the Health Department?

The Minister for Social Security:

Not as far as I am concerned, no.

The Deputy of St. Ouen:

It is simply because …

The Minister for Social Security:

Simply because, as I explained to your panel before, we want to be sure that when we produce our final regulations and orders that they deliver a plan that is fair for both contributors and recipients of the benefit and the main delay at the moment is because we are working with the Tax Department on collection of contributions and as I explained before, the tax year commences on 1st January 2013. We are going to miss the deadline for 2013 so we are aiming for January 2014.

The Deputy of St. Ouen:

Are you planning to use the work of the Tax Department to levy any other additional contributions that you are presently responsible for, apart from long-term care?

The Minister for Social Security:

I can answer that question but I am not sure it is relevant to any White Paper.

The Deputy of St. Ouen:

I think what we are trying to explore is some of the options that have been identified to fund the White Paper and it seems to me that it might be valuable in the work that you are undertaking with the Tax Department now. Maybe it is not, you can confirm or deny, but it might be the case.

The Minister for Social Security:

Yes the value of the work that we are doing now is that we are starting with a brand new benefit and a brand new fund and therefore working with our colleagues at Tax, we are breaking new ground, shall we say, in the collection of Social Security type contributions through the help of the Tax Department. You will recall that I have told your panel before that one of the benefits of using the Tax Department is that we can look to take contributions on all income that is earned and unearned income for both employees and in our case, because we need to put a levy on pensioners as well who have a higher income, we can do that because we are looking at all income. We cannot do that through the Social Security system. Now if in the future we want to collect our class 1, class 2, even class 3 if we bring in the new class contributions, if this was a very successful model that we developed for long-term care, we could move to doing something similar with the Tax Department to collect those contributions on all income as well. Of course, there would probably be savings in the delivery anyway because it would be one system as opposed to 2 systems. Certainly, the employers would probably like it because they would not have to deal with 2 different returns, et cetera.

The Deputy of St. Ouen:

Because presumably the 2 per cent contribution is simply going to be levied from employees, or is it going to be levied from both employee and employer?

The Minister for Social Security:

Just on employees.

Chief Officer:

But not only employee, on pensioners.

The Minister for Social Security:

Self-employed.

Chief Officer:

Maybe people who are not employees, but not employer.

The Deputy of St. Ouen:

All right, thank you.

The Deputy of St. Peter:

Okay, thank you.

Chief Officer:

Can I just clarify one thing because I think Deputy Hilton asked me a question within the context of the White Paper about funding community and midwifery services? I cannot remember the answer I gave now but I run the risk of having misled the panel. Over a period of time, we have had all sorts of conversations in all sorts of contexts about what the Health Insurance Fund could be used to fund to assist with ongoing and future service pressures but at this point in time, there is no proposal certainly from us either to fund those …

Deputy J.A. Hilton:

Those outline business cases.

Chief Officer:

Yes.

Deputy J.A. Hilton:

Okay, thank you.

The Deputy of St. Peter:

Thank you very much. Thank you for your time.

[15:15]